

Tools for Sustainable Regional Development

Experiences and Prospects

Tuija Hilding-Rydevik, Keith Clement, Karin Bradley and
Malin Hansen



Nordregio 2004

First published in 2004 by Nordregio.
PO Box 1658, SE-111 86 Stockholm, Sweden
Tel. +46 8 463 54 00, fax: +46 8 463 54 01
e-mail: nordregio@nordregio.se
website: www.nordregio.se

Tools for Sustainable Regional Development: Experiences and Prospects
Stockholm: Nordregio 2004 (Nordregio Report 2004:4)

ISSN 1403-2503
ISBN 91-89332-43-1

Nordic co-operation

takes place among the countries of Denmark, Finland, Iceland, Norway and Sweden, as well as the autonomous territories of the Faroe Islands, Greenland and Åland.

The Nordic Council

is a forum for co-operation between the Nordic parliaments and governments. The Council consists of 87 parliamentarians from the Nordic countries. The Nordic Council takes policy initiatives and monitors Nordic co-operation. Founded in 1952.

The Nordic Council of Ministers

is a forum for co-operation between the Nordic governments. The Nordic Council of Ministers implements Nordic co-operation. The prime ministers have the overall responsibility. Its activities are co-ordinated by the Nordic ministers for co-operation, the Nordic Committee for co-operation and portfolio ministers. Founded in 1971.

Stockholm, Sweden
2004

Preface

This volume reports on the results of the study entitled, *Progressing Sustainable Regional Development: Appraising institutional innovation and tools appropriate for Nordic practice*. The study reported here is part of the second phase of the Nordic research programme, *Future Challenges and Institutional Preconditions for Regional Development Policy*. The programme was commissioned by the Nordic Council of Ministers/Nordic Senior Officials Committee for Regional Policy (NERP). A pilot phase of the programme was reported in 2000 (*Nordregio* report 2000:1). The first phase was reported in the *Nordregio* reports 2001:7-8, 2002:3-6 and 9 and in the *Nordregio* working papers WP 2002:4-8 and WP 2003:1. Reports from six separate projects of the second phase (2003-2004) of the programme will be published successively throughout the autumn of 2004, together with a summary of the programme itself.

Nordregio wishes to thank the project team as well as the members of the Programme Steering Committee: Bue Nielsen (Denmark), Janne Antikainen (Finland), Kristin Nakken (Norway), Nicklas Liss-Larsson (Sweden), Kjartan Kristiansen (Faroe Islands), Bjarne Lindström (Åland Islands) and Hallgeir Aalbu (Nordregio).

Stockholm, September 2004

Author's preface

This volume reports the results of the study *Progressing Sustainable Regional Development: Appraising institutional innovation and tools appropriate for Nordic practice*. The focus here is on the role of certain tools in promoting sustainable development in the context of regional development policy and regional development programming work. While the national level in all of the Nordic countries remains in focus, special case studies were also undertaken on the regional level in Denmark, Finland and Sweden. We also look at the innovative tools and measures developed and implemented in Canada with the aim of promoting sustainable development also in the regional development context. Tuija Hilding-Rydevik was the project leader for the Nordic part of the study with Keith Clement leading the Canadian part. Karin Bradley and Malin Hanssen gathered the primary empirical data while also contributing to the analysis of the Nordic part of the study. Arto Ruotsalainen made translations of the Finnish regional development documents, while Keith Clement and Malin Hansen undertook the empirical data gathering exercise for the Canadian study. The division of writing inputs into the report was as follows: Tuija Hilding-Rydevik and Keith Clement – Chapters 1-2 and 12; Karin Bradley – Chapters 4, 5, 7; Malin Hansen – Chapters 6, 8, and the sections concerning the Regional Development Agency Atlantic Canada and Genuine Progress Index in Nova Scotia in Chapter 9; Keith Clement – Chapters 9 and 11; Tuija Hilding-Rydevik – Chapter 3 and 10.

Other ongoing Nordregio research projects focussing on sustainable development in the regional development context are:

- Regional Development Programming Processes and Regional Partnerships in the Nordic Countries and their Potential to Contribute to Sustainable Development (Phase 1 under completion and phase 2 to be started) (in co-operation with Linköping University, Sweden).
- Sustainable Development and Economic Growth – A socio-cultural perspective on regional programming processes) (in co-operation with the Royal Institute of Technology and Linköping University, Sweden).
- Sustainability indicators and monitoring; Assessing Environment and Sustainable Development Integration in the Nordic Structural Funds.

Stockholm, September 2004

Content

Section 1 – Introduction, aim, methodology and background	9
1. Introduction.....	11
2. Aim, research question and realization	16
3. Sustainable development and the concept of ‘tools’	21
Section 2 – The Nordic context	37
4. The regional development setting in the Nordic countries – instruments, actors and expectations of sustainability integration	39
Section 3 – The tools used in regional programming work in Denmark, Finland and Sweden.....	59
5. The region of Päijät-Häme in Finland.....	61
6. Nordjyllands Amt – Denmark.....	75
7. The region of Västra Götaland – Sweden	86
8. Södermanlands län	102
Section 4 – Experience of tools use in Canada.....	121
9. Experience of tools use in Canada	123
Section 5 – Summary of results, discussion and conclusions.....	151
10. Summary of results and discussion – Nordic study	153
11. Summary of results and discussion – Canada study	169
12. Overall comments and conclusions – Nordic and Canadian study.....	183
Section 6 – References and appendices	189

Section 1

Introduction, aim, methodology and background

In this section we present the initial ideas behind the project. The aim and methods used are presented. A short review of the history of the concept of sustainable development is presented in order to illustrate our perception of this concept. The global, European, Nordic and Nordic national contexts are touched upon, as is sustainable development in relation to regional development. The concept of 'tools' is discussed as a background to the discussion concerning the project results.

1. Introduction

Modern societies are at different stages in the long-term process of institutionalizing sound environmental management, but more significantly in their attempts to adjust to the broader perspective of sustainable development (SD). The political goal of SD focuses on the need to find, as much as possible, ‘win-win’ development situations for economic, social and ecological goals and activities. We interpret the political goal of SD as a call not only for technical and natural science innovations but also for institutional innovation – new ways of organizing, new ways of thinking, and new integrative perspectives, action strategies and concepts.

The regional level is conventionally expected to contribute to economic growth through the promotion of a range of development activities and projects. However, it is now also expected that regional initiatives should implement the goals of SD, as expressed in EU political rhetoric and strategy, as well as in recent Nordic national political statements and documents.¹ There is also an associated widespread expectation that certain policy ‘tools’ will secure the implementation of SD, for example in processes of spatial planning and regional growth programming.

1.1 *Nordic focus*

In the Nordic context, the application of sustainable regional development (SRD) within the individual countries was reviewed in a previous Nordregio publication.² Its findings included that there was a considerable diversity of approaches approximating to SRD in the Nordic countries, but that there was also a lack of awareness amongst Nordic regional policy makers of both the concept and practice of SRD. A follow-up project to identify lessons from Nordic experience in this field explored a range of case studies in considerable depth through an extensive interview programme.³

With regard to the Structural Funds in the Nordic countries, an ongoing comparative study within Nordregio has revealed that whereas environmental integration is largely effective, the performance on SD integration appears overwhelmingly ineffective.⁴ For example, for the four elements of strategy, targets, continuity and integration, the practical

¹ For example in the directives for the previous round of Regional Growth Agreements in Sweden, and in the Finnish regional development legislation. See chapter 4 for a fuller description and references.

² Clement K and Hansen M (2001)

³ Clement K, Hansen M and Bradley K (2003)

⁴ Clement K (2004)

adoption of SD methodologies have been adopted only to a very limited extent. There are no instances of innovative SD strategies incorporated within programmes, SD objectives are not translated into numerical goals or targets, moreover, there is little continuity from the strategic level down to project guidance, while the overall integration of the SD concept remains elusive.

Evaluations of the integration of horizontal goals such as the environment or ecological SD in different kinds of national regional development programmes in Sweden clearly indicates that to a significant extent integration has not come about.⁵ This lack of focus on the environment and SD in the national regional growth and development programmes moreover seems to be repeated across the Nordic countries, 2000).⁶

In many of the Nordic countries, the regional development level has used SWOT (Strength, Weaknesses, Options and Threats) analysis as a mainstream approach to co-ordinate regional development planning. Furthermore, there are numerous examples available where the SWOT methodology has been applied to examine a specific focus in programmes, e.g. environmental and gender oriented analyses of regional development. Evaluation of the use of SWOT analysis in the Nordic countries shows that there remains however considerable room to improve its strategic regional planning role.⁷

Concurrently, Strategic Environmental Assessment (SEA), Sustainability Appraisal (SA) and Territorial Impact Assessment (TIA) are instruments being developed in the systematic consideration of the environmental and sustainability aspects of planning and programming processes, alongside the development of indicators to guide the work with sustainability. Most of this work has featured the national and municipal levels as frames of reference, but it has also, to a limited extent, forced its way onto the agenda at the regional level (in connection with regional development programming).

The use of SEA⁸ in relation to the Structural funds does not show much progress⁹. It remains to be seen to what extent the forthcoming likely EU recommendations (for example based on the results of a thematic evaluation¹⁰ and the conclusions of *The European Regional Net-*

⁵ Näringsdepartementet (2002) and (2000)

⁶ Hilding-Rydevik, T (2000)

⁷ Karppi, I, Kokkonen, M and Lähteenmäki-Smith, K (2001)

⁸ Commission of the European Communities (1998)

⁹ Hilding-Rydevik, T (2001)

¹⁰ EU Commission (2002)

work on Sustainable Development to integrate SD in the Structural Funds) to apply SEA to the structural funds will change this situation. Moreover, in the next round of Structural Funding the new EU directive 2001/42/EC promoting the use of SEA will most likely be applicable to the formulation of Single Programming Documents¹¹.

In both the 'research' and 'practice' communities' widespread expectation exists over the ability of certain 'tools' to secure the implementation of SD in processes of spatial planning and regional growth programming processes. The substantive influence of tools such as for example Environmental Impact Assessment (EIA), with regard to minimizing adverse impacts, appears however to be somewhat limited.¹² In the Nordic context we also lack an overview in respect of to what extent SD is actually being pursued by the Nordic governments in the regional and regional development context, and this is true also for the use of SD tools in the actual role of the 'tools' in national regional development programming work. However, in relation to the Nordic countries, and to the integration of environmental issues and SD into the context of municipal administration and land use planning, a large number of studies have been conducted.

1.2 Institutional Innovation in Canada

Among the various efforts to institutionalise SD, one country has been especially innovative.¹³ In 1996, a new Commissioner for the Environment and Sustainable Development (CESD) was appointed within the Office of the Auditor General in Canada. With a mandate to report to Parliament, the Commissioner's role is essentially to hold the government accountable for – and to improve its performance in – protecting the environment and fostering SD.

The Commissioner does not attempt to make policy or change policy; instead, the focus is on the management side of government administration. Rather than questioning whether government departments are following the correct policies, his/her role is to assess effectiveness in the implementation of already-agreed policies. In practice, the Commissioner makes recommendations on how to achieve improved performance with regard to economy, efficiency and appropriate mechanisms, and to assess whether SD strategies meet their objectives.

Underlying the CESD work on reconciling economic development and environmental quality, particular attention is given to promoting in-

¹¹ EU Commission (2003)

¹² Cashmore et al (2004)

¹³ Clement K (1999)

tegrated decision-making. A commitment to equity is perceived as a key element of SD, interpreted as a fair distribution of the costs and benefits of development between rich and poor, between generations, and spatially between the different regions of the country.

The Commissioner's first report set out the mandate, priorities and work programme.¹⁴ By the time of publication of the CESD's second report, 28 government departments had prepared SD strategies.¹⁵ It was acknowledged that most departments had carried out the majority of tasks set in the earlier 'Guide to Green Government',¹⁶ but few had set clear and measurable targets that could be used as benchmarks – either internally, by Parliament or by the public – to judge whether the strategy was being successfully implemented. This unique Canadian initiative evidently holds valuable insights and expertise on institutionalising and operationalising SD within a range of government policy scenarios.

1.3 Contents of the sections

The report is divided into 6 sections. The first section contains chapters 1-3 and in these we present the initial ideas behind the project. The aim and methods used are then presented. A short review of the history of the concept of sustainable development is then outlined in order to illustrate our understanding of this concept. The global, European, Nordic and Nordic national contexts are then touched upon, as is sustainable development in relation to regional development. Finally, in this section the concept of 'tools' is discussed to provide background to the final discussion on the project's results.

Section 2 is wholly taken up by chapter 4, which provides a description of the different national regional economic growth and development programming policies and instruments in each of the Nordic countries. The main issue in this chapter is however the description of the national level political expectations concerning implementation of SD in the regions and in the regional development context.

¹⁴ Office of the Auditor General of Canada (1997)

¹⁵ Office of the Auditor General of Canada (1998)

¹⁶ Government of Canada (1995) *A Guide to Green Government*, Ministry of Supply and Services, Ottawa. Released in 1995, this document contained signatures of commitment by all of the federal Cabinet Ministers. It acknowledged the integrated nature of sustainable development, in that economic, social and environmental factors are fundamentally interlinked, and it emphasised that government policy must consider the potential impacts of any one component on each of the others. With regard to improving the quality of life, it highlighted the need to broaden measures of progress to include non-monetary dimensions.

Section 3 covers chapters 5-8, and contains the Nordic case studies. This section includes a description of the empirical results concerning the implementation of SD and the tools used in the regional development programming context, in total four regions across Denmark, Finland and Sweden are covered. Section 4, encompassing chapter 9, includes a description of the empirical findings of the case study on the SD tools used in Canada. Section 5, contains chapters 10-12, and covers the summary, analysis and discussion of the results described in chapters 4-9. Section 6 includes all of the references and appendices.

2. Aim, research questions and realization

2.1 Aim

Against this background, there still appears to be an urgent need for better advice and documented examples of good practice, including ideas and methods from countries outside *Norden*, on how to approach the task of integrating SD principles into regional development practice. Nordic regional policy-makers could benefit directly by critically examining the existing scope of SRD in Nordic practice, and thereafter considering whether alternative institutional frameworks and tools (in use or under development) could assist the integration process.

The aim of the project is thus to shed light on, give perspective to, and critically assess the Nordic situation concerning the implementation of SD at the regional level with a particular focus on institutional issues. With this overall aim in mind, the project has four inter-related objectives:

- Explore and critically review Nordic institutions and policy tools currently involved in implementing sustainable regional development.
- Shed light on the actual and possible role of tools such as SWOT-analysis, Environmental Impact Assessment (EIA), Strategic Environmental Assessment (SEA), Sustainability Impact Assessment (SIA) and Territorial Impact Assessment (TIA) in relation to turning the goal of SD into practice in regional growth and development programming.
- Identify and appraise institutional frameworks in Canada and tools not currently used in the Nordic context that may hold potential for significantly improving Nordic practice.
- Discuss and evaluate the Nordic situation in relation to the politically expected performance of the regional level in SD and also in relation to experiences in Canada concerning institutional issues and tools. Finally, draw conclusions concerning the scope for utilising or modifying these innovations for use in the Nordic countries.

2.2 The project design, questions and empirical studies

2.2.1 Nordic national context

The project commenced as a desk study with the aim of outlining the existing differences in national regional economic growth and development programming policies and instruments between each of the Nordic coun-

tries. In addition, the political expectations concerning implementation of SD in the regional development context was inventoried through examination of regional legislation, regulation and recent government bills in the regional field. The descriptions of each country were reviewed by national regional development experts.

2.2.2 Tools use in the Nordic countries

A closer look at tools use in Nordic regions was undertaken by means of case studies, including interviews and document studies. Considering the low implementation level of both SD and tools, (with the exception of SWOT-analysis), it was assumed that it would be necessary to choose cases from the frontrunners concerning SD.

The following questions provided the starting point for the Nordic part of the tools project:

- Which tools – SWOT, SEA, sustainability assessment etc – are used as a part of regional growth and development programming with the aim of introducing either ecological sustainability or the larger concept of SD (encompassing ecological, social and economic issues) in the Nordic countries?
- For what purpose have the tools been used, and what have the explicit expectations been, for example according to the Bartlett and Kurian typology¹⁷ (see section 3.2 for further information) Indeed, have there been any explicit expectations at all?
- Which actors apply the tools and who actually uses the results in the programming process?
- What effects have their application had on the programming process – compared for example to explicit expectations?
- Can differences be seen between the Nordic countries on the issues raised in the above questions? If this is the case, how can these differences be explained and characterized? It is also important to reflect upon the differences and whether they vary more between programmes than nationally. Is there a pattern, and if there is, how can it be explained?
- What potentials do the different tools have, and in what sense do they contribute to the implementation of SD? How do the different tools apply to the goals, perspectives and culture of regional growth and development programming processes in the Nordic countries, and in relation to political expectations of the regional level in its attempt to implement SD?

¹⁷ Bartlett and Kurian (1999)

Four regions were chosen as case studies – two in Sweden, one in Denmark, and one in Finland. Case studies in Norway were excluded based on the fact that, in spite of a number of enquiries, we were unable to find any Norwegian regions working with SD in their regional development work. We also had similar difficulties in Denmark, but we chose to include the North Jutland case because in this region they have a long record of implementing SEA. Other SEA cases found in Denmark had either been terminated or only recently begun. All in all, 12 individuals were interviewed representing a mix of the sectors' regional economic development, environment or SD and social issues in each region. The main regional development documents from each region were also analysed. The interview questions and the questions used in the review of documents are to be found in the appendix. The tools covered in the Nordic case studies are Strategic Environmental Assessment (SEA), SD indicators and SWOT-analysis. In the analysis of the regions more measures and 'tools' were however used in order to promote SD, which is described in chapters 5-8 and 10. The regions and documents¹⁸ included in the study are as follows:

Denmark: North Jutland (Nordjyllands Amt) SEA in the regional plan 2001 (Regionplan). The regional report on trade and industry 2003 (Nordjysk Erhvervsredogørelse), were analyzed.

Finland: The region of Päijät-Häme, SEA for the Päijät-Häme Regional Development Programme 2003-2006 (landskapsprogram).

Sweden: The region of Västra Götaland, indicators for SD, SWOT-analysis and a set of challenges for measuring regional development in the work on developing the Regional Growth Programme (regionalt tillväxtprogram)(valid 2004-2007).

Sweden: The County of Södermanland, indicators for SD related to the work on the Regional Growth Programme (regionalt tillväxtprogram)(valid 2004-2007).

Each of the descriptions of the regional case studies has been reviewed by the interviewees.

2.2.3 Canadian institutional innovation

In the fieldwork within Canada, the main aim was to identify the activities and impact of the Commissioner for Environment and Sustainable

¹⁸ In each of the chapters including descriptions of case studies the details can be found concerning which regional sub-documents that were used in the analysis.

Development (CESD), particularly with regard to regional development policy and implementation.

This was conducted initially through an examination of literature and reports, and latterly through interviews with civil servants in Canadian federal government departments (Ottawa), federal regional development agencies (Montreal and Halifax) and provincial governments (Quebec and Nova Scotia), and with specialist researchers and consultants. Overall, 16 meetings were conducted with a total of 25 individuals in Canada. The investigation examined the CESD (as an institutional innovation), and formal tools of SD strategies (SDS) used by federal departments and agencies, and the Genuine Progress Index (GPI), as applied in Nova Scotia.¹⁹

Several sets of themes and inter-related questions oriented both the literature reviews and the interview schedules as follows.

- What are the theoretical and practical assumptions underlying the establishment and operation of the Canadian Office of the Commissioner for Environment and Sustainable Development? How were these frameworks derived, and did the process draw on research investigations or acknowledged theoretical constructs? Does the CESD consider that a state of sustainability is achievable, or is it regarded only as an aspiration or incentive?
- Has the Office of CESD formulated or adapted tools and instruments for the measurement of sustainability? What are the boundaries of its responsibility, territorially and hierarchically? Where have its greatest positive impacts been, and how have these been measured and categorised? In what direction is the CESD expected to develop in future?
- How is the sectoral and regional integration of SD principles approached and achieved in the activities of the CESD? Are there operational sectoral SD strategies in the Canadian federal states, and does the CESD monitor their progress? *Which sectors have made greatest advances?* Similarly, for the public sector, has the second generation of SD strategies attained a sig-

¹⁹ GPI Atlantic (1998) Statistics Canada, the Nova Scotia Department of Economic Development, the Atlantic Canada Opportunities Agency, and the Nova Scotia Department of the Environment were joint sponsors of this alternative methodology to accommodate natural and social capital, as well as conventional economic indicators.

nificant improvement in quality, or a marked change of emphasis?

- With regard to regional development in the provinces, has the CESD directly or indirectly influenced practice in terms of integrating sustainability? As regional economic development is regarded as a shared responsibility between federal and provincial government, is there a common appreciation of methodologies to integrate SD? The federal regional development agencies are accountable to the CESD, so what scope does this offer and how has it impacted on the efficacy of moves towards sustainable regional development?
- In terms of Canadian progress in implementing and measuring sustainable regional development, what efforts have been made in the provinces to promote SRD, and how effective have these initiatives been? What are the main influences on practice, and do the regional development agencies follow similar pathways in this activity? Have specific studies or evaluations been adopted as guidance in this field, and is performance measurement – as defined by the CESD – practised and reported?
- In addition to the techniques and tools used on the international stage, what use has been made of the Genuine Progress Index (as described above) and has this impacted on regional development policy?

2.2.4 Evaluation, assessment and discussion

The final part of the project utilises the results from the different studies to beneficial effect as part of the overall research task. The final step is that of merging in an integrative evaluation:

- Research results on the Nordic situation in relation to the politically expected performance at the regional level concerning SD.
- Assessments of a range of tools for the SD fulfilment capabilities in the regional development context.
- Insights relating to practical and transferable institutional innovation in Canada.

Rather than following a normative perspective, the final report offers instead an informed discussion, from a researchers point of view, enabling policy makers to consider the various discourses and cultures in relation to the differing regional conditions.

3. Sustainable development and the concept of ‘tools’

3.1 Sustainable development

The concept of SD was defined and popularised through the work of the World Commission on Environment and Development (known as the Brundtland Commission) and their report *Our Common Future*, published in 1987. However, an understanding of the emerging environmentally negative side effects of economic and technological development was already evident in the book ‘Silent Spring’ written by Rachel Carson in 1962. A number of international and national efforts – in environmental research, politics, the activities of NGO’s etc – have since 1962, together with a number of environmental incidents, provided the basis for the emergence of the political concept of Sustainable Development. The term ‘sustainable development’ was used for the first time in the World Conservation Strategy: Living resources for Sustainable Development in 1980 (IUCN).

In 1992 the United Nations Conference on Environment and Development held in Rio de Janeiro, Brazil (also called the ‘Earth Summit’) established SD as a common goal for human development for the roughly 160 countries that attended the meeting that was to be manifested in the action programme, Agenda 21. Since 1992 SD has attained widespread acceptance and has thus become a goal in international, national, regional and local politics. It is now also gaining acceptance in the business community.

The roots of the concept of SD can be found in the emerging environmental consciousness of the 1960s and in the identification of the link between economic development and environmental degradation and pollution. Today however, the concept of SD has broadened its perspective to include three dimensions – *social, economic and ecological*. Moreover, the fact that SD should and does include these three dimensions seems to have now been unanimously accepted. There are however numerous interpretations of this concept. Most do refer to the Brundtland report definition of SD as their basis:

‘Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concept of ‘needs’, in particular the essential needs of the world’s poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organisation on the environment’s ability to meet present and future needs.’

(WCED 1987:43)

Thus far significant emphasis – in politics, practice and research – has been placed on the environmental dimension of SD. The social dimension is thus only now coming to the fore as an important part of SD.

Looking at the development of the concept, we can see that it has emerged from our understanding of important relationships between societal development and the state of the environment, in the sense that our understanding of development today has side effects in the form of environmental pollution, degradation and depletion. There has hitherto been a tendency to depart from this understanding thus in effect ‘disarming’ SD by introducing in its place the concepts of ‘economic sustainability’, ‘ecological sustainability’ and ‘social sustainability.’ Then suddenly we are back to business as usual i.e. the sector and non-systems thinking. This way of interpreting SD provides us with the opportunity to label almost any issue as relating to SD. There is then a tendency, when using SD, to include too much in the concept. As such, if it can be potentially related to everything then it quickly becomes emptied of its political and explanatory value. It does have the ability to serve as a sharp political and analytical instrument, if used in the ‘Brundtland spirit’ but if this is to be so, it desperately needs to be given a context specific interpretation.

3.2 The European Union and the Nordic countries

With the publication of the Brundtland Report and subsequently also the decisions of the Rio conference proceedings, the issue of SD was widely endorsed as a political goal in international, national and local politics (through for example Agenda 21 work). The depth of its ‘penetration’ into certain fields has however been anything but uniform. Indeed, one of the more recent areas to see the introduction of SD as a goal is that of regional development. Thus we should note that though the political goal of SD is now well established, the road to ensuring that SD is accurately related into everyday practice in both the public and private realms as yet remains some way off.

The European Union (EU) SD strategy was adopted in Gothenburg in 2001. The EU context for implementing SD is the Lisbon strategy, which adopted in 2000, is a 10-year strategy that aims to bring about economic, social and environmental renewal in the EU.²⁰ Notwithstanding this however, by as early as 1993, it was argued that environmental protection should be integrated into all other EU policy areas, while in the Amsterdam treaty of 1997, the goal of promoting the harmonic, balanced

²⁰ Lisbon Strategy homepage. All home page addresses are to be found in the references section.

and sustainable development of business was adopted. In Gothenburg 2001 four priority areas for EU SD work were established²¹:

- *Climate change*: Reduction of green-house gases (Kyoto goal) and progress towards the goal of having 22% of the electricity used deliverable from renewable energy sources by 2010.
- *Sustainable Transports*: A conceptual break should be made with regard to the link between transport growth and GDP-growth through e.g. moving away from the use of road transport to other modes of transport, actions against increasing traffic volumes and traffic congestion, noise and pollution and investments in environmentally friendly transportation modes.
- *Public health*: The union is expected to react to the concerns of citizens for food security and quality, as well as to the use of chemicals, and issues related to the outbreak of diseases and the increasing resistance of micro-organisms to antibiotics.
- *Natural resources*: The connection between economic growth, the consumption of natural resources and the generation of waste must change.

The progress of the Lisbon strategy as regards SD is published yearly in the Lisbon strategy report from the EU commission on the Lisbon strategy homepage.

The SD strategy of the Nordic council of Ministers²² ‘Sustainable development – New Bearings for the Nordic Countries’ was adopted in 2000. The Nordic SD strategy is the result of the SD declaration made in 1998 by all five Nordic prime ministers and the political leaders of the self-governing areas. It includes goals for 20 years ahead, and actions to be taken during the period 2001-2004. The SD strategy includes goals and actions in the areas of:

- | | |
|---|-----------------------|
| - climate change | - energy |
| - genetic resources | - transport |
| - environmental and cultural
landscape resources | - agriculture |
| - the ecosystems of the ocean | - fisheries |
| - biodiversity | - forestry |
| - chemicals | - greening the market |

²¹ EU commission (2003)

²² (2000)

– food security

– research and development in
favour of adjusting society and
its functions towards SD

The SD strategy is also complemented by a separate action strategy concerning spatial planning as an instrument for SD.

All of the Nordic countries produced national SD strategies in preparation for the UN World Summit on SD held in Johannesburg, in 2002. An overview of these strategies²³ concludes that the main focus in all of these strategies was on ecological sustainability, though social issues and in particular the relationship between the two are also seen as important. The Danish strategy (2002) puts relatively more emphasis on social sustainability for example through measures to decrease housing segregation, increased access to recreational amenities and good building quality safeguards and architecture. The Finnish (1998) and Icelandic (1998) SD strategies, followed by the Norwegian one (2002), seem on the other hand to focus mainly on environmental issues such as biodiversity, decreasing emission levels and the better use of local and renewable energy resources. The Swedish strategy (2001) resembles the Danish one in its emphasis on social issues, with, for example, access for people with disabilities and issues relating to children and youths, receiving relatively more space.

Today we also find SD strategies at the regional level, which will be described in more detail below. At the local level, *Agenda 21-plans* in line with the action strategy adopted at the Rio conference in 1992, have been set up in a vast number of municipalities as part of their SD work. Sweden and Denmark in particular have a high percentage of municipalities that have engaged in local Agenda 21-work, while Finland, Norway, Great Britain and the Netherlands all have a medium level of implementation.²⁴ The local *Agenda 21* work outlined in chapter 28 of the UN action plan *Agenda 21* is a relatively short chapter simply asking local authorities to initiate a dialogue with, and then mobilise the local population over, the issue of SD. Four concrete targets for this work have been outlined, for example by 1996 all municipalities should, achieve a local consensus on Local *Agenda 21* and develop planning processes that secure the participation of women and youths.²⁵

²³ Bjarnadóttir and Bradley (2003)

²⁴ Lafferty (2002)

²⁵ *ibid*

3.2.1 Sustainable regional development

The regions are traditionally expected to contribute to economic growth through the promotion of different activities and projects. They are now also expected to implement the broad political goals of SD. In many European countries regional politics and administration are now undergoing a significant period of change, particularly in regard to regional development and growth programming. The catalyst for such changes it is often argued lies in, among other things, 'The new regionalism' (a label used i.e. by Lovering²⁶) (regions being the locus for endogenous economic development in their own right), new regional development theories, 'greening of the market', regulations with regard to the EU structural funds, the 'partnership' mode of working and the recent focus on 'sustainable growth'. This regional arena is one of growing importance with regard to the wider implementation of SD. Regional growth and development programming is a new field for the implementation of the political goals, national as well as EU, of SD. The political goals to promote SD in the context of regional development are explicitly expressed for example in Sweden with regard to the regional policy area²⁷ and in the new regional development legislation in Finland that came into force in January 2003, as well as being found in the EU's own political rhetoric for example expressed in the Council regulations laying down general provisions for the EU Structural Funds (for example article 1 and 16 in EC/1260/1999).

There are obvious reasons why SD has become part of the regional development agenda. In the regional development arena important policy measures are taken that are in direct conflict with both the environmental and social dimensions of SD. For example, the regional measure to create 'region enlargement' – i.e. through increased transport and infrastructure measures to make larger parts of a regional working market available for a specific set of regional citizens – is in direct conflict with diminishing green house gas emissions if it increases transport work from vehicles with emissions with negative impacts on the climate. (Unless, of course, non-emitting modes of transport are used.) In the EU context the European Parliament and the Court of Auditors noted that potentially environmentally harmful projects were being financed and that no systematic environmental appraisal procedures existed to counter this.²⁸ Regional development also has a crucial role in economic development through the EU Structural Funds, where the Regulations have set an obligation for

²⁶ (1999)

²⁷ Prop. 2001/02:4

²⁸ CEC 1995 in Valve (1999)

environmental integration, and adherence to the principles of SD is expected in regional development programmes.

During 2002, the European Commission has become more closely involved in promoting the concept of sustainable regional development, and DG *Regio* has supported a thematic evaluation of the Structural Funds contribution to SD. SD is interpreted, in the assessment of the structural funds (EU commission 2002) with the EU and the Brundtland definition as its basis, though the three-pillared SD concept is turned into a four capitals idea, for the sake of the assessment:

- 1 *Manufactured (or man made) capital*, broadly synonymous with economic infrastructure;
- 2 *Natural (or environmental) capital*, covering all forms of ecosystems and natural resources that provide services for social welfare;
- 3 *Human capital*, relating to the stock of human productivity potential of individual people based on their health, motivation, talents and skills;
- 4 *Social capital*, relating to the stocks of social trust, norms and formal and informal networks that people can draw upon to access resources, solve common problems and create social cohesion.

The evaluation of the contribution of the EU Structural Funds shows that the main trade-offs in regional development identified are those between increases in manufactured capital with an associated decline in natural capital and increases in manufactured and human capital with an associated decline in social capital.²⁹ It is thus largely in relation to natural and social capital that trends indicate a decline in capital. This is due to regional policies mainly focussing investments in manufactured and human capital as major drivers for regional development. The negative environmental effects occur mainly as a result of new infrastructural investments (op.cit). This evaluation also shows that social welfare increases with increases in manufactured capital even if this is associated with a decline in natural capital.

Across the European Union, the concept of addressing sustainability as a regional concern has received increasing attention in recent years. The associated activity in pursuit of SRD has included a series of cross-national studies in attempts to identify common understandings, methods

²⁹ EU Commission (2002)

of appraisal and tools for SRD implementation.³⁰ In parallel, a network of researchers and research institutions has attempted to initiate cross-national co-operation – the European Network for Sustainable Urban and Regional Development Research (ENSURE). Taking its lead from the Graz Charter on Sustainable Regional Development, the network is active in holding regular workshops and occasional symposia, the results of which are disseminated through publication of conference proceedings.³¹

National efforts to promote SD in regional programming are quite different in the Nordic countries. In the current Danish governmental regional policy, sustainability is not mentioned at all. In the National Planning Report though, sustainability dimensions are included (Bjarnadóttir and Bradley 2003). In Finland the new law on Regional Development states that the goal of regional policy is: ‘...to create regional competitiveness based on knowledge and sustainable development in order to facilitate economic growth, development of the business sector and improved employment’ (Regional Development Act 602/2002). In the current Icelandic regional development plan sustainability is emphasised and it is stated that ‘the objectives of SD are to combine economic, social and environmental goals.’ In the current Norwegian government bill on regional policy (*Kommunal- og regionaldepartementet* 2001), it is stated that ‘the main goal is to secure a regional development, which in a sustainable way employs all parts of the country’. In Sweden, since 1999, the government has, put an emphasis on promoting SD in the so called Regional Growth Programmes which constitute the basis for the government’s decisions with regard to its economic input into the regions. The Nordic picture is further elaborated upon in chapter 4.

3.3 The ‘tools’ concept

A tool is something that can be used to achieve something one is aiming at – a carpenter uses a hammer for getting nails into the wood when building a house, a politician is dependent on legislators who use legislation to implement political goals, a planner uses plans as a tool to steer land use etc. There are many kinds of tools, and thus what can be defined as a ‘tool’ will differ with the context. The tools in focus for this study are those that are already in use, or are currently being introduced, and that aim to contribute to the promotion of SRD. The aim of this section is thus to introduce some of the expectations, successes and flaws of the various tools highlighted, i.e. SWOT-analysis, Environmental Impact

³⁰ Schleicher-Tappeser R and Faerber A (1998); Schleicher-Tappeser R and Strati F (1999); Schleicher-Tappeser et al (1999).

³¹ Gabriel I and Narodoslawsky M (1998).

Assessment (EIA), Strategic Environmental Assessment (SEA), Sustainability Assessment (SA), Territorial Impact Assessment (TIA) and SD indicators.

Research on how to make environmental issues an integral part of decisions and action has traditionally been perceived as a question of providing different kinds of decision-makers and agents with adequate knowledge (a better environmental knowledge basis will lead to more environment friendly decisions, or at least provide better possibilities to do so). Focus has therefore been laid on developing and providing

SWOT-analysis³²

The SWOT-analysis approach seeks to address the question of strategy formation from a two-fold perspective: from an external appraisal (of threats and opportunities in an environment) and from an internal appraisal (of strengths and weaknesses in an organisation). The model originally stems from the business management sector.

- A strength is a resource capacity the organisation can use effectively to achieve its objectives.
- A weakness is a limitation, fault or defect in the organisation that will keep it from achieving its objectives.
- An opportunity is any favourable situation in the organisation's environment.
- A threat is any unfavourable situation in the organisation that will keep it from achieving its objectives.

Regional SWOT-analysis concentrates on the region in question, not on the organisation undertaking the SWOT, as was originally intended in the management sphere. Thus the risk exists that the strengths or weaknesses of the organisation implementing the strategy in a particular region context will be overlooked³³

effective tools for the same reason. In the environmental tools context too little attention has been paid to the fact that knowledge, as opposed to information, is brought about through learning processes. 'Knowing what' is also different from 'knowing how'.³⁴ This means that reading about a set of organised statements of facts or ideas, as for instance in reports or governmental declarations, makes the reader 'informed'. In order to develop ones knowledge of a subject further processes have however to take place. Really 'knowing what' requires an assimilation of

³² Karppi et al (2001)

³³ Sotarauta, op.cit. p 153 in Karppi et al (2001)

³⁴ Ryle (1949)

new knowledge, while ‘knowing how’ requires still more creative processes. ‘Knowing how’ is related to skill and skill is a prerequisite for ones use of tools. By this we mean that the effectiveness of tools is dependent not only on the design of the tool but is also heavily dependent on the skills of the users. This is not often taken into consideration. This can be compared to the quality of a handicraft that is dependent on both the quality of the tool *and* the skills of the carpenter.

Environmental Impact Assessment – EIA

EIA was first formally established in the USA in 1969 (through the introduction of the National Environmental Policy Act). Since then it has spread, in different forms, to most other countries. EIA was introduced in the EU in 1985 through the Council Directive 85/337/EEC. In the Nordic countries more formal EIA legislations were introduced beginning in 1987.³⁵

In essence EIA is ‘a systematic process that examines the environmental consequences of development actions, in advance. The emphasis, compared with many other mechanisms for environmental protection, is on prevention.’³⁶ The main application of EIA is on development projects and the formal consent application preceding these. Over the years quite a distinct and international “Best EIA Practice” discourse has developed mirrored in most EIA legislations and textbooks. The relation however, between the proposed ‘best practice’ and the actual substantive outcomes, is not well researched.³⁷ Instrumental rationality has been the main line of thought in the EIA discourse.

The EIA concept has gradually diversified into Social Impact Assessment (SIA), Health Impact Assessment (HIA), and Cumulative Impact Assessment (CIA) etc.

So called tools like SEA, EIA, SWOT analysis etc are often perceived as being politically and normatively neutral and their effectiveness is often seen as not being context dependent. In relation to the EIA ‘tool’ this is indeed highly relevant. As stated above, not much effectiveness can be expected from EIA implementation worldwide. The discourse concerning how EIA functions and should function is highly normative and is often defined in so-called ‘best EIA practice’ guidelines internationally as nationally. These best practice guides picture implementation contexts guided by instrumental rationality without real world conflicts,

³⁵ Bjarnadóttir (2001)

³⁶ Glasson et al (1995)

³⁷ Hilding-Rydevik (2002)

power struggles and the presence and impact of other kinds of rationalities. A critical analysis of the rhetoric, legislation and

Strategic Environmental Assessment (SEA) and Sustainability Impact Assessment/Appraisal

Gradually for example environmental concerns and the growing recognition of the limitations of EIA only being implemented at project level led to the ideas and development of environmental assessment for the so called 'strategic levels' of decision-making. The concept of the environmental assessment of policies, plans and programmes (PPPs) or Strategic Environmental Assessment was then introduced. Beginning from the mid 1970s in the USA the debate on, and the introduction of, SEA legislation has been widespread. In the EU context this resulted in a lengthy process finally leading up to the directive 2001/42/EC, which should be implemented by the member countries by 21 July 2004. Some form of SEA legislation does however already exist in the Nordic countries (or did exist in the Danish case) before the introduction of the EU directive.

The discourse concerning what SEA is or should be, can broadly speaking, be connected either to the extension of EIA and based on the instrumental rationality trait, or to a more communicative planning and policy analysis trait. SEA however seems, in a Nordic context, to be most often implemented and developed in relation to land use planning. Compared to EIA, SEA is still in its early development stages.

In many instances SEA is seen as a tool to promote SD. There are however also special tools available that are devoted to assessing SD, called for example Sustainability Impact Assessment (SIA) (developed and implemented for the current WTO-round³⁸) or Sustainability Appraisal (SA). Regional authorities in the UK are required to assess the impacts of strategic options in regional development plans through Sustainability appraisal.³⁹

implementation of EIA shows that there also seems to be a clear void concerning explicit understandings and statements on the societal goals of the implementation of EIA.⁴⁰ These conclusions underpin the conclusions of Bartlett and Kurian,⁴¹ which state that the normative assumptions underlying implementation and the normative principles and values that ought to be driving EIA remain unaddressed and unanswered by scholars

³⁸ Kirkpatrick et al (1999)

³⁹ Jones (2004)

⁴⁰ Hilding- Rydevik (2002), Cashmore et al (2004)

⁴¹ (1999)

Sustainable Development Indicators ⁴²

A sustainability indicator is an indicator that measures progress towards the sustainable use and management of environmental resources with regard to economic, social, institutional and environmental issues. Attempts to promote sustainable development through the use of indicators are numerous though there is no universal set of indicators that can be used in any given context. Sustainable development indicators have been developed both for the sustainable development concept in general, and for specific sector purposes – agriculture, transport, fisheries etc. Indicators for company sustainability have also been developed. Numerous approaches, both quantitative and qualitative, have been used to develop such indicators. Sustainable development indicators encompassing lists of over 100 factors also exist, as do approaches where the end result is an aggregated single numerical value for sustainability, on a company or country basis. There are indicators where economic, ecological and social dimensions are placed in parallel lists, while efforts have also been made to combine the dimensions and thus to better integrate sustainable development indicators. The aggregation of indicators into one single sustainable development value can be done either numerically (using for example money as the value basis) or it can be done with the benefit of diagrams, something that has been done with regard to eco-efficiency in the pharmaceutical industry.

A number of international organisations such as the United Nations (Commission on Sustainable Development – ISD, Food and Agriculture Organization of the United Nations – FAO) and the Organisation for Economic Co-operation and Development (OECD) have developed their own sets of sustainable development indicators.

in the field. This is indeed also the case concerning tools like SEA, TIA and SA. It is assumed also to be relevant for SWOT-analysis. Two citations concerning the use of indicators in general, and indicators for SD more specifically indicate the effectiveness of such indicators:

‘Much of the measurement of indicators has, at the end of the day, largely resulted in just the measurement of indicators. The actual operationalization of indicators to influence or change, for instance, policy is still in its infancy.’

‘Projects geared to generating SD indicators tend to become myopically focussed on technical issues (what indicators, how many, how to aggregate, etc) rather than really consider usage to bring about change.’⁴³

⁴² from Alkan et al (2004)

⁴³ Bell and Morse (2003)

Each of the tools, and the discourses in which they are imbedded, represent a set of normative, theoretical and political assumptions and models concerning the functioning of tools, their expected effect and also how different planning and decision contexts function. We assume that

Territorial Impact Assessment (TIA)⁴⁴

'TIA comes from the same root as the term 'spatial planning', which expresses in the English language a concept of planning whose intellectual roots are essentially German, Dutch and French. In effect TIA can be understood as spatial impact assessment. The term TIA itself is a direct translation of the German term Raumverträglichkeitsprüfung (TVP in German). The statutory definition of the term RVP is set out in Section 15, §1 of the Federal Regional Planning Act (1998). '

'Comparable procedures do exist in other EU countries'. 'In those planning systems where TIA is a recognised procedure, it is a tool or procedure for assessing the impacts of a proposed spatial development against spatial policy objectives or prospects for an area. In principal, TIA includes all aspects of spatial planning whether they are environmental, social, economic or cultural in their impact. Thus TIA could consider the impact of a proposed policy on, for example, job opportunities, the housing market, the regional economy, the cultural heritage or tourist attractions.'

'...there is a very close relationship between TIA and Environmental Assessment under directive EEC/85/337. "Whilst valid comparisons might be made between TIA and EIA comparisons with SEA are also relevant. SEA is intended to maintain a focus on strategic issues and is aimed at an assessment of plans and programmes, rather than the project focus of EIA. These may have a trans-boundary or trans-national aspect to them, an issue of strong concern to many authorities in discussions of the value of TIA. However, it should be stressed that EA is not necessarily synonymous with TIA. While territorial aspects are considered this has involved a deliberate extension of the EA procedures.'

expectations on what can be achieved with the tools mentioned are not articulated enough in relation to the contexts where they are to be implemented, and that their effectiveness in contributing to learning and changing every-day practice in a more sustainable direction is therefore rather low.

Adger et al⁴⁵ claim that the environmental social sciences are being somewhat counterproductive in trying to produce understandings that

⁴⁴ Williams et al (2000)

⁴⁵ (2002) p8

apply to environmental governance in a single set of social settings instead of accepting the interdependence of results with the differences in institutional settings i.e. the implementation context of tools. Adger et al⁴⁶ also claim that decision makers in their every-day activity 'wrestle' with all of the four factors – the effectiveness, efficiency, equity and legitimacy of decisions and that many controversies in relation to environmental issues arise because not all dimensions are dealt with. Adger et al⁴⁷ pose a challenge to the environmental social sciences in treating the context together with these four dimensions in their research. A parallel can be made here to tools, which are often developed with a narrow view of the planning, programming and decision practice and the context in which they are expected to be implemented.

A tool would have to account for the agents' world, that is the situation and conditions as the active subjects see it. It is well known that information theory has been heavily criticized for neglecting to pay attention to the 'receiver'. Analogously with this we stress that an instrument or a tool for change must pay attention to the 'receiver' or to the one that is expected to execute the demanded change. In this we cannot and will not neglect the agents as subjects and as thinking and knowing persons. The whole matter concerns the development of their knowledge, of their learning and of their potential ways of acting and taking measures. In accordance with the perspective we accounted for in the previous passages, we perceive a powerful tool to be one that facilitates the agents to understand and change their own situations. A change would have to start by these agents' consideration of their own knowledge, apprehensions and interpretations of the situation. The tool would have to help the parties concerned to comprehend new perspectives, to innovative ways of changing the seemingly unchangeable factors on different levels, to open up new ways of intervening – to develop new ways of conceiving the situation, and to form new discourses and social practices.

From the point of view both of social science in general, and of this research programme in particular, the central questions are not what kind of knowledge and which tools or improvements of tools are needed in regional growth and development programming. Instead the vital questions concern an understanding of the scope for learning, change and interaction in these processes. Having 'answered' these questions, there will be a good basis for further reflection on which means or tools communication and interaction in such processes could best be improved.

⁴⁶ (2002)

⁴⁷ (2002)

Our point of departure is that each of the tools that will be focussed upon, and the discourses in which they are embedded, represent a set of normative as well as political assumptions and models concerning their function and expected effect. It is thus important to clarify these assumptions in each context where the tools are applied and also in relation to the 'tool discourse' they each belong to. These assumptions can best be expressed in some kind of tools typology for example concerning their objective:

- Data capture
- Scoping
- Screening
- Analytic & alternative generating
- Predictive
- Diagnostic
- Prescriptive
- Communication

Another typology presented by Bartlett and Kurian⁴⁸ is based on their analysis of existing implicit models for how and why EIA works, which is briefly presented in the box below:

- The information processing model
- The symbolic politics model
- The political economy model
- The organizational politics model
- The pluralistic politics model
- The institutionalist model

According to Bartlett and Kurian⁴⁹ all of these models have been empirically validated by different researchers.

⁴⁸ (1999)

⁴⁹ (1999)

The Bartlett and Kurian⁵⁰ typology of how and why EIA works (very short version)

'The *information processing model*, with its emphasis on EIA as a technique for producing, processing and transmitting information, assumes that rational, comprehensive decision making is not only desirable but possible. The driving normative assumptions of this model are *value neutrality*, *technical and scientific rationality*, and *the power of 'perfect' information* to ensure that the right decisions are taken by policy makers.'

'The *organisational politics model* of EIA makes the fundamental assumption that what is 'right' will prevail by the import of virtue into organisations. Bureaucratic organisations, in other words, will change for the better by getting the right people into the right place who will then incorporate environmental values into the organisation.'

'The *pluralistic model* seeks to achieve a higher degree of public participation in the decision-making process. EIA is primarily then a tool for ensuring more democratic processes and practices through citizen involvement.'

'The normative principles of the *political economy model* are *efficiency*, *innovation*, *flexibility* and *integration* – the mutually reinforcing environmental and economic benefits of using resources more efficiently by integrating environmental objectives into economic decision-making and providing incentives for the development and adoption of adaptive, minimising, preventive technology.'

'The *symbolic politics model* is *Janus-like* in the values and norms to which it subscribes. From one perspective, the purpose of EIA is assumed to be duplicitous – EIA is a formality that serves no purpose other than to generate huge volumes of information that remain inaccessible to people and are superfluous to the decision-making process. Others however see EIA as serving to create particular kinds of meaning that shape the world we live in. EIA's goal then is to become a tool for moral reaffirmation of certain values that have environmental preservation as their core.'

'Of all the models examined here, the institutionalist model most explicitly and extensively integrates normative principles with its operative aspects. The *institutional politics model* sees the purpose of EIA as the transformation of institutional values by changing the way of doing things in such a manner as to incorporate environmental values. Successful EIA will bring about changes in the mandates, rules and procedures of the agencies that in turn will influence and shape the notions of culture, values, norms and principles throughout society. Fundamental to the institutionalist politics model is a vision of EIA as a mechanism to bring about ecological rationality in decision – making - ...'

⁵⁰ (1999)

Section 2

The Nordic context

This section contains one chapter describing the existing different national regional economic growth and development programming policies and instruments in each of the Nordic countries. The main issue in this chapter, in relation to the contents of the project, is the description of the national level political expectations concerning implementation of SD in the regions and in the regional development context.

4. The regional development setting in the Nordic countries – instruments, actors and expectations of sustainability integration

The aim of this chapter is to describe the Nordic institutions and policy tools currently involved in implementing sustainability in the regional growth and development context. The chapter starts with a brief introduction to the field of regional development in the Nordic countries, followed by sections on each of the countries. In these sections, the background, i.e. the national economic and demographic context and the main trends in regional development policy, are outlined, followed by descriptions of the main regional development instruments and their status, and the central actors and their tasks. Each country section ends with a brief description of the political expectations as regards the implementation of sustainable development in the regional development context (i.e. the expectations coming from the government as part of the regional policy, not in the form of expectations from the environmental policy field).

4.1 Background – the field of regional development

In order to fully understand the field of regional development, its instruments and actors, it is important to outline the background to, as well as the trends and aims of regional policy in the Nordic countries. Finland, Sweden, Norway and Iceland consist of large parts of sparsely populated regions. In these regions unemployment is often widespread and without support the level of service would tend to be inferior compared to the more populated regions. In general, peripheral and sparsely populated regions are often dependent on mono-economic sectors, for example forestry, agriculture or fishing. In recent decades however, the Nordic countries have witnessed a steady urbanisation process, with available trends pointing to further urbanisation, primarily directed towards the capitals and the larger urban areas. To counteract the negative effects of these trends Nordic regional policy could be said to consist of three goals or pillars¹:

- Economic growth
- Distribution of welfare
- Distribution of the population.

The weight put on each of these goals however differs, often quite markedly, between the countries involved. Overall however, the goal of

¹ adopted from Nordiska Rådet (2001)

economic growth is the main priority of regional policy across the Nordic area, though most clearly so in Denmark, Sweden and Finland, with distributive goals being given comparatively more weight in Norway and Iceland.²

Another general trend in the Nordic countries is the decentralisation of regional development matters such that the regions themselves, to a greater extent, decide upon their development tracks rather than being 'steered' by the central government. This trend can partly be explained by the influence of and participation in the EU Structural Funds programmes³. The organisation of regional development work in programme-based partnerships is another influence emanating from the EU. As will be explained in the sections to come, the various systems of regional development are however now undergoing major changes in several Nordic countries.

4.2 Denmark

4.2.1 Background

Regional differences are generally rather small in Denmark. In fact, Denmark and Scotland are the two countries of Northern Europe where differences between centre and periphery are least⁴. Danish regional policy aims at keeping this regional balance, economically, socially and demographically⁵. This is for example articulated in the current National Planning Report where the goal and title is 'A balanced Denmark'⁶. In recent years however regional policy has evolved into being more growth-oriented⁷. Policy is now based on the idea that economic development is a precondition for social development⁸. The overarching goal is increased growth for the country as such, however, special attention is also directed to the peripheral and lagging regions⁹. The strategy of the government is that the regions themselves should decide upon a framework for development, within the public as well as the private sphere¹⁰.

² Knudsen 2002

³ adopted from Nordiska Rådet 2001

⁴ *ibid*

⁵ Indenrigs- og Sundhedsministeriet 2003

⁶ Miljøministeriet 2003

⁷ Knudsen 2002

⁸ Indenrigs- og Sundhedsministeriet 2003

⁹ Økonomi- og Erhvervsministeriet 2003

¹⁰ Indenrigs- og Sundhedsministeriet 2003

As Danish regional development policies have just emerged from a period of transition, it is perhaps still premature to attempt to evaluate the effect of budget allocations and changing goals and responsibilities.

4.2.2 Instruments and their status

Each year the Danish government produces a report to the parliament on regional policy (*regionalpolitisk redegørelse*). This report may contain bills aiming at more or less explicit regional effects. Overall, Danish regional policy has two main elements:

- *Regional economic policy*

This policy field is to a large extent influenced and financed by EU regional policy and the Structural Funds¹¹. In 2002 the government produced a strategy for growth in Denmark, which is to be followed up annually¹². In parallel, the government launched a regional growth strategy, which is focused on the development of peripheral and lagging regions¹³.

- *Physical planning*

On the national level, the physical planning dimension of regional policy is manifested in the National Planning Report (*landsplanredegørelse*). It is a national strategy and vision for spatial and physical planning, thus not only a land-use plan but also a physical or spatial plan encompassing regional development. Overall, cartographic approaches are common and physical plans and maps are used as central tools in regional policy, more so than in other Nordic countries¹⁴. In principle, the government should launch a national planning report after elections every fourth year, but if new governments are proclaimed more often than that, the procedures for report drafting are likely to be different.

It is also emphasised that the drafting of the National Planning Report and the drafting of the national growth strategies are being coordinated and that these reports shall be read in the light of each other¹⁵.

Regional development matters and procedures are not regulated in any separate law. It is largely up to each of the publicly elected regional authorities (see below) to decide how to deal with regional development

¹¹ Knudsen 2002

¹² Økonomi- og Erhvervsministeriet 2002

¹³ Økonomi- og Erhvervsministeriet 2003

¹⁴ Knudsen 2002

¹⁵ Miljøministeriet 2003

issues. In the planning act (*planloven*) from 1992, the responsibilities of the various actors and the status of different instruments are prescribed.

On the regional level, regional plans (*regionplaner*) are developed every fourth year. These plans include guidelines for land use, environmental protection and regional development.

From the mid 1990s onwards, the government gave financial support to the creation of Regional Development Programmes (*regionale erhvervsudviklingsprogrammer*), which formed a part of the regional plans. The Regional Development Programmes were to be formed and implemented in partnerships with different regional actors. This was seen as an instrument for creating common regional visions and strategies that the participating actors would be committed to work for. National financial support was available for all regions and it was largely up to the regions themselves to decide if, and in what way, they wanted to pursue regional development work.

Later on, this support took the form of thematic development programmes¹⁶. One of the thematic programmes for 2001-2003 was directed towards the establishment of so called 'regional growth environments', fostering co-operation between companies, universities and research institutes, using the various regional assets and strengths available¹⁷.

In 2003, the system was changed such that the government now offers financial support to regional growth initiatives in a selected set of 15 peripheral regions, instead of to all regions. These regions are functional regions (commuter catchment areas) rather than the prior administrative regions (*amter*). Despite the fact that the government has defined the 15 functional regions, the administrative regions concerned are to initiate the process of cross-border co-operation and are to initiate 'regional growth co-operation' (*regionale vækstsamarbejder*) in order to be eligible for such funding¹⁸. These regional growth co-operation arrangements are supposed to be organised in the form of partnerships, and to include different actors from the local, regional and national levels. These co-operative arrangements are then obliged to formulate regional growth strategies (*regionale vækststrategier*) where the fields of action are specified, which subsequently need to be approved by the national level in order to be funded.

Another regional development measure that emerged during the period 2001-2004 is that designed to promote so called 'innovation milieus', i.e. incubator centres where innovative entrepreneurs can get ad-

¹⁶ Östhol & Svensson 2002

¹⁷ Nordiska rådet 2001

¹⁸ Hilding-Rydevik et al forthcoming

vice, financial support for the company start-up phase etc. In 2001, eight 'innovation milieus' were established around the country and these are often linked to universities or research parks¹⁹. Financial support for the establishment of 'innovation milieus' is planned to continue after 2004.²⁰

4.2.3 Actors and their tasks

On the regional level, the central actors are the ten publicly elected county councils (*amtskommuner*) together with the Greater Copenhagen Authority and the regional council of Bornholm. These regional authorities are responsible for developing regional plans and as a part of these, the regional development programmes. The Danish regional administrative level has a comparatively strong role in relation to the other Nordic countries, where for example in Sweden the state regional authorities generally have the main responsibility for regional development. Overall, we can say that the Danish state 'co-ordinates' rather than 'steers' regional development matters²¹.

Lately however, the role of the county councils in regional development matters has been challenged by the ongoing development of regional cooperation across county and municipal borders, in an attempt to form functional rather than administrative regions²². Such voluntary co-operation is however also encouraged by the government²³.

On the national level, responsibility for regional development is shared across three ministries: the Ministry of Economic and Business Affairs (*Økonomi- og Erhvervsministeriet*) deals with regional economic policy and the drafting of the national growth strategy, the Ministry of Environment (*Miljøministeriet*) is responsible for regional planning and producing the National Planning Report, while the Ministry of Interior Affairs and Health (*Indenrigs- og Sundhedsministeriet*) manages the 'traditional' subsidy policy and produces the government report on regional policy.

The National Agency for Enterprise and Housing (*Erhvervs- og Boligstyrelsen*) - a part of the Ministry of Economic and Business Affairs - works specifically with improving conditions for economic growth, attractive cities and well-functioning housing markets.²⁴ The agency administers and co-ordinates the regional growth strategies described above.

¹⁹ Nordiska Rådet 2001

²⁰ Information given by Susanne Johansen, EBST, 2004-02-10

²¹ Knudsen 2002

²² *ibid*

²³ Indenrigs- og Sundhedsministeriet 2003

²⁴ www.ebst.dk

4.2.4 Political expectations on the integration of sustainable development into the field of regional development

In the current state of regional development report, sustainability is not mentioned at all. In the National Planning Report though, the issues of sustainability is alluded to, though it is not given a central role as was the case in the three previous national planning reports²⁵. The goal is to promote 'economically robust regions', though within the framework of the national sustainability strategy²⁶.

Overall however, the Danish government has continued to pay considerable attention to sustainability, while the national strategy on sustainable development from 2002 outlined a number of ambitious goals in this regard. For example, special attention was given to the need to decouple the link between economic growth and negative environmental effects²⁷. This is also discussed in the national growth strategy where it is stated that the growth shall be '[...] environmentally sustainable [...]. We shall fulfil our environmental obligations in the most effective way benefiting citizens and companies'²⁸.

Moreover, certain implicit sustainability expectations are inherent in the regional plans (and thus the regional development programmes) since these are designed "[...] to balance the societal needs of protecting the environment as well as creating good possibilities for settlement and regional development"²⁹.

4.3 Finland

4.3.1 Background

Before the fall of the iron curtain in 1989 a considerable share of the Finnish economy relied on trade with the Eastern block. The collapse of the Soviet Union in particular meant a drastic change and gave a severe economic shock to the Finnish economy, as Finland conducted as much as 20% of its trade with the Soviet Union. Losing this export base implied a need to re-orient the economy towards the EU. The initial changes however did not go very smoothly. The loss of the traditional export base, together with the opening up of the financial market and recession and financial crisis resulted in widespread unemployment. In 1990 the unemployment rate was 3,5%, rising to 18% in 1993³⁰.

²⁵ Bjarnadóttir & Bradley 2003

²⁶ Miljøministeriet 2003

²⁷ Regeringen 2002

²⁸ Økonomi- og Erhvervsministeriet 2002, p. 10

²⁹ Indenrigs- og Sundhedsministeriet 2003, p. 17

³⁰ Knudsen 2002

Regional differences in Finland were already considerable before the 1990s, but became even more acute during the 1990s. Investment, economic activity and population are mainly concentrated in a few urban areas – primarily Helsinki³¹, Turku, Tampere and Oulu³².

The crisis of the 1990s is crucial to understanding the new growth oriented Finnish regional policy that was subsequently to develop. Previously, distributive regional 'support' policies were more prevalent, while recent years have seen policies focused more on economic growth and specialisation with an overall view to increasing national competitiveness. The new strategy thus consists of developing the regional urban centres, the new growth poles, rather than the sparsely populated areas³³.

4.3.2 Instruments and the status of the instruments

Each new government is to draw up guidelines for regional development, which will form the framework for all regional planning instruments, spending and activities launched by the different ministries. Finnish regional development has a certain programming character, which means that thematic programmes are launched which local and regional actors can respond to, based on their regional conditions and needs. Since January 2003, regional development activities have been regulated by the Regional Development Law (Act 602/2002). According to the legislation, the activities are divided into three main programmes:

- *Regional Development Programmes ('landskapsprogram')*

These programmes are drafted for a four-year period, the first commencing in 2003, and outline the thematic emphases and objectives of development in the region in question. The programme is then used as a basis for annual Regional Development Plans, which are more detailed plans for the implementation of these activities and with specification of the financing attached.

- *The EU Structural Funds Programmes*

The EU Structural Funds have played an important role as a financing source for regional development activities and have also influenced the formation of the current programming oriented Finnish regional policy³⁴.

³¹ The metropolitan area is comprised of the municipalities of Helsinki, Espoo and Vantaa.

³² Knudsen 2002

³³ Nordiska Rådet 2001

³⁴ Nordiska Rådet 2001

- 'Special programmes'

The government makes the decision as to which 'special programmes' shall be undertaken. Current special programmes include the Regional Centre Programme, the Centres of Expertise Programme, the Rural Policy Programme and the Island Development Programme. Thus, there are programmes directed at different types of regions. It should be noted that the bulk of the regional development efforts are directed towards urban areas³⁵ and towards the strengthening of clusters. The policy is based on the idea that urban areas function as nodes and motors of development, a development that can then be diffused to other areas. Another central and related notion here is the specialisation of different regions and co-operation between these specialised regions. The programmes relating to the Centres of Expertise and the Regional Centre Programme are examples of this strategy, where regional specialisation, clusters and network co-operation are supported³⁶.

4.3.3 Actors and their tasks

In Finland there is no publicly elected regional level administration. It is thus the co-operation between municipalities that forms the 'regional level'. There are voluntary co-operation bodies, but overall inter-municipal co-operation takes, by law, form in the 20 *regional councils* ('*landskapsförbunden*'). Municipal politicians, elected on a four-year basis, populate the boards of these bodies. The regional councils are, among other things, responsible for regional development and for the drafting and approval of the regional development programmes and regional development plans.

The regional development programmes are developed in partnerships with other regional actors, mainly the Regional Environmental Centres (state regional offices under the Ministry of Environment), the business community, institutes for research and education, trade unions, municipalities etc. Partnerships are built in particular to form the *regional management committees* (RMC; in Finnish: '*Maakunnan yhteistyöryhmä*' or MYR). These bodies were originally set up in all Finnish regions (except Åland) with the task of guiding the implementation of the EU Structural Funds programmes and in particular of adjusting the financing between different development measures, but with the new legislation that was passed in 2003 they also attained a formal role in discussing the annually drafted regional development plans. The actors involved in the

³⁵ Knudsen 2002

³⁶ Nordiska Rådet 2001

committees' work are (1) the Regional Councils and their member municipalities, (2) the State Authorities and (3) the social and economic partners.

On the national level, it is the *Ministry of the Interior* that plays the central role in regional development matters. The Ministry is responsible for the outlining of objectives for regional development and the co-ordination of the implementation, monitoring and evaluation of development programmes, including the management of the EU Structural Funds programmes.³⁷ Also of importance here are the relevant state regional offices, primarily the *Employment and Economic Development Centres*, whose task it is to promote business and regional development for example through support and advice to enterprises.³⁸

4.3.4 Political expectations on the integration of sustainable development into the field of regional development

In the new law on Regional Development it is stated that the goal of regional policy is: '...to create regional competitiveness based on knowledge and sustainable development in order to facilitate economic growth, development of the business sector and improved employment'³⁹.

In other words, sustainability is seen as a means to ensuring that the overarching goals of economic growth and employment are reached. Overall, sustainability is not particularly emphasised in the regional development legislation, though it is central in the land-use legislation (Land Use and Building Act of 2000). The regional land-use plans are also compiled by the regional councils and in an ideal situation they could perhaps be seen as the "other side of the coin" (in relation to the regional development plan) in a sustainable spatial planning structure on the regional level.

4.4 Iceland

4.4.1 Background

Icelandic regional policy is a fairly new phenomenon. It was not until the late 1990s that the goals and instruments of regional policy were defined. The main challenge for Icelandic regional policy is the dominance of the capital region where two thirds of the inhabitants live. Reykjavik is the fastest growing capital in the Nordic countries while the smaller Icelandic towns and villages are becoming increasingly depopulated. This unbal-

³⁷ Ministry of the Interior: <http://www.intermin.fi>

³⁸ Employment and Development Economic Centre: <http://www.te-keskus.fi/>, 2003-10-05

³⁹ Regional Development Act 602/2002

anced settlement pattern is thus the main concern of the country's regional policy.

Historically speaking, Icelandic unemployment figures have been considerably lower than those of the other Nordic countries, while there are no large regional differences in employment levels within Iceland. Nevertheless, very few areas beyond the capital region are able to sustain themselves without the support of the government⁴⁰, which can be explained by the one-sided and vulnerable economic sectors, i.e. agriculture and the fishing industry. Employment in these sectors has however declined over the last decade.⁴¹ This then sets the scene for our understanding of the overarching goal of Icelandic regional politics, i.e. to foster diversified economies beyond the urban areas.⁴²

4.4.2 Instruments and the status of the instruments

Since 1999, the main instrument of regional policy has been the national plan for regional development, which is drafted for a four-year period and reviewed every second year.

The regional development procedures and responsibilities are regulated in a separate act from 2000 (Regulation No 347/2000 for the Institute of Regional Development). According to the act, the Minister for Trade and Industry is to take the initiative to plan, which is then to be developed by the Minister in co-operation with the Institute of Regional Development (see below). The plan shall then be approved by the Parliament. The plan shall contain the objectives and policy of the government as regards regional development, employment, public services etc.

The current plan (Regional Policy and Plan for Iceland 2002-2005) uses measures such as the creation of investment funds in provincial areas, improved communications, increasing public sector jobs and projects beyond the capital region, lower repayment levels for student loans in peripheral regions, the development of telecommunications, support for cultural activities etc.

Moreover, the government also produces sector policies and strategies for example concerning transport and energy that are not officially regional development strategies but do comprise regional development efforts and aspects.

⁴⁰ Knudsen 2002

⁴¹ Regional Development in Iceland,
<http://www.bygg.is/english/main/regdev.htm>, 2003-03-07

⁴² Nordiska Rådet (2001)

4.4.3 Actors and their tasks

There is no regional administration in Iceland. It is the 105 municipalities that are responsible for the implementation of regional policy. The municipalities can, however, voluntarily form co-operation bodies and for example develop a regional land-use plan. But so far, municipal co-operation has not played any central role in the field of regional development⁴³.

The central national actor is the state authority Institute of Regional Development (*Byggðastofnun*). The institute is supposed to ensure that the regional policy is implemented, however the capabilities of the authority are in fact very limited⁴⁴. The main role of the institute is actually to coordinate the activities of all actors working in the field of regional development.⁴⁵ Throughout the country there are eight semi-private regional development institutions, which have the task of fostering innovation, economic and residential development in the provincial regions. They assist local companies with analyses, financial advice, etc and they offer education and training in cooperation with research institutions.⁴⁶ The Institute of Regional Development disburses funding to the regional development institutions, assists them, co-ordinates their mutual co-operation and facilitates co-operation between them and the national institutions in the capital region.⁴⁷

4.4.4 Political expectations on the integration of sustainable development into the field of regional development

Icelandic society is to a large extent dependent on natural resources and thus there is widespread acknowledgement of the need for environmental management and concern. Environmental protection however often collides with the desire to develop power stations and heavy industry, often localised in the periphery and thus important to regional development⁴⁸.

In the current regional development plan sustainability is emphasised. It is stated that:

[...] the objectives of sustainable development are to combine economic, social and environmental goals. Many of the objectives of sustainable development and regional policy are the same. Moreover it is consistently

⁴³ Knudsen 2002

⁴⁴ Nordiska Rådet 2001

⁴⁵ www.bygg.is

⁴⁶ Regional Development in Iceland,
<http://www.bygg.is/english/main/regdev.htm>, 2003-03-07

⁴⁷ *ibid*

⁴⁸ Knudsen 2002

emphasised that government involvement in local and regional economic development will concurrently support the sustainable development of Icelandic society⁴⁹.

4.5 Norway

4.5.1 Background

Regional development policy has played a central role in Norway since the 1960s, which favours comparably to the other Nordic countries. Regional policy has however traditionally speaking meant a 'policy for the periphery'.⁵⁰ The settlement structure in Norway is now however becoming more centralised, though it still remains less centralised than in the other Nordic countries. It is primarily the urban areas and the central Østlandsområdet and the Sørvestlandet that have increased their population in the last two decades. Moreover, further urbanisation is expected in the years to come. The considerable investment in Norwegian regional policy should moreover be viewed in the light of the economic boom of the 1990s, which was derived from the prosperous oil and gas industries.

The overarching goals of Norwegian regional policy are to maintain the main settlement patterns and to ensure equal living conditions across the whole country.⁵¹ The aim here is to create 'robust societies' that are flexible and can adapt to new currents and demands in the economy, service, transport, and communication sectors and to encourage innovation.⁵² This is particularly important for regions with a one-dimensional economic base, for example the fishing industry or agriculture. Norwegian regional policy also includes separate efforts for peripheral areas suffering from significant population decline⁵³. The current regional policy also includes a plan for the decentralisation of the policy instruments to the regional level.⁵⁴

4.5.2 Instruments and the status of the instruments

The framework of Norwegian regional policy is roughly set every fourth year in a government bill (*regionalmelding*) to the parliament. Each year the government also presents a report on the current policy (*redegjørelse*) to the parliament, however, there is no separate law regulating regional

⁴⁹ Institute of Regional Development 2002, p 7

⁵⁰ Norland & Lafferty forthcoming 2004

⁵¹ Nordiska rådet 2001

⁵² Nordiska Rådet 2001 och

<http://odin.dep.no/krd/norsk/distrikts/index-b-n-a.html>, 2003-10-05

⁵³ Nordiska Rådet 2001

⁵⁴ <http://odin.dep.no/krd/norsk/distrikts/index-b-n-a.html>, 2003-10-05

policy. The main instruments of Norwegian regional policy are the Regional Development Programmes (*regionale utviklingsprogram*). These programmes are prepared by each county council in partnership with the government, which can be resembled to the EU Structural Funds Programmes where the partnership is between the EU and the nation states⁵⁵.

Since 2001 the Regional Development Programmes have been a part of the Strategic Plan for Economic Development (*Strategisk næringsplan*⁵⁶), where all regional development and growth activities are outlined, including the economic instruments for their implementation.

Examples of regional development measures currently used to promote settlement and investments in the Nord-Troms and Finnmark regions are, the abolition of payroll tax, the depreciation of study loans, the abolition of investment tax for the construction sector, tax breaks for citizens, no fee on electricity usage (i.e. you only need to pay the fixed fee), etc.⁵⁷

Moreover, there is no tax on electricity in the whole of Northern Norway.⁵⁸ Another instrument used to promote regional development is the policy to localise state offices and new public sector jobs beyond the capital region.

4.5.3 Actors and their tasks

On the national level, the Ministry of Regional and Municipal Affairs (*Kommunal- og regionaldepartementet*) is responsible for regional policy matters including the drafting of governmental regional policy. The tasks of the Ministry are to manage the instruments of regional policy, to co-ordinate the implementation of the policy with the regional and local actors, and to co-ordinate the work in relation to regional development across the different sectors and administrations.⁵⁹

Other actors on the national level include the Norwegian Industrial and Regional Development Fund (*Statens nærings- og distriktsutviklingsfond, SND*), the Industrial Development Corporation of Norway (*Selskapet for industrivekst, SIVA*) and the Norwegian Research Council (*Norges forskningsråd*). The three institutes deal with innovation, and assistance to companies in their start-up phase etc.

⁵⁵ Berg 1997

⁵⁶ See *Orienteringsbrev vedrørende forslag til statsbudsjett 2003 – Indikative rammer – Programkategori 13.50 Regional- og distriktpolitikk* from October 2002

⁵⁷ Nordiska Rådet 2001

⁵⁸ *ibid*

⁵⁹ <http://odin.dep.no/krd/norsk/distrikts/index-b-n-a.html>, 2003-10-05

On the regional level, the central actors are the county councils (*fylkeskommune*). These are publicly elected bodies, which among other things are responsible for regional development and planning including the preparation of the regional development programmes in partnership with the business community, municipalities, NGOs etc. The role of the county municipalities is a hotly debated issue as for several years it was the then government's intention to give them greater responsibility for regional policy.⁶⁰ The government that took office in 2001 has not however promoted such a development, and as such, the responsibilities of the county councils have diminished.⁶¹ According to the current government the intention now is that the responsibilities of the county councils should be more concerned with economic development than planning and environmental responsibilities as is currently the case.⁶²

4.5.4 Political expectations on the integration of sustainable development into the field of regional development

Since 1998, sustainable development has been seen as an overriding national goal for all governmental policies. Notwithstanding this however, *regional* sustainable development as a means of achieving such expressed national goals has not been taken up in either the Norwegian National Strategy for Sustainable Development or in the National Action Plan.⁶³

In the current government bill on regional policy⁶⁴, it is stated that 'the main goal is to secure a regional development, which in a sustainable way employs all parts of the country'. However, in this context 'sustainable' refers to demographic and economic sustainability rather than to ecological sustainability *per se*.⁶⁵

On the regional level, the county councils are responsible for regional development, while the state's regional offices, the County Governors (*fylkesmenn*), are occupied with environmental protection, particularly in relation to the implementation of environmental policy in the municipalities. This division of responsibilities has often meant that the two fields – regional development and environmental protection – seldom become integrated.⁶⁶

⁶⁰ Knudsen 2002

⁶¹ Kommunal- og Regionaldepartementet 2002

⁶² *ibid*

⁶³ Norland & Lafferty forthcoming 2004

⁶⁴ Kommunal- og Regionaldepartementet 2001

⁶⁵ E-mail from Ingrid Thorsen Norland, ProSus, Norway, 2003-01-26

⁶⁶ Norland & Lafferty forthcoming 2004

4.6 Sweden

4.6.1 Background

Regional policy in Sweden has traditionally been aimed mainly at the fair and equitable distribution of welfare and services across the country. Ensuring that living conditions across the country are 'equal' has however not only been a goal in itself but a means of ensuring that people continue to inhabit the different parts of the country. To have a balanced distribution of people or 'balanced regional development' has thus also been an important subsidiary goal of Swedish regional policy.

In recent years the focus of regional policy has however shifted from being directed primarily towards lagging regions and problems, to being directed towards all regions, while at the same time becoming increasingly focused on the realisation of 'possibilities' rather than the amelioration of problems.

Regional policy has to some extent also shifted from being mainly directed towards welfare to being more oriented towards economic growth. The term 'regional policy' indeed has now been superseded by that of 'regional development policy' and is marked by a merger of the two previously separate policy fields of regional policy and regional economic policy.⁶⁷ This policy shift can for example be illustrated in the governmental bill on regional development policy from 2001 "En politik för tillväxt och livskraft i hela landet"⁶⁸. In the bill, growth is seen as a prerequisite for other policy goals. The overall aim of the Swedish regional development policy is thus now seen as the encouragement of 'well-functioning and sustainable local labour markets with a good level of service all over the country'.⁶⁹

4.6.2 Instruments and the status of the instruments

The primary instrument of regional development is the 'Regional Development Programmes' (*regionala utvecklingsprogram*). According to the government bill on regional policy⁷⁰, all counties are, in the context of partnerships, to develop a Regional Development Programme (RDP), where the long-term development of the region is outlined.⁷¹ These programmes are then used as the foundation for more concrete and action

⁶⁷ Näringsdepartementet, <http://www.naring.regeringen.se>, 2003-10-01

⁶⁸ Näringsdepartementet 2001

⁶⁹ Näringsdepartementet, http://www.naring.regeringen.se/fragor/regional_utvecklingspolitik/index.htm, 2003-10-01

⁷⁰ Näringsdepartementet 2001

⁷¹ *ibid*

oriented development and planning activities, including Structural Funds Programmes and the relatively new instrument of Regional Growth Agreements/Programmes (the Regional Growth Agreements run until 2003 and those commencing in 2004 are now called Regional Growth Programmes). The overall aim of the Regional Growth Programmes is to stimulate 'sustainable growth' through better use of endogenous regional potentials. The means used here are sector co-ordination and the development of a cross-sectoral strategy for growth.

The growth programmes are instruments for strengthening the role of the regional level over regional development and planning and a means also to ensure the existence of a stronger link between the overall national growth policy and regional policy.

The programmes are to be developed and implemented in partnerships between the county administrative boards, municipalities, county councils, local companies, and non-governmental organisations.⁷² In general, the county administrative boards are responsible for co-ordination, but in regions where 'Regional Development Councils' (*kommunala samverkansorgan*) have been developed, these will be the co-ordinating organisations. The parties are to agree on a three-year programme for regional growth, which is to be financed by the members of the partnership, the state and the EU.⁷³

Many regions produced their Regional Development Programmes in the mid or late 1990s. Some regions, especially the regional self-government bodies, have however updated their RDPs in the last couple of years, while many other regions have instead focused on their Regional Growth Programmes.

4.6.3 Actors and their tasks

Since the latter part of the 1990s the system for regional development responsibilities has undergone a process of significant change. According to the national decree on regional development work (*Förordning 1998:1634 om regionalt utvecklingsarbete*) and the law on 'Regional Development Councils' (*lagen om samverkansorgan*, in force since 1 July 2002), responsibility for regional development matters can be organised in three different ways:

- Traditionally the 'county administrative boards' (*länsstyrelserna*) are the main responsible actor for regional development matters. The county administrative boards are the state regional authori-

⁷² Näringsdepartementet 2002

⁷³ *ibid*

ties, with the task of ensuring that national interests are taken into account, that laws are implemented, and directives followed etc. In 11 of Sweden's 21 counties the county administrative boards continue to carry the main responsibility for regional development.

- In order to develop a more democratic and decentralised regional development process, there have recently been a number of attempts to extend the process of regional autonomy across parts of the country. In two regions – Skåne and Västra Götaland – regional self-government bodies (*regionala självstyrelseorgan*) have been formed and the inhabitants in the region have publicly elected their representatives. These bodies have taken over responsibility for regional development activities from the county administrative boards. The 'regional self-government bodies' are also responsible for the disbursing of the main part of the state regional development funding.

This type of extended regional autonomy is however no longer encouraged by the government.⁷⁴ Instead, the regional organisation currently supported by the government is that where municipalities within a county can voluntarily form so-called 'Regional Development Councils'. These can be formed if all municipalities agree, and it is also possible for the publicly elected county council (*landstinget*) to take part in the body.⁷⁵ Once formed, responsibility for regional development is moved from the county administrative boards to these bodies. They do not however have the same level of control over regional development funding as the 'regional self-government bodies'.⁷⁶ By the beginning of 2004, eight 'Regional Development Councils' had been formed.

The national policy for regional development is developed by the Ministry of Industry, Employment and Communication (*Näringsdepartementet*) and as described previously, it is generally the regional state authorities (*länsstyrelserna*) that lead and co-ordinate the partnership process for regional development.

There are also a number of state authorities dealing with regional development matters. The National Agency for Business Development (*NUTEK*) monitors and evaluates regional policy and together with

⁷⁴ Svenska Kommun- och Landstingsförbunden:
<http://www.lf.svekom.se/tru/RSO/regionforsoken.htm>, 2003-10-03

⁷⁵ Finansdepartementet 2001

⁷⁶ Svenska Kommun- och Landstingsförbunden:
<http://www.lf.svekom.se/tru/RSO/regionforsoken.htm>, 2003-10-03

ALMI, which is partly owned by the county councils, they form a knowledge centre for business development and entrepreneurship.⁷⁷ The Swedish Institute for Growth Policy Studies (*ITPS*) is a newly founded institute for cross-sectoral analyses, evaluations, policymaking and business intelligence.⁷⁸ The Rural Development Agency (*Glesbygdsverket*) is assigned to work towards ensuring good living conditions and opportunities for the development of rural areas, focusing on the inland areas of northern Sweden and the archipelago.⁷⁹ In addition, the Environmental Protection Agency (*Naturvårdsverket*) received the special assignment of developing methods and instruments for sustainable regional development.⁸⁰

In December 2003 a Liaison Office for Sustainable Development (LOSD) was established in the Prime Minister's Office. The tasks of the LOSD are to coordinate sustainable development work within the Government Offices, to develop the national SD strategy, to represent Sweden in SD issues in different international contexts, and to function as a think-tank.⁸¹ According to Stefan Stern, the director of LOSD, they base their work on the 'modern definition' of SD. He states:

'Our task is to work with the three dimensions – economic, social and environmental – in a balanced way. We put emphasis on the need to understand the mutually supporting nature of the different dimensions. For example we do not look at the environmental issues separate from the other dimensions'.⁸²

4.6.4 Political expectations on the integration of sustainable development into the field of regional development

According to the government, the overall goal of Swedish politics is 'sustainable development' and this is said to apply to all policy fields, including regional development activities.⁸³

In addition, the Structural Funds programmes and the current Regional Growth Agreements are expected to integrate gender equality and environmental concerns as horizontal themes. Moreover, government directives state that the Growth Agreements/Programmes should contribute to an ecologically sustainable development.⁸⁴ In 2000 the government appointed a number of 'pilot regions' to develop better methods and

⁷⁷ NUTEK: www.nutek.se

⁷⁸ ITPS: www.itps.nu

⁷⁹ Glesbygdsverket: www.glesbygdsverket.se

⁸⁰ Naturvårdsverket: www.naturvardsverket.se

⁸¹ Prime Minister's Office: www.sweden.gov.se

⁸² Interview 30th March 2004

⁸³ Miljödepartementet 2001

⁸⁴ Naturvårdsverket 2002a

knowledge for the better integration of the environmental and gender equality aspects into the Regional Growth Agreements/Programmes.^{85 86} The Environmental Protection Agency (EPA) co-ordinated this work, as well as similar initiatives for developing strategies, methods and guidelines concerning sustainable regional development. The EPA thus subsequently published a number of reports and guidelines on the subject.⁸⁷

In the government bill on regional policy from 2001⁸⁸ it is noted that the Regional Growth Programmes shall form the basis of the long-term progress towards 'sustainable regional development'. The programmes are expected to contribute to 'sustainable growth', which is defined as 'growth which contributes to a sustainable development', more specifically 'to contribute to a situation where present and future generations of men and women are offered sound economic, social and ecological conditions'⁸⁹. It is also stated that the sustainability perspective shall be considered throughout the programming work, in drafting, analyses, implementation and evaluations.⁹⁰

⁸⁵ Näringsdepartementet 2002

⁸⁶ The pilot regions were, Västerbotten, Dalarna och Skåne. The results are published in Naturvårdsverket 2002a

⁸⁷ See <http://www.naturvardsverket.se/dokument/hallbar/hrut/hrut.htm>. Publications from the Environmental Protection Agency include: "Ekologiskt hållbar tillväxt" (1999) "Miljöintegration. Erfarenheter från fyra län" (2000), "Bredda perspektiven – miljöintegration i tillväxtarbetet" (2002), "Samverkan – Miljö och regional utveckling" (2002), "Det nya tillväxtarbetet – förändringsarbete för hållbar regional tillväxt" (2002) och "Vägar till hållbar regional utveckling" (2003).

⁸⁸ Näringsdepartementet 2001

⁸⁹ Näringsdepartementet 2002, p. 7

⁹⁰ *ibid*

Section 3

The tools used in regional programming work in Denmark, Finland and Sweden

Section 3, including chapters 5-8, contains the Nordic case studies. This section includes the description of the empirical results concerning the implementation of SD and tools use in the regional development programming context. In total four regions, in the countries of Denmark, Finland and Sweden, are included in the study. All in all 12 interviews and studies of regional documents provide the basis for this chapter. The questions used for the interviews and document studies are found in the appendix. The comparative analysis of the case studies are found in chapter 10.

5. The region of Päijät-Häme in Finland

5.1 Sustainable development and regional development work

5.1.1 General background¹

The region of Päijät-Häme is located in the southeast of Finland, approximately 100 kilometres from Helsinki. The region has around 200 000 inhabitants, of whom half reside in the city of Lahti. The region consists of twelve municipalities, both urban and rural. The population is very homogenous in the sense that only 2,7 % are non-Finnish citizens, which however is slightly higher than the national average.² The unemployment level is almost 16 %, which again is higher than the national average. The city of Lahti is traditionally known as an industrial centre and is currently focusing on industrial renewal. In terms of its economic base, the main sources of employment in the business sector are to be found within industrial design, primarily furniture and textiles. It should be noted that the Päijät-Häme region is one of the few regions in Finland without a university. It does however have a 'university centre', with branches of other universities.³ The region has a national tourism profile with a well-known concert house and theatre. It is also internationally known for its winter sports facilities and competitions. The region has a strategic transport location as it rests at the crossing point of several main routes to and from Finland's northern cities, Helsinki and St Petersburg.

The municipalities in the Päijät-Häme region have co-operated ever since the 1960s, and were comparatively early in establishing the new regional governance structure encouraged by the Finnish government, i.e. a sub-regional/inter-municipal governance model (see chapter 4) with responsibility for regional development.

5.1.2 Approach to sustainable regional development

Relevant documents

The work with the first Regional Development Strategy (RDS, *Päijät-Hämeen Maakuntastrategia 2001*) started in 1999 and it was clear from the beginning that sustainable development would be a core concern for the regional development of Päijät-Häme. The process began with the region declaring the strength of its political will on the need to translating

¹ This section is adopted from a section by Lähteenmäki-Smith (2004)

² The national average is 0,7 %.

³ The branches are decentralised units of the University of Helsinki, Helsinki University of Technology, Lappeenranta University and Tampere University of Technology.

this into a draft programme. Then the more 'scientific' or 'knowledge-based' aspects were added and adjusted to it. The strategy is an unpublished document of nearly 300 pages entitled MAST 2001. There is however also a more manageable public version available (2002). The strategy, which outlines the long-term vision of the development of the region up to year 2020, serves as the foundation for the development of the *Päijät-Häme Regional Development Programme 2003-2006* (RDP, *landskapsprogram*). This Programme in turn serves as the framework for Päijät-Häme's part of the EU Objective 2 Programme for Southern Finland, which is one of the most important implementation tools in the region.

Approach

The main approach used to integrate sustainable development into the regional development field has been the use of the EIA and SEA processes. In the development of the Regional Development Strategy, an EIA group commented on all drafts and the recommendations were also used in the final version of the programme. Later, the composition of the group was broadened, forming an SEA group, which was active in the formation of the Regional Development Programme 2003-2006. Currently the SEA group makes assessments of projects emanating from the EU Objective 2 Programme of the region.

Driving forces

The main reason given for Päijät-Häme's decision to work decisively with sustainable development relates to its desire to make the region more attractive to its current citizens as well as for potential citizens, visitors, companies etc. One of the interviewees explains:

'I think that the reasons are here in our vision. Because we would like Päijät-Häme to be an 'environmentally focused' centre of business, culture and tourism'. We called it a pleasant atmosphere. This is the reason.'

In several respects Päijät-Häme does more than is expected by the law. Thus it is obvious that the driving force behind the region's conversion to sustainability is not simply to comply with the legislation.

Success and its explanations

According to all three interviewees, the work undertaken thus far in Päijät-Häme in the context of sustainable regional development has been successful. The various explanations for this include the current popular awareness and knowledge of sustainable development and the work done by the knowledgeable EIA and SEA groups respectively. One of the informants is content with the Regional Development Strategy, but doubts how well it is actually being implemented. According to her, the doubtful

success of the implementation record can best be explained by both a lack of knowledge and a lack of 'will' of those who execute projects and finance them.

5.2 The definition and role of sustainable development

5.2.1 The definition of SD

The interviewees in Päijät-Häme say that the region works with sustainable development, in the sense that it encompasses environmental, social and economical aspects. Early in the process – in the development of the Strategy (2001) – the emphasis was mostly on the environmental aspects. In recent years however the approach has been widened and concern is now given to all three dimensions.

In the Regional Development Strategy (2001), sustainable development is defined as: 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (the Brundtland Commission). The basic conditions for sustainable development are said to be preservation of biological diversity, adapting the economic and material activity to nature's tolerance, achievement of equality and basic rights, facilitating the development of human capacity, and conservation of diverse cultures for future generations. Furthermore, the three common dimensions (environmental, social and economical) are all mentioned.

In the Päijät-Häme Regional Development Programme 2003-2006, it says that the programme is designed to implement the objectives of the Finnish Regional Development Act and '[t]he purpose of this Act is to create the preconditions for economic growth, industrial and business development, and a higher employment rate, that will guarantee regional competitiveness and well-being on a basis of competence and sustainable development.' (p.5, PHL 2003). Furthermore it notes that, 'regional development will be carried out within a long-term perspective according to ecological, economic and socially sustainable development' (p. 5, PHL 2003).

5.2.2 The status and integration of sustainable development

In the Regional Development Strategy (2001) as well as in the Regional Development Programme, SD is described as one of the eight guiding values or general principles driving the development of the region. In this respect, SD does not enjoy a privileged position, which is consistent with the fact that in the RDS the definition of SD is only mentioned at the very end of the document, and then, only as one of a number of important 'concepts'.

There are no thorough theoretical or even practical discussions of what SD ought to mean in the region. In spite of this, SD principles are rather well integrated in the proposed goals and priorities. For example, within the objective focusing on the development of businesses, environmental clusters and the transfer of environmental expertise are emphasised. SD, or rather environmental issues, is integrated into the documents through the EIA of the action policies, and the recommendations given by the EIA-group, while the Regional Development Programme notes that the environmental projects included in the RDP will improve the state of living environments, water, soil and the cultural environment. Thus the fact that the concept of SD is not set as *the* goal or explicitly emphasized does not necessarily mean that it is not well integrated.

Overall, the three dimensions of sustainable development appear basically to have been treated separately in the documents. For example the Regional Development Strategy (2001) is structured according to: (1) issues concerning the development of enterprises, (2) issues concerning the environment and (3) issues concerning the inhabitants. The interviewees clearly however see that these three dimensions influence each other and cannot be treated separately (see figure 5.1). The EIA and SEA groups have witnessed a number of situations where conflicting goals emerge in the region, the most striking example of this being the proposed establishment of a logistic centre in the city of Lahti. Firstly, profiling the region as a transport hub is problematic from an environmental point of view. Secondly, the suggested area coincided with an area that serves as the habitat of a rare population of flying squirrels. Here environmental concerns and economic goals clashed and the result was that the logistic centre is to be re-sited. Other areas where environmental and economic goals come into conflict can be seen for example in relation to measures for promoting tourism and the development of certain businesses. According to one of the interviewees then, the main future challenge is to have a more holistic SD approach.

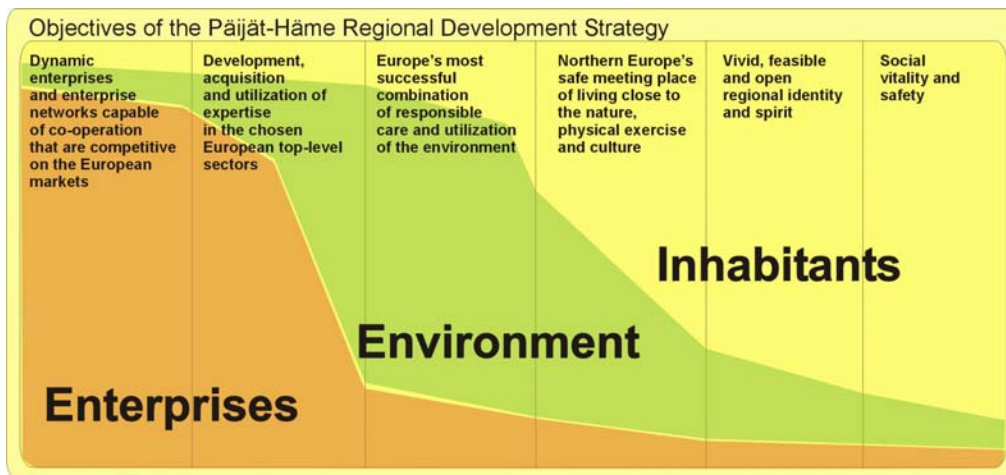


Figure 5.1: Objectives of the Regional Development Strategy showing how the three dimensions of sustainable development overlap

5.3 The tools used in progressing sustainable regional development

5.3.1 The tools used to integrate SD, and the context in which they have been used

The tools, their context and their users

The tools used to integrate sustainable development into Päijät-Häme's regional development work have been the Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) processes. In drawing up the Regional Development Strategy (2001), EIA was used to lever environmental and SD issues onto the wider agenda of the region's regional development work. The EIA work was carried out by the region's EIA-group, which is an expert group formed in 1999 in order to assess the impacts of the plans and programmes of the Regional Council. The EIA-group began with 15 members – mainly environmental specialists – representing the state authorities, the municipalities, NGOs and the Regional Council.

In order to better integrate SD into the strategy making process, the EIA-group defined three headline objectives for sustainable development in relation to the regional situation:

- The state of the environment shall be better and there should be ecological diversity.
- The regional economy is in good shape.

- The inhabitants are doing well and the region has a rich cultural tradition.

Each headline objective was then divided into sub-objectives, 33 in total. It was then considered whether action was needed to change the current trend relating to the 33 sub-objectives, together with an assessment of the region's abilities to influence the objective in question.

The EIA-group then assessed the six objectives (see figure 5.1) and the priorities of the Strategy by comparing them with the region's sustainable development objectives. The impact of each of the objectives of the strategy was either judged as negative or positive, together with an assessment of the degree of impact in relation to the SD objectives.

Eventually the composition of the EIA-group was changed in order to include a broader range of stakeholders and expertise, and in particular those with social and economic knowledge and interests. Representatives of the trade unions and the Chamber of Commerce etc now became members of the group, which was now renamed the SEA-group.

In the making of the Päijät-Häme Regional Development Programme 2003-2006, the region's SEA-group participated in the preparation phase and also made assessments of the impacts of the RDP. The RDP consists of six action policies: enterprise networks, 'know-how', the responsible utilisation of the environment, North European meeting place for housing, motion and culture, regional identity, social vitality and safety.⁴ Each of these action policies has been assessed in relation to the six SD objectives (see figure 5.1) adopted from the Strategy (2001) and it is stated whether the action policy has 'strongly negative, negative, positive or strongly positive' impacts.

In addition, for each RDP action policy there are indicators for monitoring, e.g. the number of new EMAS-certifications in enterprises, the number of projects with positive environmental impacts, the number of projects increasing the utilisation of renewal energy resources as well as indicators measuring economic and social development.

Currently, the SEA-group is making assessments of concrete projects that are part of the region's Objective 2 Programme. The group makes quantitative and qualitative assessments based on nine aspects, i.e. the impact on (1) emissions (2) consumption, production and energy-efficiency (3) regional and urban structure (4) nature (5) inhabitants (6) traffic (7) research and education (8) international co-operation and (9) other environmental impacts. The assessment of a project according to

⁴ Translated by Arto Ruotsalainen, Nordregio.

these nine aspects and their respective sub-themes is described in the following terms:

- An environmentally favourable project, if it has direct impacts notably improving the state of the environment (++).
- A project with minor environmental impacts, if it has small (-/+) direct or indirect impacts.
- A project with negative environmental impacts, if it has significant (-/+) direct or indirect impacts.

(see sub-themes and details in 'Form for Environmental Impact Assessment', Annex).

Each project manager is tasked initially to describe the project and make his/her own environmental assessment of the likely impacts. The project proposal is then sent to the members of the group one week prior to the meeting in order for each member to prepare and clarify questions beforehand. The SEA-meetings are held every other month and the representatives of the Regional Council make a suggestion for a common environmental assessment. The group then discusses the proposal and arrives at an agreement on SEA relating to the nine aspects, with recommendations relating to what they think ought to be changed in order for the project to attract funding and commence. The Regional Council or State Authority then makes the final decision on whether to fund the project. However, in general, the requirements posed by the SEA group need to be fulfilled in order for the project to attain funding.

The projects are grouped into environmentally favourable (e.g. educational projects, research and development projects, rural development projects, tourism projects or land use planning projects) and projects that need special monitoring (e.g. energy production projects, transportation projects and projects that increase the use of natural resources.) The projects are grouped by the financing authority, but if it is difficult, by the SEA group. The SEA group is then responsible for monitoring. The project manager is obliged to report back to the Regional Council and the SEA group on the general results as well as on the environmental impacts of the project when the project is completed.

The sources of the tools

The methods used in the EIA-group were developed by the civil servants in the Regional Council together with the representatives of the EIA-group. They defined the SD objectives, developed checklists etc. They, however, received some ideas from guidelines sent out by the Finnish Ministry of the Environment. According to one of the interviewees, other regions might find it useful to use similar tools, but the whole process of

defining SD and finding the appropriate tools is valuable in itself and the definitions and tools that one arrives at will most likely be different from region to region.

The form (covering the nine aspects mentioned above) used for the SEAs, is however 'general' in the sense that it was recommended in relation to the EU Objective 2 programmes. The SEA-group thought that the form suited them well and has not adjusted it to any specific regional conditions.

5.3.2 The Region's expectations with regard to the tools used, and their role in better integrating SD

Expectations

The interviewees in the region generally agreed that the tools would help to improve the local environmental impacts as well as having an influence more generally over time and across a larger geographical area. Indeed, one of them noted that:

'Of course the expectation is to make things better here. Some of the tools are used in order to develop the minds of people, to make people view things in a certain way, some tools are used to get an overview of the ideas and objectives of the region so that we get a full picture of how we are working. Some of the tools are project tools used to get a specific look into a project, like a magnifying glass, and for the project to be made well. So there are different purposes for the tools.'

At the same time, it is pointed out that fostering a sustainable regional development in Päijät-Häme is a huge task, which cannot be done simply through the use of tools. The crucial thing is thus how people think and even more importantly, how they act.

Benefits

Overall, the interviewees in Päijät-Häme believe that the tools have actually benefited their work as regards sustainable regional development. They are also satisfied with the level of SD integration into the Regional Development Strategy (2001), which serves as the foundation for all regional development work.

More controversially perhaps, the strategy notes that: 'it is difficult to sort out the effects of assessment on the decision making, but the EIA-group's views have at least put more stress on social issues' (p. 239, PHL, 2001), however, one of the interviewees thought that the notion of 'political will' received too much weight, at the expense of the more 'scientific' arguments for fostering sustainable development.

The interviewees are, however, generally content with the level of SD integration in the concrete projects currently being implemented through the Objective 2 programme:

‘Of course we want to influence how the project owner conducts the project, so that they really implement it in a sustainable way. And I think that we have succeeded with that, particularly with the limitations we have.’

The most often suggested explanation for the successful integration of SD across the region is the work of the highly skilled and devoted SEA group. One of the interviewees explained that the members of the group are very devoted to SEA and that they often spend their evenings and weekends reviewing project proposals. Today the various representatives have found a common understanding and work effectively together. The fact that the group consists of people with social, environmental and economic knowledge also instils in it much greater legitimacy compared to a group filled only with environmental perspectives. One of the interviewees noted in this regard; ‘In other regions, it is often only one person who is doing the strategic environmental assessments, but we have a whole group, a very good group’, while another continues:

‘I think that this is the best group in the country. This is even better than our board. I don’t know how many doctors we have in this group, but these people are very well educated. They are capable of discussing things on a high level. And the group, they really use a lot of time to study our programmes and the project plans.’

A rather different explanation relates to the power of the funding decision related to the Objective 2 projects. The SEA-group gives recommendations to the Objective 2 Secretariat as well as to the Regional Council, where the latter is a co-funder of the Objective 2 projects. In this way the Regional Council is in charge of both the SEA and partly also the funding, even to the extent that one of the members of the SEA-group is also one of the persons that decides whether or not to fund projects.

5.4 The future role of the region in progressing sustainable development

5.4.1 The future work on sustainable regional development

Two of the interviewees noted that they would like to develop indicators for sustainable development in the region. This is seen as an important tool in defining concrete goals as well as in evaluating progress in the region. Moreover, it is felt that more knowledge is necessary, in particular, concrete knowledge relating to the environmental impacts of different kind of activities. Such knowledge is considered as necessary for all – the

region's officials, the SEA-group and the project managers. One of the interviewees notes in this regard: 'And of course more knowledge would be good. For instance me, I need more knowledge about this, about sustainable development aspects' while another chips in: 'I also need more knowledge and facts.'

A further factor making the region's development more sustainable is that of increased financial resources. For example when the SEA-group recommends that a project manager use more environmentally friendly technology, this often implies increased costs, which are not always possible to cover. Thus, the SEA-group wishes they had an extra pot of money that they could earmark for such recommended project environmental improvements.

5.4.2 The role of the regional level in relation to other administrative levels

The interviewees in Päijät-Häme believe that the regional level has considerable power and is important in fostering sustainable development. As the Finnish regions both make binding land use plans and are in control of EU funding for concrete projects they have more powerful instruments than the municipalities. This is now even more obvious as the financial resources of the municipalities have continued to diminish in recent years. One of the interviewees also pointed out here that it might be easier for the regional level to work with sustainability issues such as transport, as compared to the municipal level. The region undoubtedly has a better overview of the wider picture.

5.4.3 The expectations of, and support from, the national level

In relation to the expectations of, and the support from the national level, it is primarily the Häme Regional Environmental Centre (REC) and the Ministry of the Environment that the officials in Päijät-Häme are in contact with. One of the interviewees' notes: 'We feel that we are pushed, in a positive sense, to work with sustainable regional development. The legislation puts quite a lot of pressure on us.'

The Ministry of the Environment produces guidelines and arranges seminars for compliance with new legislation and directives, something that is appreciated by the officials in Päijät-Häme.

All three interviewees seem content with the current system and with the division of responsibilities between the different levels. One of the interviewees explains: 'It works fine, we have good co-operation with the national level, the Regional Environmental Centres. They say to us what we can do and what we cannot do.' The other interviewee continues:

‘The Regional Environmental Centres have a lot of power and knowledge, but we have good instruments. Of course we get a lot of help from them because they have so much knowledge. But I think that we co-operate. We are even partners in a way.’

If something ought to be improved it is the financial situation. All of the interviewees say that the Regional Council would be more effective in its work for sustainable development if they had access to a greater level of resources, more time to read guidelines etc and more money to fund projects that could serve as ‘good examples’.

Regional documents used in the analysis

Päijät-Hämeen Liitto (PHL) (2002), *Päijät-Hämen Maakuntastrategia 2001* (light version of the Regional Development Strategy), approved by the Regional Board June 4m 2001 and by the Regional Council June 18, 2001.

Päijät-Hämeen Liitoo (PHL) (2003), *Päijät-Hämen Maakuntaohjelma 2003-2006* (Regional Development Programme 2003-2006), approved by the Regional Council June 16, 2003.

Päijät-Hämeen Liitto (PHL) (2001), *Päijät-Hämen Maakuntastrategia 2001*, Versio 1.0, MAST 2001 (the full Regional Development Strategy), approved by the Regional Board June 4, 2001 and by the Regional Council June 18, 2001.

Various documents, guidelines and forms used by the EIA and SEA groups.

Annex

Form for Environmental Impact Assessment

Applicant:

Name of the project:

Subject to be affected	Direct impact ++/0/--	Indirect impact ++/0/--	Verbal account
1. Impacts on emissions			
- state of surface water			
- groundwater			
- soil			
- air			
2. Impacts on consumption, production and energy			
- reducing the amount of wastes			
- utilisation and recycling of wastes			
- energy conservation			
- energy and material efficiency			
- utilisation of renewal energy			
- utilisation of local natural resources			
3. Impacts on regional and urban structure			
- utilisation of existing infrastructure			
- quality and amount of recreational and natural areas			
- natural and cultural landscapes			
4. Impacts on physical environment			
- unity of natural areas			
- threatened and rare species			

- nature reserves and <i>Natura</i> 2000 areas			
5. Human impacts			
- living conditions and attractiveness of the living environment			
- health and safe environment			
- knowledge and own activity			
6. Impacts on traffic			
- accessibility of services, transportation needs			
- promotion of public and bicycle and pedestrian traffic			
- intensifying of logistics			
7. Impacts on research and education			
- environmental technology			
- environmental knowledge and awareness			
8. Impacts on international co-operation			
- environmental emissions in the neighbouring areas			
9. Other environmental impacts			
- other impact			
- other impact			
10. The project causes significant negative environmental impacts - Arguments for the launching of the project and reporting of the mitigation of negative impacts			

Projects are assessed with the following scale

(--) significant negative impact:

- (-) minor negative impact
- (0) neutral environmental impacts
- (+) minor positive impact
- (++) significant positive impact

Direct impacts: Impacts resulting directly from the implementation of the project

Indirect impacts: Impacts that arise after the project implementation or cumulative impacts

The applicant assesses project's environmental impacts and classifies it as:

- environment friendly project, if the direct impacts improve significantly (++) the state of environment
- project that has minor (-,+) direct or/and indirect environmental impacts
- project that has significant (--) direct or indirect negative environmental impacts

6. Nordjyllands Amt (County of North Jutland) – The Danish pilot region applying SEA to regional plans

6.1 Sustainable development and regional development work

6.1.1 General background

The County of North Jutland is situated in the northeastern part of Denmark. The region covers an area of 6173 km², and thus is the largest county in Denmark. The county has a population of some 490,000 inhabitants, distributed over 27 municipalities.⁵

The region has traditionally depended on industries such as agriculture and fisheries. Even though these industries still employ a large proportion of the population, this share is however continuing to decline over time. The private service sector, especially business services, is the sector where the most extensive growth is to be found today. New areas of business are being developed, such as for example those relating to bio-medico and nano technologies.⁶ In addition to the promotion and support of new and expanding businesses, the county is also trying to promote the growth potential of its traditional businesses.

In 1974, Aalborg University became the fifth Danish university to be established. In 2003, in total 13,000 students were registered at this regional university, which covers education and research within the fields of the humanities, engineering, and the natural sciences and social sciences.⁷

The administrative responsibilities of the county (*amt*) lie somewhere between those of the state and those of the municipalities. The Danish counties are currently responsible for tasks that are thought to be too comprehensive to be administered by the municipalities, such as for example, hospitals, upper secondary schools, regional planning, nature and environmental protection, roads, railroads and public transport. There is at present however a debate going on in Denmark over the division of tasks between the various levels of government, and the future existence of the counties/regions, at least in their current form, continues to be a heated topic of discussion (see chapter 2).

⁵ www.nja.dk

⁶ Nordjyllands Amt (2003)

⁷ www.auc.dk

6.1.2 Approach to sustainable regional development

Relevant documents

The circumstances surrounding the Danish case study are somewhat different from those of the other case studies in this report, simply because of the simple lack of an official regional development/growth document. To compensate for this, a useful snapshot of the regional development work currently being carried out in North Jutland has been developed by studying the two most important documents in relation to regional development, i.e. the regional plan (*Regionplan 2001*) and a report/statement on trade and industry development (*Nordjysk Erhvervsredegørelse 2003*, both of which were prepared by the County Council. The interviewees state that these documents can together be seen to provide a fairly good picture of the regional development/growth work. In general, the Danish regional plans are very broad in what they encompass, and in addition to the usual spatial planning issues they also, to some extent, deal with regional development matters. The extent to which the regional development matters are handled within the regional plans differs from region to region, i.e. there is no official guideline or regulation on this, and thus it is up to the individual council how they want to stress these issues.

Approach

The main focus of this case study is on the environmental assessment of regional plans. North Jutland was the first region in Denmark to try to carry through a strategic environmental assessment (SEA) of a regional plan. Between 1995-97, the region, together with the Ministry of Environment and Energy (*Miljø- og Energiministeriet*) and Roskilde University, was engaged in a pilot project in this regard. The launching of the pilot project was a reaction to the then upcoming SEA Directive⁸, which meant that by July 2004 at the latest, SEA regulations were expected to be implemented into Danish legislation. As of May 2004 this implementation was finally put in place, and the new law on the environmental assessment of plans and programmes⁹ among other things contain regulations concerning the SEA of regional, municipal and local plans.¹⁰ Thus, the North Jutland pilot project was a first attempt at trying to find a way to integrated SEA into the existing planning process at the

⁸ European Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment, known as the 'strategic environmental assessment' or SEA Directive.

⁹ Lov nr. 316 af 5. maj 2004 om miljøvurdering af planer og programmer

¹⁰ www.lpa.dk

Driving forces

The main purpose of trying to assess the environmental impacts of the regional plans has been the wish to improve the decision-making process, and thus in principal it should not be seen as an attempt to improve the integration of the region's environmental aspects or of sustainable development more generally. One interviewee notes in this respect, 'Yes, [improving the decision-making process] is probably the most important thing really, more than securing sustainable development.' Though in addition to improving the basis for decision-making, the desire to secure sustainable development is frequently mentioned by the interviewees.

Success and its explanations

Overall, the interviewees stated that the work done in relation to integrating sustainable development or environmental considerations into the regional development work of North Jutland has been comparatively limited. The environmental assessments in relation to the regional plans are mentioned as the prime example of this integration work, but at the same time this effort is said to be fairly general in nature. The interviewees forward a number of explanations as to why this attempt at integration has been so limited, with one possible explanation being the fact that their work was done as a part of a pilot project, meaning that it was more about discovering the best possible way to carry through an environmental assessment, than about really using it in a practical way within the everyday work of the county. Another explanation is that the assessment was done too late and was undertaken outside the actual planning process. Another reason often mentioned was the lack of interest shown by regional politicians in promoting these issues. Finally, the fact that the region in question was peripheral even within the Danish context meant that there were other issues that were felt to have been of a more pressing nature than those of integrating/promoting the environment and sustainable development.

6.2 Definition and role of sustainable development

6.2.1 The definition of sustainable development

In the chapter on 'objectives and visions' in the Regional Plan 2001, the Brundtland definition of sustainable development is cited. This definition is followed by an example of an alternative way to describe the message of the Brundtland definition: 'to put it another way, the measure of sustainability lies in the fact that the choices we make today should not backfire on us in the future as environmentally, socially or economically unacceptable problems. This applies to local as well as to the global conse-

quences of a choice.’¹¹. On the rare occasion that the concept is actually mentioned in the plan the description is rather homogenous but comprehensible. When it comes to the report on trade and industry development however, the concept of sustainable development does not appear at all.

When asked if they were working on integrating the holistic concept of sustainable development or on integrating environmental aspects, regional planners said that they were working on what they called ‘the traditional understanding’ of sustainable development. By this they meant environmental sustainability in its very broadest sense, i.e. encompassing the natural as well as man-made nature. They believed that they were to some extent also working with the holistic concept of sustainable development in that they were working towards the objective of sustaining small communities across the county. They pointed out here that the only place where the environmental and sustainable development issue really comes in on the regional level is in the context of the regional plan. They agreed however that the regional plan was much about weighing interests against each other, and that this was very similar to what an environmental or sustainable assessment of a plan was intended to accomplish.

One of the difficulties, noted previously, in pursuing sustainable development in North Jutland relates to the fact that they see themselves as a peripheral region, i.e. a region lagging behind other Danish regions. At present then, issues relating to the promotion of sustainable development do not feature at the top of the region’s agenda, while issues such as combating unemployment and sustaining and promoting the economic development of the region, are given a much higher profile. One of the interviewees notes in this regard that this way of viewing things probably might have a lot to do with the region’s ‘mental horizon’: ‘Our biggest companies are very “environmentally heavy”, like a cement and an asbestos cement sheeting factory...We are also a region that is characterised by agriculture and fisheries, and the agricultural sector in particular would rather head off in the other direction, i.e. they think that there are far too many regulations already today.’ Thus, sustaining and promoting the economic base of the region is generally seen to be in conflict with the pursuit of SD.

6.2.2 Status and integration of sustainable development

On the whole, the Regional Plan 2001 in both quantitative and qualitative terms is generally lacking when it comes to the status and integration of sustainable development. When it comes to environment however we find that this is a recurring concept and theme in the plan, with the main

¹¹ Nordjyllands Amtsråd (2001) p14, author’s own translation.

emphasise on environmental impact assessments results reported chapter-wise (see section 6.3.1).

Sustainable development is not an overarching objective of the Regional Plan 2001, while that concept along with those of 'sustainable' and 'sustainability' more generally only occurs in a very limited number of planning theme related objectives¹². Overall the different concepts appear very few times throughout the entire document¹³. Indeed it is only in the chapter on 'objectives and visions', in relation to texts on local agenda-21 issues and with regard to the viewpoint of the County Council that references to these concepts generally appear. As this is perhaps the most important chapter in the plan however, we can say that the concept and ideas of sustainable development are given significant prominence. As regards the issue of the 'viewpoint of the County Council' the Council suggests that with this regional plan they hope to support the sustainable development of North Jutland that will 'secure good living conditions for the citizens and the progressive development of trade and industry, while at the same time protecting natural and cultural values and preventing environmental problems.'¹⁴

In the report on trade and industry development however the environmental as well as the sustainable development dimension is generally absent. Sustainable development is not present at all, while the 'environment' is mentioned only once, in connection with the regional objective for the Objective 2 programme for 2000-2006, where is note, *'furthermore it would be an objective to promote equal possibilities on the labour market for men and women, and to contribute to greater environmental accountability.'*¹⁵

Altogether, the impression gained from the interviews makes it clear that despite the somewhat good intentions of the regional plan concerning sustainable development, it is really not a prominent factor in the regional development work of the region. Furthermore, even though the environmental aspects are present in the form of environmental assessments done for each planning area of the regional plan, the interviews revealed that it was rather more difficult to find the money, and thus the time, to carry through these assessments and to develop the assessment technique, due to a somewhat weaker level of interest from the politicians

¹² SD, sustainable and sustainability crop up in five out of about 100 planning theme related objectives.

¹³ In total, the term 'sustainable development' occurs only ten times in the 260-page document, while 'sustainable' or 'sustainability' occur only seven times.

¹⁴ Nordjyllands Amtsråd (2001) p14, author's own translation.

¹⁵ Nordjyllands Amt (2003) p53, author's own translation.

in promoting this. The interviewees state that there is something of a conflict between the regional plan and 'reality', in that while the plan, at least to some extent, contains objectives and intentions on working towards a more sustainable society, the actual decisions taken by regional politicians sometimes lead in the entirely opposite direction. Indeed one of the interviewees notes in this regard, *'I am not of the opinion that the regional politicians support the existing objectives, instead they shut down hospitals, bus lines and so on. That is to say they are themselves active in affecting reality to move in an entirely different direction to that stated in the objectives'*.

6.3 Tools used in progressing sustainable regional development

6.3.1 The different tools in use

The focus of this case study is on the environmental assessment of the Regional Plan 2001, and its predecessors. This tool has been used in North Jutland to try to integrate environmental aspects into the regional planning process. No other tools have been used thus far.

The reason why this particular tool has been employed in North Jutland is that there happened to exist a common interest with the national level, in the form of the Ministry of Environment and Energy, and the regional level, in trying to explore a possible way to integrate SEA into the existing planning process at the regional level. The motive for carrying through this pilot project was that within a couple of years it would be mandatory to carry through SEAs on plans and programmes, including the regional plan, due to the upcoming SEA Directive. They thus wanted to get a head start in order to have time to develop a practical method.

The initial pilot project was undertaken during a three-year period, between 1995-97. In addition to the County of North Jutland, which was the instigator of the initiative, and the Ministry of the Environment and Energy, Roskilde University was also involved. The original objective of the project was to develop methods for integrating SEA into the regional planning process. In addition to developing methods and a model, the model also needed to be tested in conjunction with the revision of the Regional Plan 97. In the initial phase of the project, after looking at some international examples, it was decided that the assessment would be done on the guidelines. At the project outset the concept of environment was broadly discussed, and it thus was decided that the notion of 'environment' should be interpreted in a very broad sense, as both the natural and man-made environment.

To save on time a *checklist* that the Ministry of Environment and Energy usually used for the environmental assessment of proposed bills was used as a starting point. This checklist did not however work that well in relation to regional planning, thus it was quickly realised that an alternative approach was needed. A number of key areas were then decided upon for which assessments would be made. The result was a set of 15 *environmental criteria* (see box below). However it soon became clear that the outcome of the assessment depended upon who actually made the assessment. It was then decided to put some *key questions* to each and one of the criteria as a guide for those making the assessment. In addition, a number of *criteria/concepts* for what was to be considered improvements and/or harmful were added. Finally, things were rounded up with a couple of *examples*. All of this was supposed to secure more consistent assessments, which did not depend so much on exactly who was performing the respective assessments.

The initial environmental assessment was done at the beginning of 1996, on an already existing regional plan (*Regionplan '93*), and consisted of an assessment of each of the guidelines together with a summary for each planning area. This was then integrated into the revision process of the next plan (*Regionplan '97*), as part of a discussion theme paper in the second consultation period. The level of public interest in the environmental assessment was however rather low, with in total only four comments being submitted. As such, in the final approved plan environmental assessment is mentioned only very briefly.

In Regional Plan 2001 however, with for the first time environmental assessment being integral to the document as a whole, it became much more visible. According to the County Council, the reason for carrying through the assessment and presenting it in the plan was their wish to shed some light on the environmental impacts of the objectives and guidelines of the plan, and to be able to better communicate these impacts

The 15 environmental criteria used in the impact assessment of Regional Plan 2001:

- Landscape
- Cultural heritage
- Human health
- Human welfare
- Noise
- Transport
- Water
- Air
- Soil
- Natural resources
- Energy
- Animals and plants
- Waste
- Climate
- Global diversity

to the citizens. The assessment is believed to improve the basis for decision-making and to contribute to strengthening the basis for a dialogue with the citizens on the content of the regional plan.

The assessment of the Regional Plan 2001 takes as its point of departure the SEA that was done on the draft to the Regional Plan '97. In undertaking the impact assessment of the objectives and guidelines of the Regional Plan 2001, the 15 environmental criteria outlined above were used. For each of the objectives and guidelines it was assessed whether a positive or negative impact had occurred in relation to the different environmental criteria, while a short description of the impact was also given. An estimation of the size of the impact was then supposed to occur in connection to a concrete project or a concrete plan.

The interviewees stated that the environmental assessment of the Regional Plan 2001 was in a sense a 'passive evaluation' as it was carried through when the planning process was already more or less finished, though a number of small revisions were made to the guidelines based on the assessment. In general the interviewees did not believe that the environmental assessment was used in a practical way in their everyday work. And as such, they noted that the actual results of the process have not been very concrete.

The interviewees deemed the tool and the method to be transferable to other regions. However they point out that within each regional context it is important to discuss and describe exactly which environmental criterion should be used, and also how the assessment could be guided with appropriate regional specific key questions, concepts and examples. One of the interviewees notes in this regard, 'I deem it possible to transfer this to another region, but what one should be very observant with is that there needs to be a discussion with those who will do the evaluation, around what one means. Our experience was that if we found four different people to evaluate the same thing we got four different results. So one has to be rigorous in describing what is actually meant here. This cannot be left out of the process. One cannot simply hand over the material and say "Here you are. Please fill out the form".' Another interviewee added: 'This discussion is really an integrated part of the method.'

6.3.2 Expectations of the tools and their role in integrating sustainable development

The interviewees stated in connection to the pilot project that initially expectation levels concerning the environmental assessment were not high. They really just wanted to try to develop this within the regional planning context and see if it was possible.

In general, the interviewees felt that the environmental assessment had not really played a significant role. The explanation for this, they claim, is partly that the regional plan already offers the kind of weighing between user and protection interests, which is the essence of the environmental assessment, and also relates to when the assessment was actually done. As one of the interviewees explained: 'It has not played such a big role. But that has to do with the fact that the weighing of user interests against protection interests has always been an objective within the regional plan. And this is to a great extent what is the essence of an impact assessment. The method has not been so good and we did not start the work as early as we should have, i.e. the assessment was not a part of the process in the way that one could have wished it had been. Thus it was something that was done after we were finished. Then we wrote something about it. That is why it has not played such a big role.'

Although, the assessment did not really influence the content of the plan, the interviewees did point out that there have been other positive effects. They note in this regard that people within the County of North Jutland have really become more aware of different consequences. Now they understand more and think more about how the things they are planning within their area of interest might affect other areas of interests.

6.4 The future role of the region in progressing sustainable development

6.4.1 Future work on sustainable regional development

The county of North Jutland has now been working with environmental assessment in connection with their regional planning process since 1995. And they will continue to do so in the future, especially now that it has become a legislative requirement. Concerning the willingness of the politicians to give priority to these things, the regional planners believe that this will probably improve with the adoption of the new 'SEA law'. Put in the words of one of the interviewees: 'We have noticed that this is a task that is not given priority due to the lack of a legislative requirement to integrate this into the regional plan. So it will probably help that it will become a legislative requirement.'

During the process however the interviewees became aware of a number of flaws in the current method, which they deem important enough to correct. In addition, they note that the way in which they have worked thus far has been quite testing. As such, they suggested that one possible way of enhancing the method would be to select a couple issues instead of trying to cover the whole package at once. This technique was recently utilised by the County of Storstrøm (*Storstrøms Amt*), in their

attempt to integrate SEA practices into their regional planning process. In North Jutland the interviewees also admitted that they might also have had a problem over time allocation issues, in particular with regard to their focus on 'broadness' instead of 'quality'.

6.4.2 The role of the regional level in relation to other administrative levels

In general, responsibility for sustainable development and environmental issues in Denmark is located at the national level. Moreover, during the interviews it was pointed out that Denmark is a very centralised country, and that the environment in particular has traditionally been a heavily regulated national area. The deep involvement of the state is deemed to have left little room for regional activity. Put in the words of one of the interviewees: 'It is really not just the case that the regions have leaned back, but rather that there has simply not been much room, as the state has pursued the environmental issues.'

Nonetheless, regional planners are of the opinion that the regional level, through the regional plans, does play an important role in implementing environmental sustainability. They state that the regional plans are really the only plans that truly consider environmental sustainability. One of the interviewees notes here that, 'we usually say that the regional plan in itself is a very sustainable plan – it is very green.' The municipal plans for example do not deal with this aspect in the same way as the regional plans do. The regional plans have a better overall perspective, and deal with issues of for example cross border interests and effects. The regional planners believe that the spatial landscape would look very different if there were no regional plan, i.e. we would have an increased urban sprawl, desolate natural environments, and coastlines full of all kinds of development. As it is now the regional plans set the framework for the municipal plans. They also state that it is easier for a region than a municipality to maintain good professional knowledge across different topics.

In general then all of the interviewees thought that the regional level in Denmark could and should play a larger role in progressing sustainable development. As a motivation for this they argue that the whole concept of sustainable development implies that everyone has a responsibility, and thus that integration and progression should take place at all levels – international, national, and regional, as well as local.

6.4.3 The expectations of, and support from, the national level

One of the interviewees was of the opinion that in order for the regions to be able to play a larger role in progressing sustainable development more

funds had to be transferred from the national to the regional level. Another said that the state should give the regions more impetus to get them started: 'I really think that the regions should take on more of this work [to progress sustainable development]. It could very well be so that the state should give them a slight push first to get things going.'

Finally, in relation to the strategic environmental assessment of regional plans, the interviewees thought that the national level should attempt to help the regions more by further developing the method. They suggested moreover that this would be a much better strategy than everybody simply going at it individually. One interviewee explained in this regard, 'the prerequisite for getting a better result is to have better methods, i.e. methods that concretise what we mean. So that those who read the plan can actually say "we can really see the value with this!" This is really the problem today; too many of those that work with, and read the plan say, 'what kind of nonsense is this? What will this actually be used for?' So before they can actually see the value of this it will not be a success.'

Regional documents used in the analysis

Nordjyllands Amt (1997) *Regionplan '97. Miljøvurdering*, Theme paper.

Nordjyllands Amt (2003) *Nordjysk Erhvervsredegørelse 2003*.

Nordjyllands Amtsråd (2001) *Regionplan 2001*.

7. The region of Västra Götaland – Sweden

7.1 Sustainable development and regional development work

7.1.1 General background

Västra Götaland was formally constituted as a region in 1999. It is one of the two regions in Sweden that has taken up the offer of extended autonomy in the sense that it now has a publicly elected regional council and is responsible for regional development work *and* the funds that enable it (see chapter 4). 1,5 million people live in the region, in urban areas, such as Gothenburg, and in the rural areas. The region has a diversified economic base, primarily comprising the motor vehicle and petrochemical industries, fisheries, the food industry, IT, the electronics industry and pharmaceuticals (VG January 2001). Men are employed predominantly by the private sector, while women tend to dominate the public sector. Overall, the region appears to be attractive as its population is rising steadily (ibid).

7.1.2 Approach to sustainable regional development

Relevant documents

The region has been decisive in its work on integrating sustainable development into the regional development field. The process began in 1999 when ‘sustainable development’ was first set as an overarching goal of the regional development strategy (VG, 1999). An ‘exterior world analyst’ was hired in 2000 and thereafter work began in earnest on defining sustainable development in the regional context. The analyst carried out the work in co-operation with the people responsible for the regional development strategy, environmental issues, and the EU Objective 2-programme, with this resulting in a report entitled ‘Sustainable growth in Västra Götaland – the three dimensions of growth’ (VG 2001). This report, which was subsequently discussed with the politicians, in a number of committees and in the regional partnership consisting of key stakeholders in the region, formed the theoretical foundation of, and the approach to, the work for sustainable regional growth to come. The concept of ‘sustainable growth’ was evolving as a basis for the regional development work. There was a clear political mandate to further explore this field and make the foundation solid. The work progressed and resulted in two more reports that further spurred the discussion and process of defining specific regional goals and priorities (VG 2001, VG March 2003). These three reports served as the foundation for the Regional Growth Programme (valid 2004-2007) and for the coming revision of the Regional Development Strategy (to be finalised in 2005). The latter two

documents have executive power over the process, and more concretely will thus help steer the development. Moreover, if SD principles permeate these, without necessarily having SD as headlines, the result is likely to be effective.

Approach

The core approach here has been to really engage the key regional stakeholders (thus not individual companies or private persons) and make them work for SD within their own organisations and in their daily practices, while also ensuring that they are both aware of, and also subscribe to, the SD goals that *they* cannot directly influence. This can be contrasted with the more common SD efforts using cross-sector integration, widened practices, or the more project-based approach of regional development work, where SD projects or initiatives are created as an addition to daily work practices.

Driving forces

According to the interviewees, previous regional development work had been perceived as unfocused and at times rather short-sighted, as well as rather uncritically following what were perceived as the current trends within regional development. Thus, when the region came to defining its guiding values, sustainable development/growth emerged as the most useful approach if the development work was to be long-term and coherent. In this respect, it can however be noted that the official national goal for Swedish regional development also has been rephrased in SD terms. In Västra Götaland, however, it was pointed out that what was involved here would not be sustainable development – in the sense of encompassing ‘everything’ – but rather the attainment of the region’s goals through the conscious achievement of regional priorities. The reason behind this decision was said to be ‘a professional conviction’ – a belief that sustainable development is really the only ‘right’ path to take. Marketing the regional as ‘sustainable’ has therefore not been the prime goal; rather the region has recently decided that its marketing profile should be ‘a region for the children’. One of the interviewees describes the idea thus:

‘Some people have made fun of this children’s profile, seeing it as somewhat wimpish. But we think that it is good and we have received great political acceptance for it. It is really important to emphasise that regional development deals with the housing environment, the upbringing of children and social relations and not only transport infrastructure and businesses. The latter is often seen as the traditional idea of regional development, being also more male oriented and more focused on the economic aspects of life. With our children’s profile, we want to emphasise

gender equality and sustainable development. Both sustainable development and children are about the future, so it fits very well.'

Success and its explanations

Thus far, the focus on sustainable development/growth has received a significant level of political acceptance and is thus well anchored among the representatives of the regional partnership etc. A suggested explanation to this is the thorough and perpetual political remittance processes. As regards the question of concrete effects across the region, it remains too early to say if the work will prove to be successful or not. The interviewees, though, think that the high degree of political acceptance and the stable foundation that is now there are indicative of the accomplished work already done.

7. 2 The definition and role of sustainable development

7.2.1 The definition of SD

Sustainable growth is the concept that has primarily been used in Västra Götaland. It is defined as: 'Sustainable growth is the path to sustainable development and means growth that takes human, environmental and economic concerns into consideration' (p. 5, VG 2001).

According to one of the interviewees, the reason why sustainable growth was chosen as the key concept was that sustainable development was largely associated with environmental issues during the 1990s. And since the region wanted to work with the broader concept, encompassing social and economic aspects, and wanted the key economic actors on board, they decided that sustainable growth would be more appropriate, thus emphasizing the economic dimension. This proved however to be rather controversial as a number of the environmental actors felt that the approach adopted basically watered down the concept of SD and thus that it had basically been taken away from them. In general it was easier to get the economic and social actors – the representatives of companies, people responsible for business development, infrastructure, health, social integration etc within the public authorities – to subscribe to the sustainable growth-approach than the cultural and environmental actors. Recently, however, Västra Götaland has decided to replace sustainable growth with sustainable development. One of the interviewees explains this, 'the common understanding of sustainable development has become broader, people have understood that it encompasses the economic, social and ecological dimensions. And so we can use it without risk of it being interpreted as only working with environmental concerns'.

Three reports from Västra Götaland are more or less devoted to defining the concept of sustainable development and sustainable growth,

relating them to the regional context (VG January 2001, VG 2001, VG March 2003). The Regional Development Strategy of 1999 notes: 'A sustainable development, in ecological, economic and social terms, is one where our needs are met without compromising with the future generations' ability to meet their needs (VG 1999, p. 5). In the report from 2001 (*Hållbar tillväxt i Västra Götaland – Stora utmaningar för en hållbar framtid*), it says that the Brundtland definition is the starting point for all such work in Västra Götaland.¹⁶ Furthermore, it notes that: 'SD means that present and future generations can be offered sound economic, social and environmental conditions. SD places the human and human needs into focus' (p. 8). It is made abundantly clear here that the three dimensions are equally important and interdependent and thus that sustainable development/growth is more than simply adherence to environmental imperatives. Subsequently, these general phrases are translated into what SD ought to be interpreted as in Västra Götaland referring to the current situation, the challenges and possible routes and measures to take (see also section 3.1).

From the documents, the region's approach could be described as 'human centred eco-efficiency'. There is a strong belief throughout that technological development in combination with economic incentives can solve environmental problems and that natural capital can be substituted by manufactured capital (p.7-8, VG January 2001), this is illustrated for instance in the idea that:

'Sustainable growth is possible. The possibilities for achieving sustainable growth are strong and will probably be strengthened. The technological development, the new economy and the increasing role of human capital in the economy, point in this direction.' (p. 12).

Belief in the region's continuing ability to encourage economic growth *while ensuring* that the environment was protected was however, not always evident in its everyday practice. For example, one of the interviewees mentioned that the region faces the common conflict between the expansion of road infrastructure and environmental concerns, i.e. protection of natural areas as well as reduced car emissions. According to him, the region has not been able to effectively handle this dilemma, as the regional goal set for the reduction of CO₂-emissions has not been met. The other interviewee, however, points out that the regional increase of CO₂-emissions due to an industrial reorganisation actually leads to a lar-

¹⁶ In this report SD is defined as 'to be able to meet human needs without compromising with future generations' ability to meet their needs' (p. 8), with a reference to the Brundtland report (1987).

ger decrease of emissions on the European and global scales. In this way, a regional goal for CO₂-reduction that is not related to a larger geographical context can be questioned.

Overall though, the regional development work is focused on finding synergies between the three dimensions of sustainable development, for example through fostering business development with an eco-efficiency profile.

7.2.2 The status and integration of sustainable development

In the Regional Development Strategy (1999), sustainable development is said to be a horizontal goal, together with internationalisation, gender equality and integration. The description of SD, however, is not very consistent. It is, on occasion, stated that the goal is SD, while sustainable growth, ecological sustainable development (ESD) and at the very end 'resource effective, environmentally adapted technology' is the phrase used. ESD is however the concept that gets the most thorough description. Overall, 'SD' and 'growth' are treated separately with growth being defined as GRP-growth (p. 19).

It should however be noted that this document was written before the thorough work on defining sustainable development/growth had begun. One of the interviewees explains:

'In the RDS from 1999, SD was treated as a separate goal and overall the strategy was rather economically oriented. It is clearly influenced by the fact that we had a recession at the time and that we felt a need to prioritise the economic aspects. It was also very much influenced by the EU and was thus very growth oriented. The new version of the RDS will be less economically oriented; it will be broader and have more focus on social issues, democracy and participation. These are very important issues in our region as we have considerable problems with segregation and unemployment amongst certain groups.'

The work that began with the new millennium saw SD go from one among many goals to be *the* foundation of all regional development work. As mentioned previously, the three documents (VG January 2001, VG 2001, VG March 2003), which serve as the foundation for the Regional Growth Programme and the revision of the Regional Development Strategy, are entirely devoted to defining and discussing sustainable development/growth.

The principles of sustainable development are generally well integrated throughout the Regional Growth Programme (valid 2004-2007). Overall, we can say that it mirrors the region's 'human centred eco-efficiency' approach as described in section 7.2.1. The focus is not on improvement or concern of the environment for its own sake, but rather,

the measures are focused on improving the living conditions of the people, (both current and future generations), through the wise use of resources, pricing, improving conditions for immigrants and women in the labour market, fostering entrepreneurship, and the eco-efficient development of the transport and energy infrastructure.

7.3 The tools used in progressing towards sustainable regional development

7.3.1 The tools used to integrate SD and the context in which they have been used

The tools and their use

The basis for defining, setting goals for, fostering and evaluating sustainable development/growth in Västra Götaland is the use of a set of core variables (see table 7.1). The core variables or meta-indicators describe which factors are viewed as crucial for sustainable growth.

Table 7.1: Variables/meta-indicators for sustainable development/growth¹⁷

Economic	Social	Environmental
Production	Education	Biodiversity
Productivity	Working life	Eco-system
Investments	Health	Climate
Financial stability	Income	Air
Innovation	Participation	Ground
Infrastructure	Culture	Water

The core variables have subsequently served as the foundation for the development of:

- *Indicators* for monitoring sustainable development/growth. A set of 27 indicators has been used to evaluate the development of SD in Västra Götaland during the 1990s (see appendices). Indicators have also been used when deciding on the budget for the city of Gothenburg, and they will also be used in the annual evaluation of the Regional Development Strategy. The chosen indicator set varies slightly depending on the purpose.
- *SWOT-analysis¹⁸* for describing the situation and prospects in Västra Götaland on a systems level. A SWOT-analysis was

¹⁷ The variables are not fixed, but instead change as the process in the region evolves. These are taken from Naturvårdsverket (2003) and translated by the author.

carried out in 2002 and it has been updated continuously since then. The SWOT-analyses are used in the regional development work – in the Regional Growth Programme, in the revision of the Regional Growth Strategy and as a foundation for budget decisions in the region (see figure 7.1).

- *A set of challenges* against which regional development shall be evaluated. The eight challenges are: (1) A common region (2) Endogenous economic innovation (3) Good education and well-functioning labour market (4) Openness and diversity (5) Active citizens and public health, (6) Eco-efficient region (7) Renewable systems and (8) Co-ordination, mobilisation and communication (VG, March 2003).¹⁹ For each of these challenges proposed goals, as well as prioritised questions and indicators, are used in the annual evaluation of the Regional Development Strategy. An initial evaluation exercise has already been conducted where synergies as well as conflicts were identified among the prioritised areas for sustainable growth and the listed challenges.²⁰

The sources of the tools, their relationship to the regional situation, and their users

The variable approach is adopted from OECD (2000), while the other important source for the development of indicators is the International Institute for Sustainable Development (IISD) (Bossel, 1999). The method of defining challenges was adopted from the EU commission (2001). In addition to these tools, the standard EU model with indicators for project selection and evaluation is used in the Regional Growth Programme, where the horizontal goals relate to environmental sustainability and gender equality. The Swedish Business Development Agency (NUTEK) is also mentioned as one of the organisations providing guidelines and tools for regional development work.

All of the tools have however been accommodated to the specific situation of the region. The work in Västra Götaland has also inspired other Swedish regions. Indeed, one such region is even using the same challenges as Västra Götaland. In other words, the tools also appear to be useful for other regions. One of the interviewees was however careful to

¹⁸ SWOT is an abbreviation for Strengths Weaknesses, Opportunities and Threats.

¹⁹ Author's translation.

²⁰ See p. 23, VG March 2003. The exercise was conducted by the working group for the Strategic Programme for Sustainable Growth, Lundsbrunn 30/10 2002.

point out that such methods and approaches should not be directly translated to other regions. Instead they need to be accommodated to the specific situation, the abilities and instruments pertaining to the region in question. This makes the task of international comparison even more difficult as the regions often differ markedly in terms of autonomy, mandate and legislative power.

The users of the tools are thus the core regional development group in Västra Götaland, the people who are responsible for the region's budget, the key stakeholders in the region represented in the partnership, the project managers and as mentioned previously, the city of Gothenburg in addition to one or two other Swedish regions.

Methodological approaches

Västra Götaland has also consciously chosen a number of methodological approaches, which are to:

- Keep the three dimensions of sustainable development separate.
- Involve key stakeholders and not citizens in general.
- Make the key stakeholders agree on common goals that cover all three dimensions, but then make them do the work in their activities within their existing organisations and thus influence the factors that they are in control of.
- Utilise project-based activities and arrangements only when there are deficiencies in the existing system.
- Make conscious priorities according to the regional situation and abilities.

These methodological approaches are said to be a mix of classical techniques for performance management and own ideas. One of the interviewees pointed out that these approaches should be contrasted with how work for sustainable development is usually conducted in Sweden and encouraged by the EU. The common way is to work across sectors, engage citizens, often in the form of 'grass-roots' cross-sectoral projects focusing on the theme currently encouraged by the government, for example climate issues (compare the current state programme KLIMP²¹).

²¹ KLIMP (Klimatinvesteringsprogram) is a programme encouraging investments for the reduction of greenhouse gases. It is administered by the Swedish Environmental Protection Agency in accordance with the government bill on climate change (2001:02/55) 'Sveriges klimatstrategi': <http://www.naturvardsverket.se/index.php3?main=/dokument/hallbar/invprog/klimp/klimp.htm>

The EU model of regional development work is project based, meaning that the activities take form in time-specific projects, which are granted funding and evaluated according to the principles set up for the programme. The idea in Västra Götaland is that the key stakeholders should act more responsibly and work for changes in a sustainable direction within the existing institutional structures, i.e. within the environmental departments, the municipalities, the traffic office, the university etc, always however with the overarching goals in mind. The belief here is that if this is done, development can really be altered in a long-term fashion, and will not be halted when the funding dries up, or the current theme becomes 'out-of-date'.

7.3.2 Expectations for the tools and their role in integrating SD

One of the interviewees noted that his expectation of the role of the tools for sustainable regional development was that, 'the region should start taking itself and its impacts seriously. And this is quite a high expectation'. However, he points out that in the outset it was difficult to know exactly what tools that were needed and thus what to expect from them. The approach and the tools have been continuously developed over time, though as the interviewee himself notes, he never doubted that tools and methods were good.

According to the other interviewee, the expectation was that the actors in the region would get a greater understanding of sustainable development and that a common approach to SD would be developed. He has not yet however formulated any explicit expectations with regard to the role of the tools for real impacts in the region.

Benefits

The indicators used in the report from early 2001 (VG, January 2001) showed that development in the region during the 1990s could not be termed sustainable. It was however primarily the social indicators that pointed in a negative direction, with for instance a couple of the crime indicators rising by almost 50%. The region undoubtedly witnessed an increasing level of social polarisation during the 1990s and according to one of the interviewees, these facts were quite shocking for people in the regional development field, particularly as social indicators such as the crime rate, and participation levels etc, are seldom regarded in relation to regional development. Thus the use of these indicators forced people to become more engaged and to see that there was indeed an urgent need to work holistically with regional development.

According to the two interviewees, the tools have engendered an increased level of awareness and knowledge among the key regional actors in respect of SD. In addition, the tools have also helped to create a

significant level of acceptance among the key actors, not least the politicians, for placing sustainable development as the foundation of all the regional development work. When it comes to the issue of concrete effects across the region, it is however still too early to evaluate the benefits in full. Again an interviewee notes;

‘The instruments are only important to a certain extent. Of course indicators, project selection criteria etc are important for getting the issues on the agenda and receiving attention. But what really matters is how the different issues are prioritized in the region. Getting political acceptance is crucial for the concrete effects later on and I think we have been quite successful with that so far.’

Thus the benefits fulfil the latter expectation outlined above. The interviewee does however also note that this process will remain ongoing, noting that;

The other day in the regional council, one of the newly elected politicians said: ‘If we should work with sustainable development, we first need to define what we mean by it’. I felt somewhat deflated at this however as we have worked on defining SD for years now, particularly in relation to our own regional situation. But it seems as though there is an endless need to define and re-define sustainable development.

As noted above the tools, i.e. the SWOT-analysis, the indicators and the challenges, have been used not only to gain support for the SD approach among the key regional actors, but also for developing the foundation of the Regional Growth Programme and for the revision of the Regional Development Strategy. The principles of sustainable development emanating from the definition process and the tools that have been used are also clearly integrated into the Growth Programme (see section 2.2). Thus, the concrete effects are likely to take the region’s development in a sustainable direction.

7.4 The future role of the region in progressing sustainable development

7.4.1 Future work for sustainable regional development

The crucial aspect for successful future work in sustainable regional development is, according to one of the interviewees that the ‘the will’ is there – and that the key stakeholders really have a common vision and work together. Västra Götaland has expended considerable effort in engaging the representatives of the key stakeholders in the partnerships while in some cases these representatives have been unable to successfully anchor these issues within their own organisations. This problem was perhaps rather difficult to foresee, but on discovering this to be the

case one of the interviewees noted that in hindsight he wishes that he had focused more on general political anchoring than on the representatives in the partnership.

With regard to the future use of the tools themselves, it is expected that the region will continue to conduct annual SWOT-analyses and will continue to evaluate the results using the challenges and indicators set out above. The regional development work will furthermore be evaluated in relation to its effect on manufactured capital, social capital, natural capital and human capital respectively. It might also be necessary however for it to undertake a more thorough and theoretical review of sustainable development in a few years' time, as new representatives and politicians appear on the political stage, and as conditions change.

7.4.2 The role of the regional level in progressing sustainable development in relation to other administrative levels

Both of the interviewees in Västra Götaland thought that the regional level played a very important role in fostering sustainable development. This can be explained by the fact that the municipalities and local communities that used to be more 'self-reliant' have become more dependent on others. The local labour and housing markets have grown and this regional enlargement has meant that the old 'administrative' borders no longer coincide with the actual functional borders. In this sense the regional level has become more important in terms of governance planning and development, and thus also in fostering sustainable development. Moreover, the Swedish regions are traditionally responsible for regional transport infrastructure and health care, both of which are viewed as highly important aspects of sustainable development. Both of the interviewees were however rather critical of how SD is fostered both nationally and internationally, where central governments and local authorities are seen as the main actors, while the regions are often forgotten. Indeed one interviewee note here that;

I am not very satisfied. In the Rio document and in the Swedish strategy, the regions are not mentioned. There is nothing! Only some cute local Agenda 21 activities. But now there are lots of things going on at the regional level, networks of regions working with sustainable development. But thus far it has been poor. They haven't realised that regions exist. It is very much of a 'top-down' approach, for example saying: 'These are the global environmental issues which should be solved, so solve them!' And

then they will send you a pot of KLIMP-money²² and pretend it is for the regions. It is absurd.

Both of the interviewees see their work on sustainable development as something that is very context dependent. They believe that SD cannot be operationalised in an effective manner if it has not also been defined and prioritised at the regional or local level, as this is where people actually reside. Thus, they believe that their work on sustainable regional development would be more effective if the region – and Swedish regions in general – had more autonomy and the ability to make their own SD prioritisations. In this sense Västra Götaland has a privileged position in relation to other Swedish regions as they have access to more instruments while also being more autonomous. They believe that their situation would also be seen as desirable by many of the other regions in the country, which thus far have not been allowed to form self-governing bodies (see chapter 4). One of the interviewees did however see that from the national point of view, an increase in regionalisation is likely to imply increased differentiation in terms of governance and service provision among other things, though such differentiation is not necessarily desired in the context of the current national point of view. According to the interviewee however this will most likely change in the years to come as the process of further regionalisation across Europe is in general, now widely supported.

7.4.3 The expectations of, and support from the national level

As noted above, the experience of Västra Götaland suggests that, historically, the national level often attempts, though rarely successfully, to dictate the work of regional development, giving orders with regard to when and how the regions' *ought* to work with regional growth programmes, environmental goals etc.

At the same time however one of the interviewees felt that the government could be more decisive in its work on SD. In his point of view, the national strategy for sustainable development (2001) is too broad and too 'all encompassing' while a more focused strategy would, he feels, be more helpful to the regions, making it clear that sustainable development

²² KLIMP (Klimatinvesteringsprogram) is a programme encouraging investments towards the reduction of greenhouse gases. It is administered by the Swedish Environmental Protection Agency in accordance with the government bill on climate change (2001:02/55) 'Sveriges klimatstrategi'. See: <http://www.naturvardsverket.se/index.php3?main=/dokument/hallbar/invprog/klimp/klimp.htm>

is about making certain prioritisations based on the time and geographical context, and not just on the sum of all political fields.

The interviewees were however careful to point out that the people working for the state agencies were often very knowledgeable and qualified. For example the work on sustainable regional development carried out by The Swedish Business Development Agency (NUTEK) and the Environmental Protection Agency (EPA, Naturvårdsverket) is viewed as valuable. During 2003, for example, the EPA led a project enhancing cross-sectoral integration, something that was much appreciated by Västra Götaland. Nevertheless it was noted that it is the process and meetings that are valuable rather than the reports and guidelines published by NUTEK and the EPA.

The 'top down' approach that sees it as the duty of the national level to 'support' and impose expectations on the lower levels, is also questioned, thus one of the interviewees noted that the regional level should at some level also impose 'expectations' on the levels above:

'We [at the regional level] ought to formulate national and international policies as well, for example have a European policy with a regional perspective in relation to climate change. This is actually our duty for fostering sustainable development, but we have not dared to do this yet.'

In sum, Västra Götaland does not want more national directives, guidelines or handbooks promoting sustainable development, instead they see increased regional autonomy paired with the setting of integrated, focused and decisive national policies as the keys to fostering sustainable regional development.

Regional documents used in the analysis

Västra Götalandsregionen (VG) (1999) *En region att växa i – Regional utvecklingsstrategi för Västra Götaland.*

Västra Götalandsregionen (VG) (2001) *Hållbar tillväxt i Västra Götaland – stora utmaningar för en hållbar framtid.*

Västra Götalandsregionen (VG) (January 2001) *Hållbar tillväxt i Västra Götaland – tillväxtens tre dimensioner, människa – miljö – ekonomi. Förutsättningar för hållbar tillväxt. Regional politik för hållbar tillväxt.*

Västra Götalandsregionen (VG) (March 2003) *Hållbar tillväxt i Västra Götaland – Underlag med idéer för Tillväxtprogram och Regional Utvecklingsstrategi.*

Västra Götalandsregionen (VG) (October 2003) *Det gemensamma Västra Götaland – hållbar tillväxt för ökad attraktivitet och konkurrenskraft – Förslag till Tillväxtprogram för Västra Götaland 2004-2007.*

Figure 7.1: SWOT-analysis of Västra Götaland
 Västra Götalandsregionen (March 2002) *Hållbar tillväxt i Västra Götaland – Underlag med idéer för Tillväxtprogram och Regional Utvecklingsstrateg*

STRENGTHS - Attractive region for economic investments - Attractive region for inhabitants - Attractive region for visitors - Economic growth with reduced environmental impact - A relatively eco-efficient production base - Environment/nature – cultural heritage - West-Swedish production system. Gothenburg being a motor - Diversified and specialised economic base - Growing local labour markets - Well-developed innovation systems - Good selection of educational facilities - Active local associations, a cultural which has edge and is well-developed	POSSIBILITIES - Create larger and more well-functioning markets - New alliances, real and profound co-operation - Entrepreneurship - Specialisation, co-ordination of education and research - A flexible labour market - An open society - Common vision for the development of Västra Götaland - Model and forerunner in eco-efficiency - Wise use of environment and cultural heritage - Engaged and knowledgeable inhabitants in relation to choice of education, as consumers, as citizens etc.
WEAKNESSES - Old-fashioned and partly undeveloped transport infrastructure - Integration - Educational and labour markets being gender-segregated - Regional unity, common visions - Biodiversity, eco-systems, the sea - Faith in politics - Autonomy, political instruments, resources - Sickness and the uneven distribution of sickness - Dependency on social welfare - Incentives for entrepreneurship - Purchasing power and competition - Safety and participation	THREATS - Social exclusion and habits of life - Dependency on oil - Vulnerable labour markets - Mismatch on the labour market and lack of well-educated - Dependency on others for managing own responsibilities - Long term population development - Social, economic and geographical disparities - Alienation - Use of the eco-system - In shadow of the development of the Stockholm and Öresund regions - Who shall work in the schools, the health care and elderly care?

Collective outcome sustainable growth in Västra Götaland, Sweden and the EU

Indicator Measurement	Trend 1990s		Trend 1990s		Notes
	Situation	Per cent	Sweden	EU	
Economic indicators					
1. Economic trend					
Production/inhabitant (SEK thousands)	200	+0.1%/yr	+	+	Fixed prices 1995, trend/year 1990-97
Summarised wage-income (SEK billion)	126	-	-	..	SEK billion, +0.9%/year in current prices.
2. Assets					
Net savings	..	..	..	..	Not fully analysed, no certain results
3. Productivity					
Production/employed (SEK thousands)	430	+2.2%/yr	+	+	Fixed prices 1995, trend/yr 1990-97
4. Finances					
National debt/GNP (share)	75%	+33 %-units	+		Values for 1990-98, position 1998
Solidify county sector (%)	22%	-40 %-units	-	..	Change of definition results in weaker values.
Social indicators					
1. Work life					
Unemployment	7.3/8.3	+3.9/+4.1	+/-	-/-	Change in percentage points, AKU 1990-1999
Participation in work life	70/75	-14/-12	-/-	+/-	Change in percentage points
2. Education					
Participation	40,000	20%	+	+	College seats in Västra Götaland
Education level 1 (College < 3 yrs)	31/28	+6.7/+5.1	+/-	+/-	Change in percentage points, 25-59 year-olds
Education level 2 (College >2 yrs)	14/13	+2.9/+0.9	+/-	+/-	Change in percentage points, 25-59 year-olds
3. Health					
Expected average life span	81.8/76.8	+0.6/+0.9	+/-	+/-	Change in percentage points
Infant mortality	3.0‰	-50%	-	-	Death per thousand born during first year of life
4. Income					
Social allowance	108,000	+29%	+	..	Number of allowance recipients during one year
Wage income current prices	122/180	+23/+18	+	+	Current prices. Fixed price approx. 0.
5. Participation					
Election participation	81%	-6.0%	-	..	General election
Serious crimes	10,400	+50%	+	..	10,400 relates to reported robberies and physical abuse
Representation in elected councils	40/48	+8/+8	+	..	% women on Community/Municipal councils, %-units
Environmental indicators					
1. Climate changes					
Greenhouse gases – per person	6.5	-	-	-	Ton/person/yr, Outcome 1990-1995 (excl former DDR)
Greenhouse gases – per GRP	0.28	-	-	-	Ton/thousands ECU, Outcome 1990-1995
Greenhouse gases total	9,600	+	+	-	Million ton/yr, Outcome 1990-1995
2. Air					
SOx emission per person	6.7	-	-	-	Kg/inhabitant
SOx emission per GRP	0.29	-	-	-	Kg/thousands ECU
NOx emission per person	33.7	-	-	-	Kg/inhabitant
NOx emission per GRP	1.47	-	-	-	Kg/thousands ECU
3. Biological diversity					
Endangered species (%)	30%	+	+		Share of mammals
Protected areas (%)	6.8%	+	+		% of land acreage. 0.7% of productive forest land
4. Water					
Water consumption	375/16	+	+		m³/person, m³/1000s ECU
5. Forest					
Forest resources - Intensity	51%	+10%	+	..	Share of Sweden respective growth Götaland
6. Fish					
Haul	40%	..	..	..	Share of Swedish haul

Reading instructions: Unless otherwise stated, double values indicate Women/Men, Trend in Sweden and the EU indicated only with + and -. The signs illustrate if the measurements increase or decrease in value during the period. Note: Greenhouse gases represented here by CO₂, which makes up about 75% of the gases.

Source: Västra Götalandsregionen (2001) *Sustainable Growth in Västra Götaland*. Stockholm

8. Södermanlands län (Södermanland County) – Sustainable Development Indicators and the focus on Sustainable Growth within the Regional Growth Programme

8.1 Sustainable development and regional development work

8.1.1 General background

Södermanland County is situated in central Sweden, just south of Stockholm County. The region covers an area of 6062 km² and has a population of about 260 000¹. The population, which is among the fastest growing in the country, is rather evenly distributed throughout the region's nine municipalities. Södermanland County and four other neighbouring counties cooperate within the so-called Mälardal region. The three strategic areas of this cooperation are infrastructure, knowledge provision and the education sector, and the housing and labour market.²

Traditionally the industrial sector has dominated in Södermanland, indeed the region still scores higher than the national average in this regard. The service sector however now employs an ever-increasing number of people. Mälardalen University was established in 1977, with parts of it being located to Eskilstuna in Södermanland. Today the university has about 13,000 students, of which around 6,000 reside in Eskilstuna. The region also has an international airport, Stockholm Skavsta Airport, and a deep-water harbour in Oxelösund. The airport offers low-cost air travel and charter flights.³

As of January 2004 there were two regional actors in Södermanland County: the County Administrative Board (*länsstyrelse*, CAB) and Sörmland Regional Council (SRC). The CAB is the state representative in the county with the responsibility for implementing national decisions at the regional level, and acting as a link between the two levels. The SRC represents its members – the nine municipalities, the County Council and the CAB – in matters regarding the maximisation of opportunities in the county, the promotion of regional development, and the coordination of initiatives within the region. The reorganisation means that the SRC has now assumed the main responsibility for coordinating the work with the so-called Regional Growth Programme (see below), which was previously handled by the CAB. The CAB has taken the opportunity to simultaneously reorganise its whole organisation. Within the

¹ Hanell et al (2002)

² www.malardalsradet.se

³ www.sormland.com

new structure, work on sustainable development will constitute a clear point of departure, while a Development Committee has been created within the organisation, with among other things, responsibility for leading and promoting the SD work. Through this reorganisation of responsibilities the CAB now has a clearer monitoring role.

8.1.2 The approach to sustainable regional development

Relevant documents

The relevant regional development/growth documents that have been studied within this case study are those of the Regional Growth Programme for Södermanland 2004-2007 (*Regionalt tillväxtprogram för Sörmland 2004-2007*, RGP). The RGP consists of two parts. Part one is the analytical and visionary part of the programme, and states the prerequisites and the points of departure for the RGP, and in broad terms shows the direction in which Södermanland has to move. Part two is the action programme, which transforms the guidelines in part one into a clearer programme action.⁴

Approach

In Södermanland in recent years different tools, activities and ways of working have been used and developed with a view to trying to integrate sustainable development into their regional development work. With regard to tools, they have completed an initial study on an indicator model with examples of a number of potential indicators that could be used in monitoring the progress the region is making towards sustainable development. This initiative will soon be further explored and developed. The most concrete activity thus far is however the elaboration of a Regional Growth Programme (*regionalt tillväxtprogram*, RGP), in which sustainable growth is an underlying principal. The RGP is the main regional growth instrument in Södermanland. In addition to this, they have had adopted a highly cross-sectoral and process-oriented way of working, along with trying to involve as many people as possible, including external experts, in the different activities and processes.

Driving forces

The primary reason for putting so much effort into trying to integrate sustainable development into the regional development activities is the wish to secure a good future for the current and future generations of those who live in the area. When it comes to the focus on sustainable growth within the RGP, the driving force behind this is the wish to create a good life for the citizens and an effective welfare-generating economy.

⁴ Länsstyrelsen Södermanland (2003)b p 2

Success and its explanations

The interviewees state that there has been some progress in the way the County Administrative Board has worked with integration, but there is still a long way to go. More people have become aware of the concept and what it stands for even though there are still many that see sustainable development primarily as an ecological issue. One of the interviewees notes the following about the role of the different tools and methods in this progress: 'We have tried to define what we mean by sustainable development. When we talk about some social, economic or ecological aspect we ask "what is that?" We try to work that out. And we have reached pretty far by putting words on it. And that I think has been a boost for many. Previously, people just talked about things being sustainable, but we ask, in what way is it sustainable?'

The main reason that the integration work has been able to progress is that there have been people in management positions interested in these issues, along with a number of genuinely interested civil servants within the organisation. Moreover, the addition of a couple of younger staff members with a natural interest in, and aptitude for, sustainable development issues, has pushed these issues forward. Put in the words of one of the interviewees: 'One important thing here is that we have many staff members who are animated by these issues. Another is that we have been reinforced by the younger generation. The younger staff members basically 'live for sustainable development', and for them it is not a problem trying to balance all the three dimensions. This I think is freshness. We have to have people of different ages, different perspectives and with different competences if we are to get this rolling.'

8.2 The definition and role of sustainable development

8.2.1 The definition of SD

As the interviewees pointed out, and as is also made clear in the RGP documents, the economic dimension of SD is the main driver within the RGP, i.e. sustainable growth plays a predominant role. Thus there is much talk throughout the documents of 'sustainable growth' and 'economic sustainable growth.' There is however no special cited definition for sustainable growth, or for that matter for sustainable development, in the documents. In addition to the terms mentioned above, a raft of concepts are used to denote both sustainable growth and SD, e.g. 'sustainable economic growth', 'long-term sustainable growth', 'sustainable regional growth', 'long-term sustainability', and 'long-term sustainable development'. Moreover, there is yet more variation in the Swedish terminology than in the English. As the use of the terminology reveals that there is no

consistent way in which sustainable growth is described, and thus, combined with the lack of a definition, the concept becomes rather ambiguous.

The sustainable growth focus was clearly highlighted in the RGP guidelines from the government, which stated that the RGPs are the basis for the long-term work towards sustainable regional growth. The interviewees explained that lively discussions have taken place over whether or not the programme should focus on sustainable growth or sustainable development; 'This discussion has been very vivid. We have torn and pulled. Should it be sustainable growth or sustainable development? But we concluded by arguing that it should be sustainable growth, because the RGP is an economic programme. It is mainly the economic aspect's programme so to say'. But the main factor was in any case the government guidelines. They add that there will be a Regional Development Programme (*regionalt utvecklingsprogram*, RDP) elaborated in the near future. This document will cover all the dimensions of regional development, and thus will focus more on all three dimensions of sustainable development.

In working with the concept of sustainable growth in the RGP document they have chosen to divide it into one economic, one social and one ecological aspect (see Appendix). These aspects were then divided into further areas, which are strongly linked to the different target areas of the RGP. Within the economic aspect they have chosen to focus on innovation-led development and regional enlargement. Under the ecological aspect attention is directed towards the region's ability to continuously create a more renewable society with the help of technological advancement, while tolerance and the ability to use the available human resources provide the focus of the social aspect. Some of the interviewees are of the opinion that this is a difficult exercise, filled with conflicts. In this regard, one may ask how can sustainable growth be achieved in all three dimensions? Different opinions on this continue to exist across the region.

The RGP documents present a clearly anthropocentric view in that human needs are seen as the main drivers behind sustainable growth. As one of the interviewees explained, this view was established quite early in the process: 'when we were analysing the drivers within the group on sustainable development we quickly concluded that it is for the present and future generations of humans that we are doing this, socially, economically and ecologically'. Furthermore, in the documents they write that 'development is a product of human activity and thus it is with humans as a point of departure that sustainable growth can be reached'⁵.

⁵ Länsstyrelsen i Södermanlands län (2003)a p34.

Overall, the interviewees stated that they were working on integrating the 'holistic'/'comprehensive' concept of sustainable development, and not only the environmental aspects. And although the RGP focused on sustainable growth, discussions during the initial elaboration phase are said to have been of a 'holistic' nature.

The interviewees did not however think that current regional development work meshes that well with the overall goals of sustainable development. There is still a long way to go, they say. One of the general problems with the concept of sustainable development is however that it continues to be interpreted as being solely representative of the ecological dimension, especially by the people working with environmental issues. Nevertheless, they state that there are clear signs that the 'traditional way' of seeing sustainable development is beginning to change, i.e. for example the social and cultural aspects are now to a greater degree than ever before being taken onboard. The interviewees also point out that one difficulty in trying to work with these kinds of issues is the prevailing lack of resources. This kind of work takes time. It is an additional task for the CAB to deal with, for which there are no extra funds available, thus it will inevitably have to be done within the existing structure and with the available resources.

8.2.2 The status and integration of sustainable development

Within the RGP documents, 'sustainable growth' is seen as the key to better welfare. As such, the principal purpose of the RGP is to contribute to a level of sustainable growth that will sustain and develop a high standard of living in Södermanland⁶. The government, as noted previously, has also requested this focus on sustainable growth.

The chapter with where the concepts of sustainable growth and sustainable development are most pervasive is that concerning 'the overall direction of the RGP' in document one, along with the introduction chapters in the two documents. Judging from the appearance of these concepts and texts one would be inclined to conclude that it is not a topic that has been treated separately, but is instead one that seems to be fairly well integrated. The interviews did however clarify this picture somewhat. The interviewees stated that all through the initial process concerning the RGP they were very keen to ensure that sustainable development did not get sidetracked from the rest of the process, and was instead seen as a fully integrated part of it. They even formed a small group that was supposed to propagate sustainable development and thus try to get it into all parts of the RGP. Even though they did not think that they fully suc-

⁶ Länsstyrelsen Södermanland (2003)b p13.

ceeded with this intention, they indicated that all in all it represented a significant improvement compared to the previous programme.

The interviewees also noted that considerable progress was achieved internally, especially among those that work with the RGP. One of the most important activities here was that they tried to put into words exactly what sustainable development means. Previously they had merely talked about things *being or needing to be sustainable*, without actually having any idea of what that really meant. Notwithstanding this however, the interviewees did admit that there is still a long way to go externally on this issue.

8.3 The tools used in progressing sustainable regional development

8.3.1 The different tools and methods in use

In Södermanland they are focused on trying to use indicators as a tool for monitoring the progress the region is making towards sustainable development, while the main regional growth instrument, the RGP, is itself focused on the concept of sustainable growth. In addition, a number of other general methods have been used in order to promote SD. These include the involvement of external experts, to arrange contests and seminars, the promotion of a process-oriented and cross-sectoral way of working, and putting significant effort into getting as many people as possible involved in the activities and processes.

The indicator model

The reason behind the choice of using an indicator model to progress sustainable regional development in Södermanland was to provide politicians, CAB employees, stakeholders and the general public with information on the state of progress towards SD. The indicators and the information they can offer is intended to be able to increase peoples' level of knowledge of development and sustainable development, while giving them a better understanding of what the important issues are in the region and how issues are inter-connected. This will then hopefully lead to greater levels of involvement and concern. With the help of information relating to which direction development is heading, one can then adjust the focus of the various ongoing efforts. One of the interviewees notes here that, 'I see it as a tool for getting feedback. So that the staff members can check where we are going with our work. So that we can be sure that we are heading in the right direction. Thus it is basically a guiding instrument for our work.'

The Södermanland indicator model is not yet in use, though the interviewees stated that it is intended to use it continuously, for example, at

the beginning of a process, to provide a knowledge base, and at the end, to take care of the monitoring and evaluation issues. The prospective model users include the CAB, the municipalities and the Sörmland Regional Council.

When the CAB decided that they wanted to actually be able to measure progress towards SD, the 'indicators approach' emerged as the best way forward. All of the 'county experts' (*länsexperter*) were then given the task of thinking about what kind of indicators would be of most use in relation to their field of expertise. This process did not however go as planned, as most of the county experts did not come up with anything particularly revealing. A new approach was then tested; this time the national experts were asked to look at what had been said nationally about the objectives. The collation of this data eventually led to a table of over-all indicators for the different fields of expertise. After this however work came to a standstill, only to be given fresh impetus when a student decided to do a thesis on the issue. She looked at what had been done so far, and then had discussions with different people at the CAB.

The indicator model is to a large extent based on already existing indicator reports and models, such as the work done by Statistics Sweden, the EU, the OECD, Västra Götaland Region, and the Finnish government. The main source of inspiration here has however been the Swedish national strategy for SD. In the introduction to her thesis [name?] states that many of the statistics are already available, while others just need to be slightly modified. Though she continues by noting that there are some topics for which no good measures could be found. These were for example, the quality of life, biological diversity, culture and innovation. In total the model currently consists of 44 different indicators.

These issues were subsequently discussed with the management of the CAB, and thus becoming anchored within the organisation. However, much work still remains to be done in respect of getting the indicator model up and running. The interviewees noted here that, to date, the indicator list is a bit long and it has to be condensed. As such, some indicators will be taken out, while others will be inserted. The main body responsible for this work will be the newly established Development Committee.

Other ways of working

In order to stimulate discussion within the CAB, a number of experts were engaged, throughout the 1990s, to come up with further suggestions. The CAB also organised a number of *seminars* on different topics. The seminars proved an excellent means to tap into the knowledge and competences of the outstanding persons within the various fields. The *exter-*

nal experts were also used in an effort to try to integrate the three aspects of sustainable development within the work of the CAB. These experts took part in the regional development work and subsequently came up with a number of useful comments and views on how to improve the work as a whole.

The CAB has already worked in a *cross-sectoral* fashion for a considerable amount of time. The Södermanland CAB was one of the first CABs to carry through a reorganisation that led to the emergence of a more thematically oriented organisation, with working groups centred around different themes, crossing over the traditional sectors. They have however recently reverted to a traditional structure, based on sector-oriented units. Within this newly established organisational structure then more emphasis needs to be put on keeping the cross-sectoral work going, and it is believed that the newly established Development Committee will play a key role in this. Thus one interviewee noted, 'I see that we will have an important role to play here. By finding appropriate meeting places in everyday working situations, so that the different sectors do not sit by themselves and work only with environmental issues, planning issues or cultural issues and so on. The decisions should not be individual decisions but based on joint considerations.'

The CAB has recently also begun to function in a more *process-oriented* fashion, i.e. working at involving different actors and becoming more reflective. One of the interviewees notes in this regard, 'I think that we are reflective. As CAB we do not just put the directives into direct action. I think that we often think about how we should do this at our specific CAB. How should we approach this? And I think that has to do with the culture of the organisation. We are not only reactive but we often want to be proactive in our attitude.' The CAB has also worked hard at *getting as many people as possible to participate* in the different activities and processes they have carried through. The most concrete example of this is the process around the RGP where around 600-700 people are said to have been involved in the initial phase.

Methods in relation to the RGP

In relation to the RGP a '*sustainable development group*' was formed in order to secure the integration of sustainable development into all parts of the RGP. The group consisted of five persons from the CAB, representing different fields of interest. One significant problem that emerged during the progress of the process was that increasingly few group members actually attended the discussions, while by the time the RGP was due to be written not many were left. Nevertheless it is stated in the document that

the opinions of all of the group members formed the basis for the final draft.

The 'indicators' report was produced before the RGP work began, though no explicit notice was taken of the report, and use of the indicators was not made. On the other hand, many of the RGP people had in some way been involved previously in the indicator work. Within the RGP they never got as far as developing indicators. Instead they planned to develop their own indicators during the process.

The transferability of the tools and methods

The interviewees are convinced that the tool and methods they are using could easily be transferred to other regions. They do point out however that there are of course certain aspects, relating to the region specific context in particular which would of course need to be adjusted. Organisational set-ups are of course difficult to copy, for example when it comes to working in a cross-sectoral fashion, though the indicator work and the process-oriented style of working would probably be rather easier to transfer. In addition, the interviewees noted that, in general they believe it to be very important to look at what other actors are doing, i.e. it is not necessary to constantly re-invent the wheel.

8.3.2 The level of expectations with regard to the tools and methods, and their role in integrating SD

On the whole, the interviewees stated that they hoped that the work they had done could help to shed some light on goal conflicts, and to visualise how issues are increasingly inter-linked, as well as helping to analyse the work that has already been done in a more systematic fashion, with the help of new monitoring and evaluation processes, and by simply getting people involved and getting them to start thinking about such things more strategically. The general work done thus far has in fact helped to create more room for discussion, thus enabling people to better appreciate the wider picture.

Due to the changes in the tasks of the CAB they will in the future put greater focus on producing knowledge bases, and on monitoring and coordinating the state interests at the regional level. In relation to their monitoring role, which the interviewees state will become much clearer after the reorganisation, the indicator model gains in interest. The interviewees point out here that it is difficult to say anything yet with regard to the benefits of the indicator model however as it has not really been developed to the extent that it has actually seen use yet.

The interviewees moreover believed that the indicator model would help them to keep track of how well the region was doing in terms

of its general progress towards sustainable development – by producing useful feedback on the actual progress towards SD. The indicators thus act as a kind of compass, showing if the region is moving in the right direction or not. Internally the indicators force people within the different units to look at their activities in relation to what the other units are doing. This can also be used as an outward measure showing what the activities of the CAB result in. The interviewees did however note that it could on occasion be difficult to separate out the different causal factors behind the results. What activities really led to a certain change? Was it something that the CAB or another actor did, or might it simply be an effect generated by some other external activity? Another positive effect of engaging in this work was that on choosing the indicators, important questions had to be asked. The interviewees believed that this made people more aware of what ‘sustainable development’ really represented, i.e. what is to be measured? And which values it is based on? It is then a good way of getting discussion going on this concept.

8.4 The future role of the region in progressing sustainable development

8.4.1 Future work for sustainable regional development

The interviewees believed that in order to progress the regional integration work the CAB needed to act as an inspirational force. They also needed to continue to provide a common meeting place where different actors could come together and discuss these kinds of issues. The way in which the CAB and its management acted was also felt to be important, as this had the potential to send out ‘good signals’, and thus to inspire others to join in the work to further progress sustainable development.

The interviewees also pointed out that it was important for them to choose certain factors to focus on, instead of trying to encompass the whole thing at once. As one of the interviewees put it: ‘It will be really important for us to delimit our contribution here in this life, and not take on the conscience of the world.’ Most suggested that even, in accordance with the appropriation directions (*regleringsbrevet*), the eight core areas that they have to focus on are really too much, as they can be further subdivided. As a result, it was decided to undertake some ‘exterior world analysis’ to figure out what the region and the CAB should focus their work on in the near future. In addition, it was further noted that the process needs time to work. Resources are now however even tighter than before. The interviewees also stated that more knowledge was always needed, and thus they will continue to involve external experts to promote the development of the process and tools. They believe that getting

access to the best academic knowledge is crucial here – enabling them to reflect upon how things are currently done and thus, how they could be done better in future.

As noted previously, changes are currently ongoing in Södermanland that will affect future work in the promotion of sustainable regional development, i.e. a new actor is entering the regional arena and the CAB has recently gone through a period of reorganisation.

As of January 2004 Södermanland CAB has reorganised its whole organisation (see figure 8.1), and within the new structure the work on sustainable development will constitute a clear point of departure. Some of the interviewees saw it such that the whole organisation has been organised around the work towards sustainable development. Within the new organisation a Development Committee was created, with an initial mission lasting three years. While the reorganisation means a return to the traditional sector-oriented way of organising work within the CAB, the Development Committee is intended to be the horizontal mechanism that ensures that the comprehensive, cross-sectoral perspective still continues to exist within the organisation. The committee consists of three members, each of whom has responsibility for the economic, social and ecological dimensions of sustainable development. They all point out however that it is not only the Development Committee that is supposed to work with sustainable development. It is planned to be a basic principle in all actions of the CAB, i.e. every department within the CAB is supposed to work with these issues. The Development Committee will manage the process, i.e. they will be the catalyst, but all staff members should work with it. The interviewees note here that the vision is that in a couple of years time the Development Committee will no longer have a reason to exist, due to the fact that the whole organisation will have begun to think and act on the principle of integrating sustainable development into their every day work.

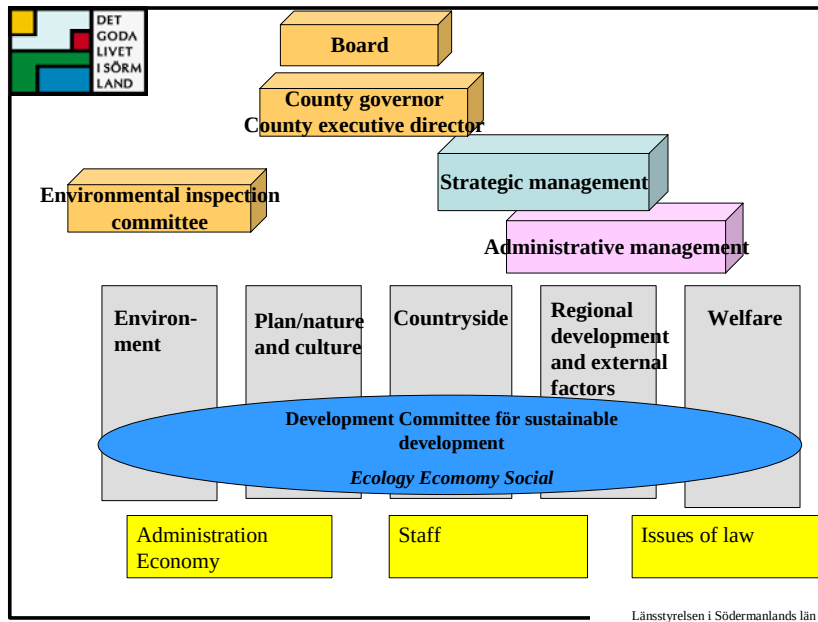


Figure 8.1: The new organisation of Södermanland County Council

Additional activities designed to this improve integration include letting the internal work on this issue take place within a continuously improving process. And within the regional perspective, an account of the welfare situation will be carried through to see how the county is doing. In relation to the national level they will try to establish useful links, for example to the newly established Liaison office for Sustainable Development, in the Prime Ministers' Office.

The indicators will continue to provide a useful tool for progressing sustainable regional development in Södermanland. The Development Committee wants to try to work out as sharp a definition of the indicators as possible – to find the relevant indicators and to be able to make good use of them. This was decided in the yearly work programme of the Development Committee for 2004. This will also be a way of tracking the activities of the Development Committee. The interviewees stress that it is really important to do it thoroughly from the beginning, although methodologically, it is quite difficult to develop such indicators. For example the list of 44 indicators may simply include too many to be able to function as a useful tool. During the early part of 2004 the Development Committee produced some discussion materials on the indicators and how to go forward. The indicators are intended to be well anchored

locally, nationally, and also on the EU-level, if possible. This way they will be able to serve as a tool for comparing regional progress in Södermanland with that of other Swedish or European regions. The intention is that these indicators will be tracked over a number of years. There are two reasons for this. The first is that discussing this on a regular basis on the regional arena will increase the basic level of understanding of what this is all about, and secondly it provides the possibility to decide upon small adjustments on a continuous basis.

In relation to the RGP, at the beginning of 2004 the coordinating role was taken over by Sörmland Regional Council. The interviewees noted that it was difficult at this stage to know how the SRC would continue this work, but they did point out that the regional council, in the form of the interim board, has been closely involved throughout the first phase of this programme period. The interviewees also noted however that, 'of course it is clear that in its initial stages the process was driven by the CAB. They have their competences and we have ours, thus the programme was undoubtedly 'flavoured' by the CAB. We have been the process leader and within the different working groups there were often CAB people acting as chair persons.' The interviewees also stressed here that the leader of the Sörmland Regional Council has stated that the organisation views sustainable development as a central issue. Moreover, as one of the CAB's monitoring tasks will be to monitor the RGP the interviewees note that this examination will be undertaken from a sustainable development point of view.

This new regional council will also play the coordinating role in the development of the first Regional Development Programme (*regionalt utvecklingsprogram*, RDP) for the region. The aim here is that it should be ready by 2006. One of the interviewees however notes that the RDP is really about the whole holistic concept of sustainable development, so this will be yet another instrument for progressing the sustainable development of Södermanland.

8.4.2 Role of the regional level in relation to other administrative levels

On the whole the interviewees are of the opinion that the regional level and its actors have an important role to play in the progression of sustainable development. From the viewpoint of the CAB as a major regional actor, the interviewees state that the CAB plays an important role in relation to the municipalities. They work with providing the municipalities with knowledge base material, and as such, the interviewees see it as very important to put effort into presenting this material from a sustainability point of view. Furthermore, with regard to the new organisation and the clearer supervisory role that accompanies this, the interviewees pointed

out that the CAB will now have the opportunity of looking at issues in a more comprehensive fashion as regards the municipalities, and will also be able to look into how they address sustainable development issues.

In general, the interviewees thought that the regional level should focus more on strategic issues. As stated above, the interviewees believe that the CAB needs to act as an inspirational force working towards the promotion of ideas and the spreading of knowledge within the region on sustainable development. As one of the members of the Development Committee puts it: 'I think that we must in our work aim to reach outside the regional administration, we must be representative of the best knowledge and competence within this area, and inspire others.'

8.4.3 The expectations of, and support from, the national level

The only expectations that the national level has that the interviewees were aware of is what has already been expressed in the governments' appropriation directions to the CABs, and what is stated in the general guidelines for the Regional Growth Programme. The appropriation directions clearly state that it is the CAB's task to work towards a more sustainable development. And when it comes to the RGP guidelines, the national level stresses that they want the RGPs to focus on creating sustainable regional growth.

The support that the interviewees look for from the national level is in the development of methods and tools. They note moreover that a certain level of interplay must exist between the national and regional level in this respect.

Furthermore, the interviewees pointed out that the general view on sustainable development among the Swedish government and the authorities in general seems to be that SD represents ecological sustainability. They note also that the placement of the new Liaison Office for Sustainable Development (*Samordningskansliet för hållbar utveckling*) within the Prime Minister's Office (*stadsrådsberedningen*), under the responsibility of the Ministry of the Environment (*Miljödepartementet*), sends a clear signal that this is how the government sees sustainable development, thus strengthening the ecological focus on the whole. They felt also that there should have been a significantly stronger level of involvement from the Ministry of Industry, Employment and Communications (*Näringsdepartementet*). This national view on sustainable development has also created some problems in relation to the RGPs. Most regions did not get their first draft programmes approved, more often than not because of how they proposed to deal with the sustainable development issue. The interviewees stated further in this regard that only those that had

texts on environmental businesses and management systems have been well received.

Regional documents used in the analysis

Länsstyrelsen i Södermanlands län (1998) *Bo i Södermanland*.

Länsstyrelsen i Södermanlands län (2000) *Regionalt tillväxtavtal för Södermanlands län 2000-2002*.

Länsstyrelsen i Södermanlands län (2003a) *Utkast till Regionalt Tillväxtprogram för Sörmland 2004-2007*.

Länsstyrelsen i Södermanlands län (2003b) *Regionalt tillväxtprogram för Sörmland 2004-2007. Handlingsprogram*.

Länsstyrelsen i Södermanlands län (2003c) *Hälsa*.

Länsstyrelsen i Södermanlands län (2003d) *Gemensam värdegrund*.

Länsstyrelsen i Södermanlands län (2002) Länsstyrelsens arbete för en hållbar utveckling – Handlingsplan för 2002 och framöver, working document.

Länsstyrelsen i Södermanlands län (undated) *En Sörmländsk Modell för Hållbar Utveckling – ett Hållbart Gott Liv*, working document.

Länsstyrelsen i Södermanlands län (2004) Annual plan for the Development Committee, 2004-01-01.

Appendix

Södermanland CAB's outline for an indicator set

The Södermanland CAB's outline for an indicator set consists of the following 44 components:

The economically sustainable dimension

Economic development and innovations	• GDP/inhabitant • Savings • Newly initiated and finalized businesses, per branch
Production and consumption	• Working productivity: GDP/employed • Disposable income/ types of consumption unit • Waste production by sector • Energy use per person and sector divided on type of energy
Infrastructure and communication	• Share of population that commute • Average length of work travels • Share of public transport journeys out of total travels

The socially sustainable dimension

Population development	• Age distribution in the county (born and deceased) • Share of immigrants and emigrants and the migration structure within the county
Education	• Number of students that are not qualified for upper secondary school, distribution in county • Number of inhabitants with higher education
Equality and integration	• Women's wage in percentage of the men's • Wage level, average income • Difference between the sexes in started higher education • Number of immigrants with higher education out of the total • Number recipients of social security • Number of immigrants of the share of unemployed and recipients of social security • Level of immigrants out of total amount

	unemployed and the total amount of people receiving social allowance.
Life style and health / stable social systems	• Level of bad health in the county, and in municipalities/labour market regions • Inhabitants ill over a long period • Number of overweight inhabitants • Number of inhabitant that smoke every day • Number of suicides • Average length of life • Crime level
Life style and health / stable social systems	• Level of bad health in the county, and in municipalities/labour market regions • Inhabitants ill over a long period • Number of overweight inhabitants • Number of inhabitant that smoke every day • Number of suicides • Average length of life • Crime
Labour/work	• Share of employed of population • Total number unemployed of population
Participation	• Participation in the election • Access to information, computer and IT
Children and youth	• Number of children and youths in households with social allowance • Number of children and youths that have been placed outside of their own homes
Cultural environment	• Age structure of buildings • Number of ancient remains

Section 4

Experience of tools use in Canada

Section 4, including chapter 9, contains the study of the Canadian tools use in relation to sustainable development and regional development. Key themes of regional development and sustainable development in the Canadian context is described. The study focuses both on activities and tools use at the federal as at the provincial level. A review of the institution of the Commissioner for Environment and Sustainable Development is followed by an overview of experiences with the main integration tool of sustainable development strategies among federal departments, including the federal regional development agencies. All in all 25 interviews conducted in Canada and studies of federal and provincial documents provide the basis for this chapter. The analysis and discussion in relation to the Canadian study is found in chapter 11.

9. Experience of tools use in Canada

9.1 Introduction

Canada is a vast country with a diversity of landscapes and peoples. It extends to almost ten million square kilometres, contains about nine percent of the world's renewable fresh water supply, ten percent of its forests and significant reserves of oil, gas, coal and other minerals. In terms of quality of life, Canada is ranked eighth in the UN Human Development Index, based on life expectancy, educational attainment and adjusted real income.¹ With regard to environmental sustainability, in a collaborative study that assesses the performance of world economies Canada is ranked fourth in the world, after Finland, Norway and Sweden.²

Canada's diversity is also reflected in its governance structures. It is a constitutional monarchy and a federal state with ten provinces and three territories. The federal and provincial/territorial governments have major legislative and regulatory authority over the environment, wildlife and its habitat, and natural resources, as well as an important leadership role in integrating the environment and the economy. In addition, each of the three tiers of federal, provincial/territorial and municipal governments has powers relative to the economy and social policy dimensions of sustainable development.

This chapter first considers the key themes of regional development and sustainable development in the Canadian context. It then focuses on activities at the federal level, where Canada's government is organised under a parliamentary system, with Ministers supported by sectoral departments and agencies. A review of the institution of the Commissioner for Environment and Sustainable Development is followed by an overview of experiences with the main integration tool of sustainable development strategies among federal departments, including the federal regional development agencies. Thereafter, a review of sustainable development at the provincial level is examined for progress in tools development in Quebec and Nova Scotia.

9.2 Regional Development Policy

9.2.1 Background

Two perspectives have dominated regional development policy in Canada, generally addressing scientific and administrative questions. As

¹ United Nations (2003)

² World Economic Forum (2002)

in most western countries, economists and regional scientists have been concerned with understanding how regional economies grow and adapt to change, and they have posited appropriate policy responses for regions that fall behind the national average. The other perspective is more typical of countries with federal constitutions where regional development is a shared responsibility between federal and provincial jurisdictions. In this case, debate has focused on questions of public administration, appraising the role of the federal government in regional development policy, the most advantageous means of organising the bureaucracy to deliver policy measures, and co-ordinating federal and provincial initiatives.³

Although Canada has a well-developed market economy, it still experiences disparities in regional development. The Province of Ontario is the main industrial region, with Toronto as the major urban centre, and the Province of Quebec is very similar in terms of economic development. The Province of British Columbia is also prosperous and dynamic, but it is not strongly linked to the economy of central Canada. In comparison, the prairie provinces of Alberta, Saskatchewan and Manitoba generally have sound economies, but they do not have substantial potential for economic development. Lastly, diminishing agriculture characterises the maritime provinces of Newfoundland, New Brunswick, Nova Scotia, and Prince Edward Island. The logging, and fishing industries are also of interest here, as both have lagged behind in economic development terms for decades. Consequently, regional economic policy in Canada generally has its origins in the attempt to improve the standard of living in the Maritime Provinces, as well as additional individual problem areas, such as the Gaspé Peninsula in Quebec.

³ McGee (1992)

9.2.2 The Growth and Decline of Regional Development Policy

Canadian regional development policy was initiated in 1960. The first measures comprised tax incentives for firms that would locate in designated areas of high unemployment and slow growth. This was followed by attempts to increase incomes in rural areas by creating work opportunities, providing assistance for the use of marginal land, developing water resources, and setting up projects for alternative industries. In 1966, a Fund for Rural Economic Development was created to support areas of low income and assist economic adjustment, with regions designated in Manitoba, New Brunswick, Prince Edward Island and Quebec. These disparate policy initiatives were brought together in 1969 under the newly formed Department of Regional Economic Expansion (DREE).

In structure, DREE had an agency in Ottawa responsible for regional development, but the operations of the department were decentralised and flexible, and there was close collaboration with the provinces. Its two programmes comprised a 'special areas' programme and a 'regional industrial incentives' programme. The special areas programme funded projects for highways, water systems, industrial parks, sewer systems and schools, whereas the regional incentives programme provided grants to companies on the basis of new jobs created in designated regions. Loan guarantees were subsequently added to these policy instruments, followed by General Development Agreements, whereby the provincial governments submitted proposed projects to the federal government for funding. Territorially, DREE targeted the disadvantaged Maritime Provinces and eastern Quebec, but observers disagree on whether its interventions reduced regional disparities.⁴

In 1982, DREE was merged with another institution to become the Department of Regional Industrial Expansion (DRIE), which shared responsibility for regional development with the Ministry of State for Economic and Regional Development. Under this new arrangement, regional policy responsibilities were spread over several federal departments, and co-operation with the provincial governments played a lesser role. The Ministry was disbanded in 1984, but DRIE continued until 1987, at which time federal regional development agencies were established.

Up until this point, Ottawa had played a significant role in the planning and direction of regional development initiatives. However, a review of Canadian regional policy has acknowledged that efforts had been

⁴ McGee (1992) op.cit.

largely unsuccessful, and that regional development objectives had generally not been met.⁵ In the change of direction that followed, regional development policy was redefined as one of helping the regions to realise their economic potential.⁶ Consequently, since 1987, there has been no 'national' regional development policy – instead, federal initiatives have been targeted to the needs of individual regions, and federal regional development responsibilities have been decentralised to separate regional agencies.⁷

9.2.3 Federal Regional Development Agencies

The first major regional development agencies were created in 1987. The Atlantic Canada Opportunities Agency (ACOA) was formed to develop and implement programmes contributing to the long-term economic development of the Atlantic Provinces. Western Economic Diversification (WED) was established to make the western Canadian economy less vulnerable to international economic developments. Responsibility for regional development in Northern Ontario was implemented from 1987 under the Federal Economic Development Initiative for Northern Ontario (FedNor). Regional development for Quebec was decentralised in 1991 to a new agency, the Federal Office for Regional Development-Quebec (FORD-Q), which was superseded in 1998 by Canada Economic Development for Quebec Regions (CED).⁸

However, after this optimistic decentralisation, the budgets of the federal regional agencies were progressively reduced throughout the 1990s. This was the result of successive cost-cutting exercises, culminating in the Programme Review of 1995, at which point regional development funding was substantially cut back. Grants and tax incentives have mostly now been withdrawn and replaced instead by repayable soft loans. Nevertheless, these agencies remain the principal actors in Canadian regional development, while federal departments such as Industry Canada concentrate on business development measures nationally, and provincial governments co-finance federal initiatives and support broad industrial development within their jurisdiction.

⁵ O'Neill T (1992)

⁶ OECD (1994)

⁷ Savoie (1992)

⁸ Coulombe (1997)

9.3 Sustainable Development Initiatives

9.3.1 The First Steps

In contrast to regional development, sustainable development has a much more recent history in Canada. Two major initiatives in the early 1990s launched the movement towards sustainable development, comprising Environment Canada's *Green Plan* and the *Project de société*.

The Green Plan was published in 1990, a 6-year programme of implementation focusing on environmental action in areas under federal responsibility.⁹ As its title suggests, it was principally an environmental strategy set in a sustainable development context. Its main concern was economic decision-making in relation to environmental problems – seeking to ‘internalise’ the environment – and it contained an action plan to address specific issues. However, within the first few years of operation, the Canadian economic environment changed, a new Government was elected, and the approach of the Green Plan was no longer favoured. Instead, the government-wide Programme Review in 1995 prompted the integration of Green Plan concerns into each department's activities, so that environmental factors were no longer identified separately by departments, but were assumed to be considered within a broad sustainable development approach.

The parallel process of the *Project de société* was co-ordinated by the National Round Table on Environment and the Economy (NRTEE). Launched in November 1992 as a Canadian response to the United Nations' Agenda 21, the *Project de société* was seen as a means of maintaining the impetus of the United Nations Conference on Environment and Development in the same year. Comprising a ‘network of networks’ – and chaired by the NRTEE – this initiative was a multi-stakeholder partnership of government, indigenous business and voluntary organisations that operated through collaboration and consensus building.¹⁰ It concerned itself with sustainable development issues at a national level, encouraging creative responses, and in June 1995 it published a strategy document on choices facing Canada in the transition to sustainability.¹¹ This was intended as a discussion document, and in contrast to the Green Plan it had no set time perspective. Again, as circumstances changed towards a climate of financial and fiscal constraint, the momentum of this initiative decreased, the NRTEE

⁹ Government of Canada (1990)

¹⁰ *Project de société* (1994)

¹¹ *Project de société* (1995)

withdrew its support, with the result that this experimental project was eventually discontinued.

9.3.2 Encouraging Green Government

In the years that followed, a number of Canada's provinces, territories and municipalities developed some form of sustainable development or conservation strategy. However, these were no longer linked to the Green Plan or to the Project de société, but instead to a new federal publication entitled the *Guide to Green Government*.¹² Released in 1995, this document contained signatures of commitment by all the federal Cabinet Ministers. It acknowledged the integrated nature of sustainable development, in that economic, social and environmental factors are fundamentally interlinked, and it emphasised that government policy must consider the potential impacts of one component on each of the others. With regard to improving the quality of life, it highlighted the need to broaden measures of progress to include non-monetary dimensions.

In its approach, the Guide sought to help departments find a common starting point for identifying appropriate sustainable development goals and targets. It also considered the range of instruments available for pursuing sustainable development, and what the most favourable mix of instruments might be. Most importantly, the document provided guidance on the key elements that departments should include in preparing a sustainable development strategy (SDS).

9.3.3 Sustainable Development Strategies

Several stages were identified in the production of sustainable development strategies:

- The preparation of a Departmental Profile, identifying what the department does and how it does it.
- Conduct of an Issue Scan, to assess the impact of existing activities.
- Consultation with Stakeholders on means to achieve departmental priorities.
- Identification of Goals, Objectives and Targets for sustainable development, including benchmarks for measuring performance.
- Drafting of an Action Plan, specifying policies, programmes and operational changes.
- Establishing mechanisms for the Measurement, Analysis and Reporting of Performance.

¹² Government of Canada (1995); Dalal-Clayton (1996)

Amendments made to the Auditor General Act directed that sustainable development strategies were to be delivered by federal departments within two years, and a new office of Commissioner of the Environment and Sustainable Development would be established to monitor and report annually on progress. Departmental SDSs now represent a key mechanism by which federal departments and agencies demonstrate progress in integrating sustainable development into their policies, programmes and operations.

In 2002, Environment Canada – representing the federal government – produced a report for the United Nations’ World Summit on Sustainable Development.¹³ It provided a synthesis of commitments arising from the SDSs of twenty-nine federal departments and agencies and set out principles for developing a framework and strategy to achieve goals related to SD. Priorities, each with social, economic and environmental dimensions, were to be identified through inter-departmental discussions. Nevertheless, it was recognised that across ministries the views of SD differ, with interpretations determined by sectoral perspectives. In some instances, the term ‘quality of life’ has been adopted, placing less emphasis on inter- and intra-generation perspectives, gender issues and minority groups, for example.

The division of thematic responsibilities between levels of government in Canada presents another area of SD complexity. Issues such as health, environment and water and are all in provincial jurisdiction, and the federal authorities would be involved only with international treaty obligations related to these themes. This is perceived as creating a barrier to progress that hinders SD regional integration. In practice, a large range of issues already burdens the federal-provincial relationship, with the effect that further aspirations such as joint SD goals become limited or determined by the political dynamics.

9.4 The Commissioner for Environment and Sustainable Development

9.4.1 Remit

In 1996, the first Commissioner for the Environment and Sustainable Development (CESD) was appointed within the Office of the Auditor General in Canada. With a mandate to report to Parliament, the Commissioner’s role is essentially to hold the government accountable for – and to improve its performance in – protecting the environment and fostering sustainable development.

¹³ Government of Canada (2002)

The current Commissioner – Johanne G  linas – was formerly a member of the National Round Table on the Economy and the Environment and chaired its Task Force on Sustainable Transportation. She has 35 staff, and this has included the absorption of audit groups already in existence within Environment Canada and Natural Resources Canada. The staff is multidisciplinary, encompassing law, public administration, economics, political science, environment and accounting, amongst other specialisms.

In her auditing role, the Commissioner does not attempt to make policy or change policy; instead, her focus is on the management side of government administration. Rather than questioning whether government departments are following the correct policies, her role is to assess effectiveness in the implementation of already-agreed policies. To support this task, the Commissioner can request information from departments, but she cannot direct a department to carry out activities – this is the role of Parliament. In practice, this means the Commissioner relies upon ‘persuasion through embarrassment’, and her role is to make recommendations on how to achieve improved performance with regard to economy, efficiency and appropriate mechanisms.

When appraising sustainable development strategies, for example, her concern is not whether the strategies have the right objectives, but whether they meet the objectives already expressed. The Commissioner’s interpretation of sustainable development is based upon the Brundtland definition, and no further conceptual or theoretical exploration is carried out beyond the professional perspective of auditing.

In 1997, the CESD’s first report set out the institution’s mandate, priorities and work programme.¹⁴ In particular, this included addressing key weaknesses in the management of sustainable development issues, especially the gap between commitments and concrete action, the lack of co-ordination among departments and across (federal and provincial) jurisdictions, and the inadequate review of performance and provision of information to Parliament. The work programme has four main components:

- Reviewing sustainable development strategies prepared by federal departments and agencies.
- Auditing key environmental and sustainable development issues, such as environmental assessment, climate change and sustainable fisheries.

¹⁴ Office of the Auditor General of Canada (1997)

- Special studies, such as Canada's international commitments and public and private sector performance.
- Monitoring public petitions on environmental and sustainable development issues.

By the time of the publication of the CESD's second report, 28 government departments had prepared sustainable development strategies – 24 were required by legislation, and four other federal organisations had prepared them voluntarily.¹⁵ The report acknowledged that most departments had carried out the majority of tasks set in the earlier *Guide to Green Government*; however, few had set clear and measurable targets that could be used – either internally, by Parliament or by the public – to judge whether the strategy was being successfully implemented.

In a ranking of departments according to strategy characteristics, Environment Canada took ninth place – in this case, due to weaknesses in integrating social and economic factors – and the Canadian Environmental Assessment Agency was eighteenth in the list. Industry Canada – which has sustainable development in its legislative mandate – appeared 21st on the list, partly due to the lack of clarity on what difference the strategy would make to future actions. The federal regional development agencies occupied thirteenth, nineteenth and twenty-second places (respectively the Atlantic Canada Opportunities Agency, the former Federal Office of Regional Development for Quebec, and Western Economic Diversification).

9.4.2 Appraisal

Whereas the CESD remit does not include departmental policy appraisal as such, it does encompass an assessment of the consistency of departmental policies with other domestic and international policies. From this perspective, the auditors have scope to make comments and offer criticism regarding effectiveness in design and efficiency in implementation. However, this still does not authorise the CESD to make public judgements on whether a department may be pursuing the wrong policy, which remains the prerogative of Parliament.

Some observers consider that the mandate is too limited in focusing only upon individual departmental policies. Firstly, horizontal issues are a major factor, and auditing an issue for one department in isolation misses the significance of larger cumulative impacts. Longer-term, some form of partnership approach may be required to counteract this scenario. Secondly, with regard to overall governmental policies,

¹⁵ Office of the Auditor General of Canada (1998)

there is currently no national SD strategy to assess. This represents a major omission that the CESD has been seeking to resolve, promoting inter-departmental committees as a means to bridge the gap. These committees involve Assistant Deputy Ministers, this is the level where all SD policies are co-ordinated, and the CESD regularly reviews and comments on the results of these committees.

The scrutiny of the CESD on common tools and management systems is considered valuable by a number of SD researchers. Certain federal departments have achieved more than others, but overall SD has become more central as an activity or as a theme for bureaucratic attention. This has been assisted by the 3-year reporting cycle, and the Commissioner's power to have ministers called to answer questions before Parliament's Environment and Sustainable Development Committee. At the same time, these observers expected a greater impact on procedures, but developments have been slower than envisaged. The CESD has not developed tools to measure progress in SD, and this is considered disappointing, to which the CESD response has been that the objective is to persuade departments to improve their own tools and so perform better analyses.

In comparison with the Office of the Auditor General, which can produce newspaper headlines regarding the squandering of public finances, the various Environment and Sustainable Development Commissioners have been less successful in gaining a high profile for their activities. Nevertheless, the CESD is often consulted on instruments or other strategies being prepared by federal departments, as well as by provinces, on an informal basis. On grounds of logistical feasibility and jurisdictional features, the CESD does not become involved in consultations regarding SDSs during the preparation phase, even though this is perceived by critics as a stage where the CESD could usefully secure consistency between strategies, rather than waiting to comment on final products.

The view commonly expressed in government offices is that without the presence of the CESD and SDS instruments, very little would happen in the sphere of SD integration. In output, the CESD is perceived to be more focused on criticism rather than praise, and on occasion this has resulted in departmental goals being kept lower, to avoid extended criticism for under-achievement. In this scenario, the exercise could be portrayed as a bureaucratic paper chase, but the CESD pressure is considered to maintain an awareness and sharpening of SD activity, with scope for considerable innovation. Nevertheless, to achieve further steps will require greater parliamentary support and political energy.

9.5 Federal Sustainable Development Integration

9.5.1 Introduction

The main instrument or tool used to integrate SD thinking into government actions at the federal level is currently the sustainable development strategy (SDS). For each participating department, the strategy initiates SD consideration, provides an overall framework for SD comprehension and management, and facilitates its integration into day-to-day activities.

This section reviews features of SDSs' from selected federal departments conventionally linked with regional development activity. Those are Industry Canada, Environment Canada, the Canadian Environmental Assessment Agency, and the federal regional development agencies of Canadian Economic Development for Quebec Regions (CED) and the Atlantic Canada Opportunities Agency (ACOA). Firstly, attention is given to the potential for a federal SDS.

9.5.2 Federal Sustainable Development Strategy

Although an inter-departmental working group exists to support SDS preparation by individual departments, there is still a view amongst Canadian civil servants that an overarching integrated document is required to provide a federal perspective and unified national guidance. The CESD has also stated that there is a need for stronger co-ordination and cohesion across departments. In this respect, the Canadian Government made a commitment at the UN World Summit on Sustainable Development in Johannesburg that Canada would produce a national federal strategy.

The theme of a federal strategy has already been addressed in previous years. Prior to the second round of strategies, the NRTEE chaired a meeting of deputy ministers and other key stakeholders, including NGOs and representatives of the business sector. Key themes and issues related to SD were identified and their selection endorsed, but political change with the election of a new government hindered their adoption as a federal strategic approach.

Although a number of administrators and researchers remain sceptical that a federal strategy is a feasible prospect, there are still frequent references to the need for such a measure. Topics such as aboriginal issues and child poverty have been raised as appropriate for inclusion, and it would simplify the task facing the provinces, which currently have to relate to a host of different departmental strategies relating to their territory, rather than one integrated guiding document.

With a new government in office since late 2003, readjustments are occurring in a number of fields, and there is speculation that these innovations might include drafting of a federal SD strategy. Corresponding amendments would then be necessary to the Auditor General Act to accommodate the new tasks and responsibilities through a revised structure within the CESD.

9.5.3 Industry Canada

Industry Canada (IC) approaches SD primarily from an economic perspective. Within the SDS for 2004-2006, the emphasis is on the economy-environment nexus, but the social dimension also features though measures to build sustainable communities. With regard to environmental factors, the departmental focus is on eco-efficiency, expressed through tools and information products, and partnerships within industry (see Table 9.1).

Corporate Social Responsibility (CSR) is being promoted as a new focus for businesses, and the SDS encourages its adoption. This responds in part to CESD criticism of previous IC strategies having insufficient deliverables, as the CSR methodology is perceived as a more promising practical approach. In this respect, the Industry Canada SDS is outward looking, focused very much on the stakeholders.

Table 9.1: Industry Canada SDS, 2004-2006

Industry Canada sees SD as an integral part of growing a dynamic economy. The department's SD strategies have gone through three phases: 'Learning and Discovery', basically operationalising the concept of SD; 'Leadership and Partnership', involving greater senior management and performance measurement; and now 'Innovation and Results', as part of its mandate to create the foundation for a more productive, competitive, knowledge-based economy.

Industry Canada conducted internal and external Issue Scans to identify seven key SD issues to address in 3rd strategy, informed by a mid-term evaluation of the second strategy, which produced ten recommendations based on lessons learned from its development and implementation.

The 2003-2006 strategy seeks to promote innovative eco-efficiency tools, practices and technologies in support of SD, expand the department's contribution to the social dimension of SD, and present a more results-based performance measurement framework (meeting criticisms expressed by the CESD). The vision includes Canada as a "leader in the development, commercialisation and adoption of innovative sustainable development tools, practice and technologies throughout the economy."

Three SD strategic outcomes define what the department aims to achieve:

- Increased commercialisation and adoption of eco-efficient tools and technologies;
- Increased use by industry, institutions and communities of corporate responsibility and sustainability practices; and
- Enhanced capacity of Industry Canada's SD management system.

Targets and actions for each of the three outcomes encompass capacity-building, technology innovation, promoting CSR, improving SD planning, performance measurement and evaluation.

The absence of dedicated funds to support SDS preparation has presented the IC with a feasibility problem, as strategy production has unavoidably become a bottom-up initiative. This however makes the task doubly difficult, firstly because economists have generally proved reluctant to become involved in SD, and secondly because of the difficulty in persuading people to devote time and attention without compensatory financial support. In consequence, the strategies produced

have been very incremental – no funding or funding profile has meant slow progress.

Measurability has also been an on-going problem. Although the department states that the techniques are improving, there is still considerable difficulty in accurately calculating achievements in qualitative terms. At present, the annual Industry Canada reports on plans and priorities and the departmental performance reports serve as the basic instruments to support SD measurement.¹⁶

9.5.4 Environment Canada

Within Environment Canada, the main SD approach is to integrate social and economic concerns into environmental policy and programme decision-making. In practice, SD is considered to be already an integral part of day-to-day operations, and the SDS generally mirrors the departmental performance report and the published plans and programmes documentation (see Table 9.2).

Table 9.2: Environment Canada SDS, 2001-2003

Environment Canada (EC) approaches SD from an environmental perspective. The first EC SDS covered a wide range of issues and sought to strengthen the department's capacity to make integrated decisions, build partnerships necessary for progressing SD, and provide knowledge on tools for good decision-making. The second strategy reflected the lessons learned from an internal management review of the first strategy, an Issue Scan that identified challenges and opportunities, and an extensive consultation process.

The department considers that the long-term effective management of environmental issues requires innovation through increasing and sharing the spectrum of knowledge upon which decisions are based, providing new incentives and tools to integrate environmental and economic decision-making, and forming new partnerships to both define and help deliver the EC mandate.

Accordingly, the Environment Canada SDS is focused on four themes:

- Knowledge for decision-making
- Incentives
- Partnerships and sustainable communities; and
- Managing for sustainable development.

¹⁶ Canadian federal government departments annually produce reports on their priorities and plans for the year ahead. They also produce performance reports.

The strategy is essentially an agenda for innovation. It articulates goals, objectives and targets for the four themes, encompassing new decision-support systems, enhanced science and technology capacity, eco-efficient practices and tools for industry, maximising SD impact through better integration of federal programmes at community level, and the increased use of environmental management systems (EMS) and environmental accounting.

On performance measurement, EC is working to close the gap between commitments and implementation, going beyond measuring activities undertaken to assess impacts achieved. Twenty performance measures were identified in the SDS, including evidence of regional partnerships involving public, private and voluntary sectors. Annual reporting on these measures is achieved through the departmental performance reports, with necessary adjustments announced in the Reports on Plans and Priorities.

The Environment Canada SDS also supports efforts to create a government-wide SD agenda, a horizontal approach that shares results and goals, co-ordinates actions and establishes common measures of performance.¹⁷

The third SDS by Environment Canada is similar to the second strategy, the format having been repeated because it works well and the staff structure now in place ensures an effective compilation and production process. Nevertheless, it also responds to the CESD criticism of previous targets and lack of means to measure the department's achievements. The goals and desired outcomes remain the same, but new measures have been adopted to realise these aspirations. This represents a change in thinking, acknowledging that the regulatory system is insufficient and even ineffective in some instances.

Within the department, senior level staff members are familiar with the SD concept, and they support strategy development, reflecting their participation in cabinet discussions and high-level committees. However, below senior level, the SDS is not well known, as it has a low profile, even though SD themes such as partnership perspectives are familiar. If the requirement to produce SDSs were removed, it is considered that the impact on Environment Canada would not be substantial, as the issues it

¹⁷ Areas of activity include SD in government operations, international aspects of SD, a federal SD strategy for the North, SD and health, social and cultural aspects of SD, productivity through eco-efficiency, SD knowledge, indicators and monitoring, and sustainability in communities.

addresses already form part of the departmental operation. Nevertheless, the activity and outputs from SDS preparation is perceived as a useful mechanism for giving SD factors an external profile.

9.5.5 Regional Development Agency Quebec

The goal of Canada Economic Development for the Quebec Regions (CED) is to foster the realisation and growth of the economic development potential of the regions of Quebec, so increasing long-term prosperity and employment. This means enhancing the competitive advantages of every region of Quebec, helping them to develop new assets to attract the development opportunities related to the emergence of a knowledge-based economy.

If the federal government chose to offer special funds only to problem regions such as Saguenay or Gaspé, a strong political reaction would be anticipated, with voters accusing the agency of favouritism. Nevertheless, greater emphasis has recently been placed on the low-growth areas, with 40% of the budget in the current phase spent in peripheral areas that contain 12% of the Quebec population. This was not a pre-arranged target figure, and in future the distribution could be very different. With the new federal government expected to focus on the metropolitan areas of Canada, it is difficult to anticipate the future priorities with regard to regional development.

In its third SDS, CED has increased the scale of consultation, and feedback from internal management and from regional SMEs has informed the design process. Whereas the first two strategies were based on the SD definition provided by the Brundtland Report (see Table 9.3), the new strategy places emphasis on 'cost-effective SD', representing CED's development of the concept to match its strengths and approach.

Table 9.3: Canada economic development Quebec SDS, 2000-2003

In its overall mission, the Agency has identified four priority development issues: changes in the global economic environment, creating new competitive advantage, responding to the need to innovate, and seizing new business opportunities; community participation in the development of its economy, involving target groups of citizens; disrupted economic areas, where better knowledge will assist development; and sustainable development of enterprises and regions, incorporating SD into the Agency's decision-making process. The Agency intends to strengthen its role in SD, using the partnership network to promote this concept to SMEs and regions.

Factors influencing the SDS 2000-2003 included the annual evaluations of the first strategy, the report of the Commissioner of the Environment on the implementation of this first SDS, the Agency's legal obligations, the socio-economic situation in Quebec and the specific situation in the environment industry.

The lessons drawn from implementing the first SDS have motivated the Agency to target its activities more closely to facilitate management and accountability. Accordingly, the model for the second SDS was revised to make the concept less theoretical, so that all employees would be able to understand it, and it would be easier to apply in day-to-day operations. The purpose of the SDS has been re-stated as *to promote the long-term development of the regions of Quebec for present and future generations*. Efforts were made to further clarify the priority objectives so as to improve the Agency's ability to account for its results, as recommended by the Commissioner of the Environment and Sustainable Development.

External targets in the SDS comprise support for development of the Quebec environment industry; and encouraging SMEs to adopt sound environmental management practices. Internal targets comprise continued greening efforts and a shared vision of sustainable development, internally and with Agency partners.

The Agency strategy focussed primarily on making SMEs aware of the limitations and commercial potential of sustainable development and on promoting the Quebec environment industry. It was recognised that organisations undertaking the transition to sustainable development require access to a wide range of expertise, an internal human resources plan, and advisory and technological services in areas such as chemistry, toxicology, biotechnology, engineering, management and legal sciences.

Social aspects within the third strategy relate mostly to the resource regions – characterised by forests and fisheries – with examples of

‘value-added’ created through the recycling of wood processing shavings, generating greater income, more jobs locally, reduction in out-migration, and the re-use of materials.

Measuring SD has presented particular problems. Whereas measurement of activities has been carried out, measuring outcomes and impacts has proved to be a greater challenge. Project officers in CED’s fourteen regional offices have identified ‘SD projects’ – four of the offices (mostly in the resource regions) have about 70% of the designated SD projects – but this task is recognised as very difficult. The Agency has not yet provided specific guidelines to its regional offices on how to identify and measure SD projects. For this purpose, the CED intends to work with consultants to develop a special tool, that will encompass environmental and economic indicators oriented to measure outcomes.¹⁸

SMEs appear already to have the information required to allow CED to measure impact, but within the current system the project application form does not request information on environmental or SD impacts. It is recognised in-house that there is a need for greater flexibility in the CED approach, and a working commitment has now been made to this effect. The forthcoming tool is expected to help resolve this discrepancy, with the leading project offices acting as mentors for the other regional offices.

Senior management within CED is not yet fully engaged with SD, and the efforts towards integration are mostly through a ‘bottom-up’ working process, for example through SDS preparation, which has been supported from the outset by a broad-based internal committee.

During SDS preparation, the CESD website was used as a resource, but no consultations were held with the Commissioner’s staff. Furthermore, there is no interaction with the Quebec government on the provincial SD strategy currently under preparation. At present, both co-ordination and co-operation appear politically difficult, and the two strategies are being developed independently.

9.5.6 Regional Development Agency Atlantic Canada

The Atlantic Canada Opportunities Agency (ACOA) was one of the first regional development agencies to be created, and it began its activities in 1987. The goal of ACOA is to improve the economy of Atlantic Canadian communities through the successful development of business and job opportunities. New employment is the direct result of business growth, particularly among SMEs, and accordingly ACOA seeks to provide people with encouragement, advice and information, and the

¹⁸ The first version of this tool is expected to be operational in autumn 2004.

capital and technology they need to start and expand their own businesses.¹⁹

ACOA's sustainable development commitment is based on the belief that a healthy environment is essential to the development of a strong growing and sustainable economy. ACOA is committed to protecting the regional environment by promoting sustainable businesses and communities in Atlantic Canada and by setting an example in the environmental management of ACOA's own operations. This commitment is included in all its documents as part of the promotional drive.

Among the funding programmes of ACOA, there is no programme that focuses especially on sustainable development. However, with regard to the environmental dimension, the environmental industries are eligible in principle under all of ACOA's programmes, and the agency directly supports research and development that produces innovation in environmental technologies. The social dimension is working through the delivery of funds to communities for improving their infrastructure, for example for water and sewage.

When elaborating the first SDS, ACOA engaged consultants with previous experience in this field, supported by a team from within the agency. Uncertainties regarding how to approach the task meant that the strategy became too optimistic when specifying the achievements to be expected within the three-year time period of the strategy.

The same consultants were used during preparation of the second SDS, but by this time ACOA had assumed greater control of the process, with the focus on things that could be achieved informed by a clearer understanding of what was not feasible.

The third strategy takes yet another perspective. It incorporates tasks already in process and achievable within the SD frame of reference, i.e. the focus is on activities already being conducted within the agency's day-to-day business that support SD as well as tasks that are within its mandate. This approach has resulted in more tangible and clearer objectives, and it is also implemented more easily among the different operational divisions in ACOA.

¹⁹ ACOA home page www.acoa.ca

Table 9.4: Atlantic Canada Opportunities Agency SDS, 2004-2006

The strategy sets four priorities: support to businesses; support to communities; awareness and capacity building; and setting an example. Within the different priorities, there are 17 objectives.

The agency works towards these objectives through six strategic priority areas, which are: policy, advocacy and co-ordination; innovation and technology; trade, tourism and investment; entrepreneurship and business skills development; community economic development; and access to capital and information. Each objectives in the strategy is linked to a strategic priority, allowing the staff to see associations between the responsibilities and the strategic priorities.

Factors influencing the SDS 2004-2006, in addition to the overall direction set out in *A Guide to Green Government* (1995), include comments and observations made by the Commissioner of the Environment and Sustainable Development in the annual reports in 1998 and 1999 and in *Moving Up the Learning Curve* (1999). The strategy also takes into consideration the 2002 speech from the Throne and 2003 federal budget references to climate change and Canada's World Summit on Sustainable Development commitments.

To identify lessons learned, ACOA reviewed progress made against targets in its second strategy, and then discussed issues and challenges both externally and internally. The external consultation was performed in co-operation with several other federal departments, representing the first of its kind concerning SD at the federal level. For the internal consultations, the staff had access to a guidance document on the requirements for the third strategy, as well as the comments from the external consultations.

External targets in the SDS include awareness-raising by putting ACOA's sustainable development commitment on all outreach documents; generic eco-efficiency fact sheets to clients; providing links to tools, partners and information on the website; providing 'success stories', encouraging young entrepreneurs; and arranging workshops and information sessions for clients. Internal targets focus on matters such as recycling paper and toner cartridges, and providing training and information for staff.

ACOA does not have any specific tool for measuring progress towards sustainable development, but a mechanism has been established within the reporting system for monitoring environmental projects that traces the number of these projects and associated funds. Related information is available through the quarterly reports from the regional

offices and the annual reports to the Executive Committee. A more sophisticated system is currently under development.

9.6 Provincial Sustainable Development Integration

9.6.1 SD Momentum in Quebec

Quebec has made a declaration as a single nation, it is recognised by international bodies as a nation, and international decisions are implemented within its own jurisdiction, not related to Canada. Quebec's parliamentary system is modelled on the British system, with a National Assembly of 125 elected members that exercises legislative power. The government comprises over 20 departments, with selected administrative functions transferred to public corporations, councils, offices, boards, commissions and administrative tribunals. Each body reports to a minister, who is accountable to the 'National Assembly' for its management, subject to judicial or *quasi*-judicial responsibilities.

Quebec is divided into 17 administrative regions that vary considerably in area. For example, in 2001 the Nord-du-Québec region had only 39,530 residents spread over an area of 839,696 km², while the region corresponding to Montreal Island had 1,838,470 inhabitants within an area of 499 km². Each region has a regional development council (RDC), at least one third of whose members are elected municipal or community organisation representatives. The RDC is responsible for ensuring co-operation between regional stakeholders and for managing the funds granted to it under regional development agreements with the government.

In 2000, sustainable development was confirmed as a priority component of Quebec's economic strategy, and pursuit of SD was included in the government's 2001-2003 strategic policy directions.²⁰ An action fund for sustainable development was subsequently established, and this currently supports province-wide and regional sustainable development projects with a \$45-million budget.²¹

In 2002, Quebec Province prepared a separate report for its territory to submit to the World Summit on Sustainable Development in Johannesburg. The document addressed the themes of poverty, consumption and production, natural resources for economic and social development, health, governance, and globalisation, as well as means of implementation. The government also proposed to adopt a SDS for its

²⁰ In this sub-section, unless otherwise indicated, 'government' refers to the Quebec administration, not federal institutions.

²¹ Report on Sustainable Development, Province of Quebec, 2002, p.59.

territory, responding to the UN call for all countries to adopt national strategies for sustainable development by the year 2005.

Also in 2002, the Ministry of Environment held a province-wide forum on sustainable development. Approximately 200 participants from industry, the unions, associations, the scientific community, universities and the government discussed the challenges that sustainable development poses in Quebec. The forum's reflections were intended to highlight a number of key principles and initiatives, for example the importance of stepping up the mobilisation, awareness and education of Quebecers with respect to the major objectives of SD. Following this initiative, the Quebec government decided that a province-wide framework was necessary to guide all of its measures and to send a clear message that SD was a priority, a public concern, and a collective project.

In 2003, the Premier of Québec mandated the Minister of the Environment to formulate a Green Plan for the implementation of sustainable development by the government. The purpose of the Green Plan is to develop a framework process for incorporating SD into all government action by integrating environmental, social and economic concerns. Accordingly, the Ministry of Environment is currently preparing SD legislation for Quebec, engaging ministries and public agencies, and devising general and specific guidance for strategic objectives related to SD issues. To some extent, this will draw on experience with Quebec's biodiversity strategy – the first province to have one – in which each objective has performance indicators, and implementation is based on equity, economy and environment.

The province also has an Inter-Ministerial Council for SD (ICSD), which is comprised of 23 representatives from high-level posts in each department. Chaired by the Environment Ministry, it meets twice a year, promoting SD at the government level. Having previously prepared the Quebec submission for the UN World Summit, it now has a working group preparing a SD strategy, which will be presented to the full council for consultation. The SDS will explain the concept of SD for Quebec, and the need for various implementation tools commencing with indicators.

In previous years, there was considerable misinterpretation of SD in Quebec, on the assumption that it comprised simply environmental improvement. However, with clarification emerging from the inter-ministerial level, there has been a major change in perception, and SD is now better understood as a methodology for 'securing quality of life'. This terminology has facilitated greater cultural acceptance of the concept, encouraging political support, and the role of the Environment

Ministry's environmental impact officer has evolved to acquire a SD mandate, recently confirmed by the courts.

A new evaluative body is planned for Quebec in the form of a Commissioner for Sustainable Development (CSD). The tasks of the appointee will be similar to the duties of the federal CESD, but with a focus on provincial departments. Although Commissioners already exist in Manitoba and Ontario, their remit relates to environmental measures, not sustainable development. It has not yet been decided whether the CSD will be placed within the Quebec Environment Ministry, or with the Quebec Auditor General, reflecting practice at the federal level.

Across the Quebec regions, a number of SD activities have been launched or are under development. Saguenay has a biodiversity strategy, which mirrors the provincial one, and Monteregie has its own SD strategy for the region, with a strong focus on social issues. Joint efforts by provincial and municipal government departments have resulted in Montreal adopting a framework for SD, followed by a Charter on SD, and a strategy and action plan are to follow. Quebec City is using a similar approach, and a framework strategy is being developed for the other municipalities.

Quebec NGOs have been effective in promoting regional environmental integration, but this has not yet evolved into successful regional SD integration. The NGOs have become a formalised partner in the consultation process, in effect operating as regional environmental councils (RECs) supported by an annual grant. These councils have worked with regional development councils on the formulation of regional development plans, but there has been no central guidance for this interaction, and it took ten years for these agencies to gain credibility. This experience is promoted as a valuable pilot project, demonstrating that it is possible to access the decision-making process.

9.6.2 Genuine Progress Index in Nova Scotia

Nova Scotia is one of the four Atlantic provinces of Canada, almost entirely surrounded by the Atlantic Ocean. The province covers an area of 55,000 km², and in 2002 it had a population of about 940,000 people, representing about three per cent of the Canadian total.

In general, significant emphasis is placed on 'community development' and 'quality of life' issues in Nova Scotia. These themes are addressed in different governmental and non-governmental initiatives regarding sustainable development and related topics. Whereas there is no overarching definition of community development in use, the Community Development Policy Initiative (see below) defines sustainable community development as:

‘a process in which a community encases its environmental, social, cultural, and economic resources to create positive outcomes for its members. It is based on mutually beneficial, interdepartmental relationships among community members and with neighbouring communities, community-based decision-making, and respect for social inclusion.’²²

In 1988, the Nova Scotia Round Table on Economy and Environment (NSRTEE) was established to promote sustainable development and provide SD input for the province’s policies. Its members included the Premier, ministers from the resource-based provincial departments, and a broad range of stakeholders from across the province.

In 1991, a series of eight workshops was held across Nova Scotia, by a subcommittee of the NSRTEE, to discuss sustainable development. The result of this process, which could be seen as a form of province-wide consultation process, was a policy paper entitled ‘Sustainable Development Strategy for Nova Scotia’, published in 1992. The strategy addressed issues such as the state of natural resources and biological diversity, and recommended sustainable goals within economic sectors such as agriculture, forestry, fishing and aquaculture, and tourism and recreation. However, this strategy was never formally adopted as government policy.

In the late-1990s, the Nova Scotia provincial departments of Environment and Labour and Agriculture and Fisheries, together with the federal departments Environment Canada and Fisheries and Oceans Canada, decided to work together towards environmental sustainability. They soon came to the conclusion that it would be better to broaden the focus to encompass all dimensions of sustainable development, and other departments at federal and provincial levels were invited to take part in the launching of the ‘Sustainable Communities Initiative’. Focusing on the areas of the Bras d’Or Lakes and the Annapolis River/Fundy Shore watershed, this initiative is a mechanism to bring officials together to address community issues in an integrated manner. It is currently undergoing an evaluation to inform discussions on its future priorities.

In Nova Scotia’s economic growth strategy ‘Opportunities for Prosperity’, launched in 2000, the government promised to deliver a comprehensive community economic development policy. In practice, the focus of the policy was broadened to encompass the social, cultural and environmental aspects, in addition to the economic aspects, and an interdepartmental group was given the task of preparing a sustainable

²² Province of Nova Scotia (2003)

community development policy. With the title 'Community Development Policy Initiative', this is the first such instrument in Nova Scotia, and it is managed on a day-to-day basis by the Office of Economic Development. In September 2003, a discussion paper was published, and in October, a number of consultations were carried out across the province. As part of the initiative, a set of sustainable community indicators (49 in total divided into 13 categories) is being developed, intended to inform and guide government decision-making.

In June 2003, the Province of Nova Scotia released a document entitled 'Towards a Sustainable Environment'. This is the first time that all the major environment management initiatives have been brought together in one document. Overseen by an interdepartmental steering committee, individuals with environmental responsibilities from a range of government departments were given the opportunity to contribute. Although the final document does not contain a great deal of detail, the process and interdepartmental steering committee are thought to hold long-term potential for providing opportunities for dialogue and information exchange on various issues. During 2004, there are plans to expand this venture to embrace policy on a government-wide basis.

In addition to the governmental initiatives, a non-profit research group called GPI Atlantic has developed a Genuine Progress Index (GPI). This is intended to provide a better way of measuring progress than the conventional Gross Domestic Product (GDP). The GPI is intended to be a comprehensive and accurate measure of well-being, a form of full-cost accounting. Whereas the GDP relies principally on economic growth statistics, the GPI attempts to accommodate natural and social capital as well, encompassing environmental quality, unpaid household work, and health, amongst other factors. The GPI also attempts to distinguish between economic activities that contribute to well-being and those that do not, such as pollution and crime.

GPI Atlantic was founded in 1997 with the sole purpose of working with the GPI project. The inspiration to launch the project came from the work 'Redefining Progress', in the United States in 1995, which was the first attempt to develop a genuine progress index.²³ The difference between the two initiatives is that the US GPI aggregates the index components to a single aggregated number. The Nova Scotia GPI chose not to follow this method, so as to allow decision-makers a broader range of indicators to draw upon. The two initiatives also use somewhat different sets of methods.

²³ Currently known as the 'Genuine Progress Indicator'

It has been difficult to fund the development of the GPI. The initial two-year funding came from Nova Scotia Office of Economic Development, ACOA and the Canada-Nova Scotia Cooperation Agreement on Economic Diversification. After that, the elaboration of GPI had to be carried out in connection with other projects and as unpaid work.

The Nova Scotia GPI is unique in Canada, and it is intended to serve as a pilot project for other Canadian provinces. The index consists of 22 social, economic and environmental components, selected in consultation with Statistics Canada after extensive literature reviews. Rather than generating new data, the decision was taken to draw on the best existing methodologies and published data sets. The index is created on a sector-by-sector basis, perceived as the most useful for policy purposes. However, there will not be a workable index until all the indicators have been elaborated. The project has already been running for seven years, and it is anticipated that it will be yet another 2-3 years before the index is complete.

The GPI initiative is well-known among federal, provincial and non-governmental actors in Nova Scotia. It is perceived as making an impact through contributing to public awareness, and also to awareness among decision-makers and policy-makers, on how progress can be measured and gradually bringing sustainable development into the mainstream. At present, however, even the GPI economic indicators are proving difficult to integrate into Nova Scotia practice, with the effect that policy-makers express doubts that the full GPI index could support the target-setting process.

9.6.3 SD Reporting in Manitoba

The Province of Manitoba has enacted SD as a primary goal. The issue was raised in 1998 and entered into statute in 2000, with a law stating that reporting on SD is mandatory at least every five years. Consequently, the identification of quantitative indicators is essential, and Manitoba is now developing appropriate measurement tools. The International Institute for Sustainable Development (IISD), in Winnipeg, has assisted in the province-wide discussion, though links to the federal CESD remain informal.

The Manitoba SD report is due to be published in 2004. It will include an 8-region SD disparity analysis, catalogue the distributional characteristics of problems, and produce aggregated indicators for regional environmental sustainability, regional social sustainability and regional economic sustainability. The 'ecological footprint' technique

will feature as an analytical tool, and a case study approach will examine sub-regions within the province, using a 'dashboard approach'.

The Dashboard of Sustainability is a software tool for use by experts, the media, policy-makers and the general public. Using the metaphor of a vehicle's instrument panel, it has been used to produce country-specific assessments of economic, environmental, social and institutional performance towards (or away from) sustainability. The software was developed by the Consultative Group on Sustainable Development Indicators, an international team of measurement experts co-ordinated by the IISD. Its key features include performance evaluation with individual indicators and aggregate indices, country comparison with distribution curves and maps, comparison within selected country groups, linkage analysis and scatter plots. It is proposed that these techniques and facilities are adapted to produce region-specific analyses of environmental, social and economic data.

Section 5

Summary of results, discussion and conclusions

In this section we summarize the results in relation to the questions posed initially while also identifying other results that were not anticipated beforehand. The results are discussed and finally a set of conclusions are drawn which, from a researcher's point of view, we consider to be important in furthering tools use in relation to regional development policy and regional development programming practice in order to contribute to sustainable development. In comparing regions we aim to find factors linked to tools use that contribute either to SD becoming, or not becoming, an important part of regional development work. We do not compare tools practice in countries and regions in order to label them 'right' or 'wrong', 'good' or 'bad' etc but rather to learn about their inherent possibilities and difficulties, and about the possible choices they entail.

10. Summary of results and discussion – Nordic study

10.1 National regional development and the SD context

Significant differences currently exist across the Nordic countries in expectation levels with regard to the regional development field as an important context for the implementation of sustainable development (SD). It should however be noted that all Nordic governments explicitly support the goal of SD in general.

In Finland and Sweden the regional development field appears to be perceived, from a governmental point of view at least, as an important arena for implementing SD goals. In Finland this is manifested through legislation and in Sweden through explicit government guidelines/instructions directly targeted at the regions and their regional development programming work. In Norway there seems currently not to be any focus at all on implementing SD in the regional development context. In Iceland regional development itself is a recent phenomena as is SD in this context, with this being generally reflected in the government's political rhetoric on this issue. In Denmark environmental issues have been prominent for some time in the national and regional planning context. SD however is not that prominent in the political goals outlined for regional development though it does exist as a set of implicit expectations.

The different levels of political expectation in respect of the implementation of SD in regional development programming work does however seem to correspond to the results of the analysis of the regional case-studies. In Denmark the absence of explicit political expectations and guidelines corresponds to the absence of SD initiatives in the regional development programming context. We experienced this through the difficulties of actually finding any regions working with SD in their RDP-work. Moreover, the voluntary use of Strategic Environmental Assessment (SEA) in Denmark's North Jutland County did not seem to be a success story. The cause and effect here is of course not that simple such that the absence of national political goals would represent the only causal factor in this situation, which is evident from the case-study descriptions. In Norway no case studies were performed simply because no cases with implementation of SD in the RDP-work were found which also corresponds with the lack of national goals and guidelines concerning SD and regional development work. In both Sweden and Finland the existence of national goals, legislation in Finland and also specific national guidelines (in Finland at least for SEA implementation

in structural funds work²⁴) also corresponds with the existence of several regions implementing SD and different tools to promote it. The evaluations of the integration of the horizontal goals of ecological sustainability and gender in the Swedish regional growth programmes (former agreements) do however show that the overall picture is one of a lack of integration as pointed out in the introduction (chapter 1.2) The Finnish experience of the national effort to promote the use of SEA in the context of the structural funds was also not successful²⁵. The introduction of the regional development planning law however seems to have increased the level of implementation though we currently do not have access to any formal evidence here to back up this statement.

10.1.2 *The EU directive*

By July 2004 all EU countries will be expected to have adopted the EU directive '*On the assessment of the effects of certain plans and programmes on the environment*' (2001/42/EC) (the 'SEA directive'). The current round of structural funds are however exempt from the scope of this directive though the exemption does not apply to future programming periods.²⁶ Currently, in most of the Nordic countries, implementation of the directive has occurred within the context of a minimum implementation approach that implies that only plans and programmes that strictly fall under the implementation criteria in the directive are included in the national SEA legislation. The application of the SEA directive in the national regional programming context does therefore look quite different in the Nordic countries. In Sweden and Norway there are no legal grounds for including the different national regional development programmes under the SEA demands, as regional development programming is not legally regulated. That regional development is not included is clear from the national legislative proposals.²⁷ In Iceland it is likely that regional development will be included in the national implementation process as regional development is regulated through a special act²⁸. The regional plans in Denmark covering land use produced by the regions every fourth year, and environmental protection *and* regional development will be covered by the proposal to the law on environmental assessment of plans and

²⁴ Miljöministeriet och Inrikesministeriet (1999)

²⁵ Hildén (2000)

²⁶ EU Commission (2003)

²⁷ Miljödepartementet 2004, Miljøverndepartementet (2004)

²⁸ Theodórsdóttir and Elmarsdóttir (2003)

programmes.²⁹ The other ‘leg’ of the regional development sector – regional economic policy – seems thus far not to have been included in the Danish SEA demands. While in Finland it appears, at the moment that some of the regional development planning will be included³⁰. Regional development programmes (*landskapsprogram* and their implementation plans) will be included. The more general regional development plans (*landskapsplan*) would not be included as they are more strategic in nature and do not set a framework for future development consents of projects.

10.2 SD as a part of regional development work

There currently seem to be very few regions in the Nordic countries working actively and explicitly with SD in the regional development context. We draw this conclusion on the basis of efforts made to find suitable case study regions. There are however many more regions working with environmental issues *per se*, while there seems to be an emerging interest in how to include the broader SD goals within the regional development context.

In the regions of Päijät-Häme, Västra Götaland and Södermanland environmental work was already an important part of the regional development arena before SD was introduced. The previous well-anchored environmental work combined with a high level of political commitment seems however to be an important characteristic of regions working actively with SD in the regional development context. In order for SD to become important in the regional development work the following mutual factors for three Swedish regions – Dalarna, Västra Götaland and Södermanland – were observed³¹ in the context of another study concerning SD in relation to regional development work:³²

- The ‘prehistory’, in the form of a significant prior engagement with, and work on environmental issues.

²⁹ Folketinget (2004)

³⁰ The bill is still being redrafted by 2004-0812 so details concerning the inclusion of regional development is not in place yet. E-mail communication with Ulla-Riitta Soveri, Ministry of Environment, Finland.

³¹ Experiences were described in the form of narratives from one civil servant from each regional administration office, such persons being central to the work with both regional and sustainable development. These narratives were also reviewed and accepted by the executives in the administration. Focus group interviews were also conducted in each region. Published in Naturvårdsverket (2003).

³² Hilding-Rydevik (2003)

- The important role of political leaders and their commitment to, and goal oriented behaviour in relation to the implementation of SD.
- That this SD commitment is documented.
- The driving force of a very committed person – someone who is inspiring, has great knowledge etc – and that at the same time has the trust of, and legitimacy in, the regional development system.
- To take the time needed to make SD operational in the specific regional context. This in turn demands a good knowledge of the region in relation to its economic, social and environmental situation and development.
- The need for extensive communication and discussions between the representatives of the sectors of relevance for SD in order to make SD operational, but also in order to change old professional lines of thought and practice patterns.
- Acceptance of the need to put in the extra work and time needed to ensure that the new issue of SD becomes an integral part of regional development work and practice.

The above factors may not be generally valid for all regions but were clearly highlighted as important factors in each of the three regions mentioned above. It is however also relevant to use this list to discuss the experiences of the four regions studied here. It should however be noted that Västra Götaland and Södermanland were two of the regions studied from which these factors were originally derived. We do not have information on all of these factors in respect of the Danish and Finnish regions studied here, though they seem also to fit with the factors described above. A factor common for the three regions actively working with SD is the existence of a national policy, regulation and guidelines for promoting SD in regional development work. This is not however the case in Denmark, though nonetheless we continue to find regions working with SD, for example Storstrøm County. A UK study on the environmental and sustainability appraisal practice in plan making was a major driver here in encouraging authorities to undertake appraisals. But depending on the plan task of the authority complementing such drivers we also had stakeholder pressure and a desire to improve decision-making.³³

³³ Jones (2004)

In essence, the introduction of SD as a political goal in a regional organisation devoted to regional development work is about promoting organisational change and learning. The literature on organizational learning is however vast and thus will not be dealt with here.³⁴ Helena Valve has written a doctoral thesis study on the social learning potential of the EU structural funds development programmes (Objective 5b more precisely) in relation to the integration of environmental issues. One of her major conclusions being that the institutionalisation of the European Agricultural Guidance and Guarantee Fund did not provide particularly good conditions for social learning in the three regions studied (one region in each of the UK, Sweden and Finland)³⁵.

In order for regional development *per se* to adjust to sustainable development then the different sets of regional actors need to engage in social processes for change, learning and development in relation to SD. In promoting SD beyond the regional development administration itself, and in promoting SD as a goal for other regional stakeholders the regional development administrations' also need to develop their own skills in promoting learning and change in relation to SD. The need to develop this skill has for example been experienced by the Swedish county of Dalarna³⁶.

Why work with SD?

In the above section a number of factors that potentially promote SD in a regional organisation were forwarded. But what arguments do the regions themselves forward as reasons for them commencing, or otherwise, development work at all in relation to SD? What then are the perceived driving forces behind the initiation and pursuit of SD as a goal of regional development? Various arguments can be found here. In the region of North Jutland the pressing economic regional situation, added to the region's peripheral nature, makes other issues more important in relation to integrating the environment and sustainable development. As such, sustaining the economic base of the region is generally seen to be in conflict with pursuing SD. In the Swedish region of Västra Götaland the focus on SD was generally seen as a remedy to the previous regional development work that was perceived as 'fluffy', unfocussed and also at times rather short-sighted, uncritically following the current trends within regional development. The new focus on SD then seemed to be the best approach to adopt if development work was to be long-term and coherent.

³⁴ See for example Berthoin et al (2001)

³⁵ Valve (2003) p 41

³⁶ Naturvårdsverket (2003)

One of the interviewees did however note that, in 1999, during a period of recession, regional development work became highly economically oriented.

In the Finnish region of Päijät Häme the reasons for focussing on SD generally relate to raising the competitiveness level of the region – in order to create an attractive region for current as well as potential citizens, visitors and companies. In the fourth region, that of Södermanland in Sweden, the reasons highlighted were the will to secure a good future for humans and the coming generations, to create a good life for the citizens and an effective welfare-generating economy. One should also bear in mind that in both Sweden and Finland formal and legislative reasons for regional organisations to engage in SD exist (as described in chapter 4). This is not however the case in the Danish context. An example of a Danish region pursuing SD, as a potential driver of growth and economic development, is the region of Storstrøm³⁷. Another example is the Swedish region of Dalarna. This is a rural region with a declining level of population, an unemployment level of 7,4% and with environmental threats for example in the form of metal waste leakages into lakes and rivers. Dalarna choose SD as an explicit regional strategy to remedy the situation and stimulate the positive social, economic and environmental development of the region. The goal of ecologically sustainable development was initiated in the mid 1990s in Dalarna and is now being turned into the broader goal of SD³⁸. Thus the reasoning behind work with SD seems to take many different paths. All four regions in the study here do however perceive the region al level to be highly relevant, in general, for SD work.

10.3 Which tool, and for what purpose?

There are a mix of approaches, measures and ‘tools’ available to promote and progress the regional organisation’s work with SD. This is clear from the four case studies. There also exist a mix of actions, measures and tools to promote SD. The table below provides a summary of the different more specific measures and tools found in the regional case studies. The table also includes the assumed purpose of implementing this measure or tool as the interviewees describe it themselves.

There clearly have been explicit purposes and expectations in relation to the tools used and their implementation. The question remains however as to what actual impacts have come about from the use of the different tools? It is only in the Södermanland case where we have little

³⁷ Hilding-Rydevik, Lähteenmäki-Smith and Storbjörk (forthcoming)

³⁸ Naturvårdsverket (2003)

to go on as the indicator model has yet to be put into actual use. Table 10.1 summarizes the actual experiences thus far in relation to each region and from the interviewees' points of view.

In certain instances an increased knowledge base, created for example through indicators, helps to strengthen the focus on SD. This was the case in Västra Götaland, where it was identified that there was a need to focus on social issues in the regional development work, which had not been done before. In both Västra Götaland and Päijät Häme, the tools used included the formation of working groups and arenas with broad sectoral representation. This contributed to the legitimization of SD as an important 'value basis' (Västra Götaland) and input (Päijät-Häme) for regional development formulation processes. It seems in these regions that the expectations with regard to tools use have been fulfilled. On the other hand, the results from the North Jutland study illustrates that the

Table 10.1 Summary of the specific measures and tools found in the regional case studies, and the purpose of implementing this measure or tool as the interviewees describe it themselves. Categorized by measure and tool.

Measure or tools used in any of the four regions	Expectations on purpose and function
Extensive communication within the regional organisation and over sector borders and also with regional stakeholders (meetings, seminars etc)	- To define SD in the specific regional context - To spread the responsibility and understanding of SD and to get input for the regional definition of SD. - To define SD goals. - To define SD challenges.
Reorganising the regional organisation	- Adapt organisation to the needs of regional development based on SD. - Adopt organisation to the needs of tools use.
SD SWOT-analysis	- Describing the regional situation and prospects.
Strategic Environmental Assessment	- Get environmental or SD issues onto the agenda. - Improve the environment. - Shed light on environmental impacts and to visualize them. - Test and improve the tool. - Improve decision-making by integrating environmental issues and SEA. - Strengthen dialogue with citizens. - Have impact on the contents of the specific regional development programme.
SD indicators	- Monitoring and evaluation of progress with SD work. - Show links between different development

	factors and make goal conflicts clear. - Force different units in the regional organisation to look at their own activities in relation to what the other units are doing. - Information to regional organisation, stakeholders and the general public. - Give feedback on SD work. - Making SD concrete. - Getting more facts about SD and thus furthering the understanding of it in the regional context. - As a basis for budget discussions.
Tools use in general	- Take the region and its impacts seriously. - Greater understanding of SD. - Help to establish a common regional understanding of SD. - Develop the foundation for the regional development programme.

tools use here has made a limited contribution to changing the commitment, political will, organisation, content of plan etc. It did not however succeed in meeting any of the experiences posed.

Looking at the assumed outcomes of the tools use together with the actual outcomes highlights a number of clear differences between the regions in relation to the Bartlett and Kurian typology concerning why and how EIA works³⁹ (see section 3.2). One must assume that combinations of these types in practice exist, and that the characterisation captures what seems to be the main feature of the assumptions and experiences in the region. It is assumed here that the Bartlett and Kurian typology is applicable also to tools other than EIA.

Västra Götaland seems to quite distinctly encompass the political economy model. This also goes well with the political rhetoric in Västra Götaland,⁴⁰ which is generally in line with the theories of ecological modernisation. The other Swedish region, Södermanland, seems keener to embrace the information processing and organisational politics model in its approach to SD. The indicator work, together with the reorganisation measures, indicates this. This is assumed to be the case if the wordings in the typology of Bartlett and Kurian are applicable not only to organisations but also to planning processes. In the North Jutland case the pluralistic and symbolic politics models seem to dominate.

³⁹ (1999)

⁴⁰ Hajer (1995)

Table 10.2 Summary of the results and experiences thus far of the 'tools' implemented in each region. (Mainly based on the statements of the interviewees in each region, described in chapters 5-9).

Region	Tool	Results from and experience of tool implementation
Päijät-Häme	SEA (Indicators)	- Tools use started in 1999 with an EIA-group which was later transformed into the SEA-group - The adaptation of the tool to the regional needs - The formation of a skilled and broad SEA (SD) group - SEA of regional development programme made by the SEA group - Early assessment that feeds into the regional development programming work. - Continuous assessments of projects in Objective 2 Programme as an important basis for funding decisions. Assessment made by the SEA group. - Seems to be a general appreciation of the work of the SEA-group and also a level of pride in the achievements and the integration results. - Results from SEA used actively by regional development officials and politicians.
North Jutland	SEA	- SEA implementation started as a pilot project in 1995 in relation to the regional land use planning (including regional development). - Adaptation of tool to regional context. - Limited integration of the SEA work in relation to regional planning work - Assessment work conducted late in, and separate from, the planning process - Environmental assessment a theme in the Regional Plan 2001 but results are perceived as "passive" and not used in the daily work. - The SEA work did not have much impact on the contents of the regional plan. - Awareness of environmental impacts among professionals at the county administration has been raised. The awareness of impacts between actions in different sectors has also been raised. - Active users of SEA results seem to be few in relation to contents in regional development work.
Västra Götaland	SD-SWOT SD-Indicators	- SD indicators revealed new facts that were drawbacks not previously recognized in the regional development work - The above facts inspired people to become further engaged in the work with the broad goal of SD as the basis for regional development - In general, the tools have created increased knowledge and awareness of SD among key regional actors. - In general the tools have contributed to the

		acceptance of SD among key regional actors, not least among politicians. - Tools input was/is a foundation of the development of the Regional Growth Programme and for the Revision of the Regional Development Strategy. - Integration of tools work in regional development work. - Users are both civil servants and politicians.
Södermanland	SD-Indicators	- An initial indicator model has been developed and adopted to the regional situation. It is however perceived to be too all encompassing at present and will thus need further development before it will be used. - No user experiences yet available.

The Päijät Häme case though seems to be a mix of the information processing and organisational politics models. As such, it appears that the implementation of the SEA model works like a schoolbook example in relation to traditional ideas of how SEA should work⁴¹.

10.4 Similarities and differences between regions

Can the differences between the regions in relation to the different expectations and outcomes described in the previous section be explained by for example some national characteristic or other, or do the variations mainly depend upon region-specific issues or even regional organisation specific issues?

‘Planning style does not come out of the blue; neither is it primarily the result of one planner’s arbitrary or idiosyncratic improvisation. Style is linked - probably in some loose way – to the institutional environment via the characteristics of the planning agency.’

‘My broad and general hypothesis is that, in practice, agency planners tend to design planning processes so that style and organisational properties correspond’.

(Sager 2001)

The regional development programming work can be viewed as a kind of planning process. The choice of tool and the tools used, being the focus of this study, can be assumed to be embedded in the regional programming/planning processes and the planning style they in return are embedded in. National organisations for regional development are in turn embedded in, and characterized by, the different national policy styles (‘the standard operating procedures’) (Richardson, 1982:p 2 in Skou Andersen 1999) and historical contexts. In relation to this it is not in the

⁴¹ IAIA 2002, Brown and Therivel (2000)

realms of this study to make more than some brief remarks concerning the differences proposed in the section above.

Looking at the four Nordic case studies it is clear that, when the political will is in place in the region and when there is a determination that ecological or sustainable development should be an important part of, or the basis for, regional development work, then the regions use a mix of approaches, measures and 'tools' to promote and progress the organisations work with SD. This seems to be the case in the Finnish and Swedish regions. The tools used become not a goal in themselves, but a part of, and means to, the overall organisational development work in relation to SD and regional development. It seems then that in the situations described in the case studies when political will already exists, as do organisational commitment, professional skill and learning motivation then tools use is generally also made more effective. The tools development and use is thus embedded in the overall change and development work.

In the Danish region there seems to be no overall political and sector-encompassing political commitment for which the SEA tool and its implementation represents part of the needed means. Thus many of the traditionally highlighted flaws in SEA and EIA implementation seem to be present in the Danish case. For example, notwithstanding the existence of good assessment techniques and results the SEA process nevertheless remains doomed ineffective, in the sense that it provides input to the forming of the contents of the plan, though it does so too late in the process. The use of SEA will, from July 2004 however be compulsory in relation to regional plans in Denmark, and this may give some impetus to the formation of the political will to take on SEA, at best. The general experience of EIA legislation does however not provide encouraging results in this respect, a subject to which we will return in greater detail below. Notwithstanding this however and despite the absence of SEA legislation in the last couple of years, eight⁴² out of 14 Danish regions have already launched some kind of SEA related projects. This has been done primarily as a reaction to the implementation of the new SEA Directive. However, a number of the projects have been discontinued due to the lack of funding. There has however recently been a number of promising SEA projects launched in the counties of Storstrøm and Viborg.

⁴² Frederiksborg, North Jutland, Ringkøbing, Roskilde, Storstrøm, Vejle, Viborg, and Greater Copenhagen Authority.

In both Finland and Sweden clear national commitments exist, in legal form or through policy statements and guidelines, in respect of SD and its importance in respect of regional development work. These national foundations are of quite recent origin and in addition, few regions in either Sweden or Finland have expanded their environmental work to encompass SD. As such, there seems to be a number of special characteristics displayed by the regional administrations here that pursue SD as an important regional development issue, also using and developing tools to promote it. The nature of 'tools' use in the Finnish and Swedish regions moreover often goes beyond legal demands or is voluntary. This is also the case for example in the region of Dalarna.

With regard to the differences in respect of the Bartlett and Kurian typology we can make some initial remarks here. The North Jutland pluralistic model's expectation of SEA goes hand in hand with the land use planning traditions and EIA traditions in Denmark where the focus on public participation has been a prominent and, it seems also, a successful feature.⁴³ As an explanation of why SEA does not work in this region highlighting the 'symbolic politics' approach is of course an assumption from our point of view, based on the statements of the interviewees. The Västra Götaland political economy approach seems to fit well with an autonomous, prosperous and successful region and also in the context of national Swedish SD politics being in line with the thoughts of ecological modernisation⁴⁴. The other Swedish region, the county of Södermanland being a national but regionally based public administration, with its information processing and organisational politics model however seems to fit well with the bureaucratic and civil servant tradition in Sweden⁴⁵ and the consensus oriented style of administrative operation.⁴⁶ The Finnish style of administrative operation is assumed to be more in line with the managerial style putting efficiency and rationalism up front⁴⁷ thus fitting the information processing model quite well.

10.5 Potential for contributing to SD

So what potentials do the different tools have, and in what sense do they contribute to the implementation of sustainable development? How do the different tools apply to the goals, perspectives and culture of regional growth and development programming processes in the Nordic countries

⁴³ Kjellerup (2001)

⁴⁴ for example Anshelm och Hedrén (1998)

⁴⁵ for example as described by Lundqvist (1999)

⁴⁶ as described for the Swedish municipalities by Karlsson (2003)

⁴⁷ Sairinen (2000) p 93

and in relation to the political expectations on the regional level with regard to implementing sustainable development? These were some of the initial questions posed by the project.

In the regional case studies, tools use seems to be successful in arenas that have already been prepared, and in those committed to managing environmental or SD issues, as stated above. Sadler⁴⁸ suggests that one of the criteria to make the tool of environmental assessment more effective is the 'receptivity of decision makers and proponents to the results of the EA, founded on good communication and accountability.' It also seems that one can pose the question or make the assumption that the choice of tool needs to comply with the agency properties and the choice of planning style in order to become useful for the organisation implementing the tool. One important question here then is whether the institutional willingness and preparedness of the arena to integrate a tool and its results must be in place, or whether the tools can in themselves contribute to changing this fact? Can any kind of tool be adapted to fit the different properties and planning styles in any kind of organisation in order to contribute to the usefulness of the tool in the implementing organisation? To what extent can tools use change agency properties and planning style if these are the main obstacles to the implementation of SD? This leads to the question of, to what extent the superimposition, through legislation for example, of a certain tool can be made effective and useful in a region? The case studies here do not however provide enough of basis to make firm conclusions on these questions, while we are now also faced with a number of new questions that have arisen in relation to the ones posed initially.

In relation to EIA, for which implementation has not been prominent in the case studies, a number of positive and negative examples can be found. Such experiences moreover provide a significant level of input in respect of highlighting the issues above. The experiences of legislating tools use, such as for example EIA, does however show that there is of course an increase in the use of the tool, but also that there is no guarantee of either efficiency or effectiveness from an implementation point of view⁴⁹ or from the implementing-organisation's point of view. The issue of long-term societal usefulness is moreover something that should also be considered besides the positive and negative effects on the

⁴⁸ (1996)

⁴⁹ As an example, see Lee et al (1994), Council on Environmental Quality (1997a), Wood (1999), Barker and Wood (1999), Hilding-Rydevik (2002), Cashmore et al (2004).

implementing organisation. The CEQ study⁵⁰ concerning the evaluation of the long term societal effectiveness of the 25 year implementation of the EIA legislation in the USA (National Environmental Policy Act (NEPA), concludes that NEPA 'is a success – it has made agencies take a hard look at the potential environmental consequences of their actions, and it has brought the public into the agency decision-making process like no other statute.' CEQ also highlights the needed improvements: 'agencies sometimes confuse the purpose of NEPA. Some act as if the detailed statement called for in the statute is an end in itself, rather than a tool to enhance and improve decision-making.' In USA the number of Environmental Impact Statements (the formal EIA document) filed with the Environmental Protection Agency according to NEPA has diminished from about 2000 in 1973 down to 500 in 2000⁵¹. These numbers could be interpreted as a quantification of at least one part of the success of NEPA. The reason for this decrease is generally thought to be the fact that, already at the outset of the process, the proponents make sure that they have already included the environmental measures, in order to avoid the time and money consuming EIA processes. The UK experience concerning Environmental and Sustainability Appraisal in for example regional plans also provides us with some interesting results in relation to the promotion of SD.⁵² Environmental Appraisals (EA) were by some authorities perceived as being too narrow in scope, and in order to better support SD they moved on to SA so that social and economic issues could formally be included. It was also perceived that SA was a more appropriate technique in examining development plans⁵³ when compared to EA. In relation to effectiveness, the same study showed that about 1/3 of the respondents⁵⁴ indicated that the appraisal had an influence on the development plans. Those authorities that were undertaking the more focussed environmental appraisals were however less likely to believe that the appraisal influenced the plan.

If promoting SD in an regional organisation is looked upon as being the starting point for organisational change and learning then it seems that the factors put forward in section 10.2 are indeed rather important, as is the subject of organisational learning in general. In relation to tools it seems appropriate to suggest, perhaps in rather a naïve way that we should choose the approaches, measures and tools needed. It

⁵⁰ (1997), p iii

⁵¹ EPA homepage (2001)

⁵² Jones (2004)

⁵³ Jones (2004)

⁵⁴ Jones (2004)

follows from this that the first important, and also often rather difficult step in tools use in relation to SD is to identify what is needed in the organisation in relation to promoting SD in regional development and regional development programming work – is what is needed a fundamental change of the mindset and organisation of the administration in question, or is it merely a technical aid for a very specific purpose? As indicated previously, tools use needs to be part of an overall SD regional strategy. The tools themselves cannot then solely, either represent or replace *the* strategy in a region or a municipality. Tools use may contribute, in the long run and in certain instances, to creating an environmental or sustainability ‘mind set’⁵⁵ but one should not rely solely on this input. In relation to the tools reviewed in this project some short statements can be made concerning the possible application of the tools in the regional development programming context:

- *SWOT-analysis* can be used, as in Västra Götaland, to describe the regional situation and its prospects in relation to SD. This knowledge provides input into discussions concerning the definition of SD in the specific regional context. An evaluation of the use of SWOT analysis in the Nordic countries shows that there remains significant room for improvement however in terms of the strategic regional planning role of SWOT-analysis (Karppi, et al 2001). We would also propose to use SWOT-analysis as it was intended initially, i.e. to look at the strengths and weaknesses in the organisation but in relation to implementing SD. One important fact in this situation is for example the organisational capacity to link the different aspects and professional perspectives and practices represented in the organisation needed in order to define, measure etc SD. The SD content of the programming work does evolve through the process of interaction and communication between different actors and the knowledge they represent – economic, social, ecological etc – there is no single profession responsible for SD.
- *Environmental or Sustainability Assessment*, for example EIA, SEA, Sustainable Impact Assessment, Sustainability Appraisal, can all act as evaluation instruments in situations when this is needed in regional development and programming work. They can also serve as inputs in formulating the contents of the regional development programme. The results of the assessment can thus serve as feedback to the environmental or SD contents and directions of the programme. This

⁵⁵ Jones (2004)

was the case in the Päijät Häme region. They can also serve as the assessment of projects seeking financing from the regional programmes and serve as the basis for decisions concerning funding. This is how it was used in the Päijät Häme region. The proposals on how EA should work, and the experiences of it are vast and worldwide. SEA and Sustainability Impact Assessment are however of a more recent origin, and as such are still in the process of development.

- An important part of SD is to find a starting point for the region specific definition of SD – what issues are important in our region and in the respective national context. In order to monitor and evaluate the progress with SD work, to give feedback to the SD work, i.e. to attain a greater understanding of SD in the region etc *SD indicators* can provide a useful tool. This is the intention in the Södermanland County organisation. In Västra Götaland the results of the indicators were used as the basis for budgetary decisions. A huge number of different approaches and systems of SD indicators exist worldwide as a basis for regional work in this respect.

11. Summary of Results and Discussion – Canada Study

11.1 Regional development and the SD context

Regional development and the SD context in Canada differ markedly when considered from the federal and provincial perspectives. At the federal level, considerable emphasis has been placed on SD both as a means for steering government action into the future and as a tool for appraising the current policy implementation process. This has been reflected above all in the establishment of the Office of the Commissioner for Environment and Sustainable Development, a highly innovative approach to institutionalising SD. With its activity firmly grounded in legislation, the CESD has the clear responsibility to audit the policy, plan and programme implementation of government departments and agencies in order that they correspond with the best means of realising sustainable development. In short, the gap between commitment and action must be reduced, and this requires a comprehensive knowledge of the implementation context.

Establishing a specialist unit that scrutinises SD content – especially within the integration tool of SD strategies – across government departments appears then to offer a useful starting point for the effective conversion of public sector activity. The CESD direct link through reporting to Parliament, and in having a Parliamentary Committee for Environment and Sustainable Development, shows how this new institution operates with clear political authority.

In practice, most federal government departments do not have a regional perspective, while the role, profile and budget of regional policy was progressively reduced some years ago. Nevertheless, with the work of regional development now divided between federal regional development agencies, the task of the CESD has been extended to appraise the regional development agencies. Even though these agencies generally work to an economic development model, the CESD scrutinises the internal logic of the agencies' sustainable development strategies and their effectiveness in carrying out SD measures within their designated administrative territory. There is a political expectation that these agencies will support and incorporate SD principles as outlined in the Canadian Federal Government's submission to the UN World Summit on Sustainable Development.

However, regional development is not seen as a particularly important arena as far as implementing SD goals is concerned. Instead, it is perceived as merely one of a number of areas of responsibility of the federal government, while the regional development agencies are

subjected to the same scrutiny as parallel departments. As already indicated, these agencies encounter difficulties in finding effective means of working with SD in a regional development capacity, while results have thus been rather slow to emerge. In addition, expectations are not precisely targeted with specific sectoral guidance, and consequently a low level of achievement has resulted. Nevertheless, the federal level is clearly defined in having both an institution and tools designed to mobilise a national momentum on SD within the realm of public sector activities.

At the provincial level, the picture is less uniform. Although the federal government produced the Canadian SD report for Johannesburg, there is still no overarching federal sustainable development strategy, and the auditing work of the CESD remains focused on federal departments. This means that the provinces currently lack guidance from the federal level, and the choice of whether to engage in SD integration activities – and how to approach them – is left to the discretion of individual political authorities. At present, the state of readiness to address SD varies considerably among the provinces, and this is where differentiated political will has made the greatest impact.

The majority of provinces do not have a clear focus on SD, though there are now a few exceptions where SD is becoming part of the expected policy framework. In this respect, Quebec appears to have made most progress, with political support at the highest level driving SD into all areas of government activity. Sustainable development has been confirmed as a priority component of Quebec's economic strategy, and pursuit of SD is included in its strategic policy directions. Quebec prepared a separate report for its territory to submit to the World Summit on Sustainable Development in Johannesburg, and the government also proposed to adopt an SDS for its territory, responding to the UN call for all 'countries' to adopt national strategies for SD. The provincial Ministry of Environment held a forum on sustainable development in Quebec, highlighting the importance of stepping up the mobilisation, awareness and education of Quebecers with respect to the major objectives of SD. Following this initiative, the Quebec government decided that a province-wide framework was necessary to guide all of its measures and to send a clear message that SD is a priority, a public concern, and a collective project. The creation of the new institution of the Quebec Commissioner for Sustainable Development is however expected to bring the appraisal process into operation at the provincial level.

In comparison, Nova Scotia has made advances of a different character, with moves to align the economic growth strategy with policy

dimensions covering social, environmental and cultural factors, culminating in a sustainable community development policy. In this case, the attempt to forge links between political vision and corresponding action are evident. However, the Province of Manitoba is where the evolving SD context is placing very clear responsibilities and expectations on regional development. SD is already a primary goal, having been entered into statute in 2000, and the law states that reporting on SD is mandatory at least every five years. In its anticipated structure, the provincial report presents a very region-oriented review and appraisal of SD achievements and deficiencies.

11.2 SD as part of regional development work

At both federal and provincial level in Canada, there is only modest evidence of regions working actively and explicitly with SD in a regional development context. This reflects the reality that the region *per se* is currently not perceived as a major policy focus. At the federal level, this is partly a consequence of the government's step back from interventionist regional policy some years ago. Within the provinces, the regions have greater significance, because of the territorial scale of operation, but even there the term 'regional policy' is uncommon, and most initiatives appear under the title of province-wide concerns, in some cases with region-specific characteristics or aspects.

In the instances where SD can be identified as a significant part of regional development activity, a range of factors has influenced the decision to adopt this route. These include previous engagement with targeted environmental policies, mounting political commitment and profile for SD, institutional innovation, the 'spillover' effect in the federal-provincial relationship, other previous initiatives in related areas such as biodiversity, and recognition of SD as a driving force for future competitiveness.

For institutions at both administrative levels, previous work with environmental factors appears to have been a major precondition facilitating the transition to SD engagement. At the federal level, through Environment Canada, representing the Ministry of the Environment, and the Environmental Assessment Agency, there had already been activity in cross-departmental initiatives to promote strategic environmental thinking in other development-related institutions. However, there was no ministry of SD, until this role was partially fulfilled with the creation of the CESD within the Auditor General's Office. This act affirmed the federal commitment to SD, which was quickly reinforced with the primary catalyst or tool – the commitment for departments to produce SD strategies.

The approach and character of the SD strategies has invariably drawn upon previous experience with environmental initiatives. Among the federal regional development agencies, CED in Quebec already had a track record of tackling the economy-environment nexus. Ongoing ventures such as the establishment of region-specific Enviroclubs, each of which caters for 15 SMEs, is managed by consultants working with CED, devising plans to assist the SMEs to reduce pollution while becoming more cost-effective in their environmental management. In comparison, in ACOA in Nova Scotia there is a commitment to protect the regional environment, especially through the principle of setting an example with ACOA's own environmental management practices. Within its funding programmes, there is scope for environmental industries to gain finance under general themes, but ACOA also offers specific support for R&D in innovative environmental technologies.

In both these cases, this experience acted as a preliminary base for taking the environmental measures one step further, to incorporate SD, by assuming a broader perspective and the inclusion of social factors. However, the actual impetus for this to occur was the statutory obligation to produce a SD Strategy as specified in the federal Auditor General Act. This then was the stimulus that both encouraged and compelled these regional agencies to address SD issues, which have clearly presented a greater challenge than the integration of environmental issues. Neither agency operates SD programmes as such, but the strategies have proved an effective tool for focusing attention.

Within the provinces, there has not been the same obligation to produce strategies. This has resulted in much less formalised activity in SD issues, and yet at the same time it has allowed an interesting diversity to emerge on how SD might be approached. In the three provinces surveyed – Quebec, Nova Scotia and Manitoba – very different tools and measures have been adopted. In all three cases, the process is still at an early stage, and no significant impacts can yet be measured, but certain actions may have direct and indirect implications for regional development practice. The most encouraging signs include the exceptional achievements in Quebec, where the speed and comprehensiveness of change has included an action fund for sustainable development that currently supports regional sustainable development projects with a \$45 million budget. Furthermore, the establishment of the provincial CSD – emulating the thinking behind the federal CESD – may also assume a greater significance for regional development. This becomes ever more likely to occur as more provinces become interested

in adopting SD interventions, prompting the expansion of the remit of the existing environmental commissioners in Manitoba and Ontario.

Nova Scotia province has approached sustainable development through the theme of sustainable communities. Emphasising the integration and deployment of economic, environmental, social and cultural resources to derive positive outcomes, it is based on a great deal of community interaction and decision-making that respects social inclusion. Thereafter, focused on specific problem regions, it is attempting to tackle community issues in an integrated manner, while sustainable community indicators are under development in a parallel process. Nova Scotia province has also part-funded the ongoing GPI initiative, seeking indicators that range beyond economic features to address the issues of natural and social capital. Although still under development, this has considerable potential for application as a regional development information system.

Manitoba clearly has the greatest SD-regional focus of the three provinces. The prospect of a comparative SD disparity analysis, identifying problems by location, and producing aggregated indicators for regional sustainability, encompassing economic, social and environmental dimensions, amounts to the most detailed and potentially innovative tool yet to be used in Canada for regional development. The further division into sub-regional case studies will allow even greater insight and information for regional development policy formulation and evaluation. However, at present formal approval has not been forthcoming for the sub-regional case studies chapters, and the Manitoba administration has not yet authorised this material for release into the public domain.

11.3 Tools, expectations and experience

Over the past decade, a number of methods have been used to try to operationalise SD in the Canadian public sector. The main differences in selection lie between the federal and provincial jurisdictions, but generic types are identifiable. Table 11.1 provides a summary of the different measures and tools used by Canadian institutions and authorities, categorised according to type with a description of associated expectations regarding purpose and function.

The broad categories comprise institutional innovation in the form of a commissioner for environment and/or sustainable development, SD charters/strategies/action plans/ action funds (all of which would ideally appear in sequence as part of the same process, and be directly inter-linked), and indicators for SD or sustainable communities.

The two commissioners, with the provincial version based upon the operational federal institution, are expected to assess effectiveness in SD implementation across the range of government activities. In their development, both illustrate the trend to move from environment to sustainable development as an appropriate broader focus, and both require a prior detailed knowledge of the implementation context. With the various SD charters and other instruments, by contrast, the purpose has been to obtain an understanding, of the concepts, to set up a framework, to launch legislation and guidance, and ultimately – at action plan/action fund level – to identify and support projects. Lastly, the compilation of SD indicators has been oriented towards a number of tasks beyond straightforward monitoring; they are expected to address awareness-raising, to measure regional and institutional performance, and to expand the coverage of issues from economic to encompass natural and social capital.

Taken together, these aspirations are wide-ranging in themes and ambitions, and they reveal a diversity of methods employed in Canadian attempts to institutionalise SD integration. To gain further insight into how effective these measures or tools have been in practice, and what impacts they have made, Table 11.2 presents them in the form of institutional affiliation linked to experience of implementation, insofar as possible. Comparing expected outcomes with actual outcomes also allows critical appraisal of context.

The CESD, for instance, has progressed according to expectations in terms of the original remit, drawing a strong focus on, and appreciation of, SD in government operations. However, the institution has been criticised for assuming too narrow a task by keeping attention on one department at a time or by declining to become involved in consultation on the grounds of logistical difficulties. Although the Commissioner has raised the SD profile, some departments or agencies seeking to avoid further criticism have sought to minimise negative feedback by limiting the ambitiousness of strategies. This reduces the likelihood of innovation, and it may signify that the future impact of strategies will be limited. In other words, this tool may already have served its purpose, and continued submissions may no longer be necessary, cost-effective or appropriate. Other criticisms of the Commissioner relate to the absence of producing a tool to measure progress in SD (this problem was common to all cases recorded in Canada). To become more effective, the CESD may require a stronger basis for defining its operational ambit, such as a federal SD strategy, and even greater political support to generate ‘a louder voice’.

With regard to the federal regional development agencies, both examples have encountered difficulties in operationalising SD, but they have reacted in different ways. CED has taken steps in the SD strategy to redefine the concept to a more measurable application, and it has sought external assistance to devise a new tool that will incorporate and combine indicators. In contrast, ACOA has chosen to follow a pragmatic route limiting SD involvement to feasible and manageable tasks, and in practice the focus has been mostly on environmental projects. This illustrates how SD responsibility can be either assumed or avoided, in the latter case by adopting a form of minimum compliance, so undermining the impact of the Commissioner on regional agencies where economic development remains the highest priority.

Among the provinces, the work in Manitoba has not yet reached the implementation stage, and so little or no insight can be gained into its feasibility or impact. Ecological footprint analysis and the dashboard of sustainability are the tools still requiring official approval, but it is unclear whether this is based for example on their unfamiliarity or on the outputs/results.

Quebec presents the greatest amount of activity encountered in the study, in terms of the diversity of initiatives and momentum, but a substantial amount is still under development or newly launched. Nevertheless, the range of measures and tools used illustrates how the task of SD integration can be approached and formalised at the provincial and regional levels. Quebec has relied on legislation, official guidance, a high-level committee and institutional change – in the form of the new commissioner – to give momentum to the SD transition. This has been supplemented with province-wide consultations and the decision to use the term ‘quality of life’ rather than continue with the rather official-sounding ‘sustainable development’. These factors have evidently assisted in gaining increased political support and cultural acceptance for the SD changes being proposed. Accordingly, Quebec has not relied on tools in the early phase, but instead has seen advantage in securing broad-based acceptance backed up by strategic institutional, political, legislative and public support. Only when such a condition had been achieved, and the ground had been adequately prepared, were the tools of strategies and indicators brought into focus.

In comparison, Nova Scotia has also embraced the concept of quality of life, and added the framework of sustainable communities, though there has been here a greater reliance on tools at an earlier stage. Following a sustainable development strategy, which was never formally adopted as government policy, community development policy has

delivered a set of indicators to assist in decision-making. In parallel, the initiative of the Genuine Progress Index has focused entirely on using indicators to assess development within a broad appreciation of the factors that are significant for positive change. These endeavours are not supported by legislation or approved strategies, and they appear uncoordinated, with several different orientations, and each tool still subject to further development or evaluation.

11.4 Potential for contributing to regional SD

In considering their potential for furthering SD at the regional level, the tools encountered in the Canadian survey can be categorised in accordance with Table 11.1, where they are grouped as institutions, SD initiatives, and indicators.

11.4.1 Institutions

The office of a commissioner for sustainable development established within the structure of the administration is essentially an external supervisor of SD integration, a form of institutional independence that enhances accountability. In the Canadian context, the activity and outputs of the federal version of this office have offered considerable scope for learning, especially by assisting departments to improve their strategies and to meet SD commitments and obligations.

However, the Canadian model currently restricts the coverage to one of auditing. Politically, this is a practical and safe option, preventing the commissioner from indulging in policy matters and in becoming involved in public debates on policy direction and sectoral strategic matters. Any political intervention would need to be made through the Parliamentary Committee, for which the commissioner acts as a civil service resource, with a government-wide remit. However, there is speculation within the Canadian administration that the current institution may have already reached the limits of its potential for innovation, and that without further enhancement of investigative faculties, it will diminish in status. Already, some departments have found various means of 'containing' the feedback received from the commissioner, and with each successive strategy this management skill becomes more refined. Evidently, the commissioner can and does play an important contributory role in securing SD formalisation and standardisation in the planning and decision context, but if this is to extend beyond information provision and audits of strategic documents, then the scope needs also to be broadened.

Another factor to consider here is that the base for such an institution will be an important determinant for its effectiveness and influence. In this respect, the Quebec provincial administration has not

yet decided on whether its new commissioner should be placed in the Auditor General's office or in the Ministry of the Environment, with a more substantial affiliation to a development ministry and closer sectoral associations, likely to enhance its status and impact.

11.4.2 SD initiatives

The various tools assembled within SD strategies, charters and action plans function collectively as internal tools, in the sense that they are generally devised, approved and used by the same political and administrative authority. They have the scope to create knowledge, new perspectives and new forms of intervention, as well as offering related scope for learning, change and interaction. Certainly at the provincial/regional level, each of these tools has contributed to communication and interaction regarding SD comprehension and implementation in Canada, and scope remains for their further development and application.

For instance, rather than remaining distinct from regional development instruments, SD strategies may be incorporated as an integral part of a regional programme, acting as a first point of reference for policy formulation and providing a structure for the monitoring and evaluation of the regional fulfilment of SD. This appears to be the direction in which the Province of Manitoba SD report is moving, with its emphasis on SD regional disparity analysis and sub-regional case studies.

11.4.3 Indicators

Indicators for SD represent another aspect of internal tools, with such a supporting measurement being essential to the judgement of whether policy initiatives are meeting their objectives. Accordingly, indicators represent a fundamental component of SD implementation, comparing time-series data with baseline data.

There are, and have been, a number of initiatives in Canada to identify and compile suitably cohesive indicators for performance measurement that reveal whether a region is moving towards - or away from - sustainability in terms of social, economic, environmental and institutional factors. The choice of indicators is critical in terms of their feasibility (whether they can be defined) and realistic timescales (whether they can be delivered within the decision-making timeframe).

Each of the Canadian examples appears to be still identifying or finalising indicators, illustrating that refinement of this tool, although essential, remains elusive. In practice, the selection of region-specific indicators will determine the manageability and comparability of data and, as a corollary, whether the results will be applicable in the regional

policy process. In the ongoing GPI project, for example, the Nova Scotia administrators are already experiencing difficulties in incorporating the data into the decision-frame of the provincial administration. The lesson suggested by this enterprise is that, rather than designing an optimum and all-encompassing information system, the end-user or receiver has to be borne in mind from project conception, otherwise the tool may have no applicability. Ultimately, this may be the feature that determines adoption, and one that distinguishes the Manitoba SD report from the Nova Scotia GPI project.

Table 11.1: Tools & relative expectations

Measure or tool used in Canadian practice	Expectation on purpose and function
Commissioner for Environment and Sustainable Development (CESD)	- federal institution designed to hold federal government departments (including regional development agencies) accountable for environmental protection and SD in policy implementation; - assessing effectiveness in implementing SD dimension in already agreed regional development policy, but not challenging or making new policies; - making recommendations on how to improve performance, in terms of economy, efficiency and mechanisms used; - enforcing legislative requirement that departments produce and submit sustainable development strategies
Commissioner for Sustainable Development (CSD)	- provincial institution yet to be initiated; - to be modelled on federal CESD and go beyond the environmental remit of similar commissioners to audit provincial departments and ensure effective SD integration
Sustainable development charter/ strategy/action plan/action fund	- for federal or provincial department or authority, to provide an overall framework for SD comprehension and management, and facilitate integration; - to explain SD concept, the need for associated SD indicators, and provide overview with sectoral goals for sustainability; - to create a launch-pad for legislation and guidance for strategic objectives linked to SD

	issues; - to identify and support general SD projects and specific SRD projects
Sustainable development/sustainable community indicators	- to raise the awareness levels of the general public and decision-makers on the means needed to bring SD into the mainstream; - to measure regional social, environmental and economic sustainability; - to measure environmental, social and economic and institutional performance towards or away from sustainability - to measure progress beyond GDP, incorporating natural and social capital in full-cost accounting; - to distinguish between positive economic impacts and negative economic impact

Table 11.2: Institutional experience of implementation

Institution	Tool	Results from and experience of implementation
Federal Parliament	CESD	- from 1997, annual reports have criticised management of SD issues and lack of co-ordination among departments and between federal and provincial levels; - two rounds of SD strategies have been audited and recommendations made for improvement; - SD now perceived as a central theme for bureaucratic attention; - CESD departmental focus been criticised, suggesting that horizontal issues and cumulative impacts are not being taken into consideration; - CESD has not developed tools to measure progress in SD – this has been left to the individual departments; - Apart from producing general guidelines, the CESD remains detached from SDS preparation; - The CESD detached and critical

		emphasis to meet bureaucratic targets has reduced aspirations in institutions; - Without a federal SDS, it remains difficult for CESD to interpret or implement national guidelines; - Need for greater overt political support for this initiative to progress further
Canada Economic Development for Quebec Regions (federal regional development agency)	SD Strategy	- third SDS now has moved on from Brundtland concept to focus on cost-effective SD; - scale of consultation has increased each time, now including inputs from SMEs and internal CED management – but not yet senior management; - measuring SD been a problem. Measuring activities is possible, but impacts and outcomes are difficult; - SD in strategy relates mostly to natural resource regions with forests and fisheries, the easiest to understand and implement; - Guidelines are needed for agency's regional offices on how to identify and measure SD projects; - Special tool under development with environmental and economic indicators
Atlantic Canada Opportunities Agency (federal regional development agency)	SD Strategy	- first SDS was over-optimistic and unrealisable, and the second was more modest, distinguishing between feasible and unfeasible aspirations; - third SDS has taken even less ambitious approach, encompassing what is already being achieved, rather than being innovative or taking risks; - ACOA seems to have emphasised environmental

		sustainability, and no tool devised for measuring progress towards SD; - Basic monitoring of environmental projects is to be supplemented with new more sophisticated system
Quebec Province	Green Plan, Interdepartmental Committee on SD, and Commissioner on SD	- Green Plan launched to develop a framework process for integrating SD into all government action; - SD legislation now in preparation, as well as guidance for strategic objectives related to SD; - ICSD, chaired by Environment Ministry, now preparing SD strategy; - 'Quality of life' substituted for SD, and this has generated greater cultural acceptance and political support; - New institution of Commissioner for SD is planned; - Other factors within regions in the province have included SD Charter, strategy and action plan.
Nova Scotia Province	Sustainable community development and Genuine Progress Index (GPI)	- Officials brought together to discuss community issues in an integrated manner; - Discussion paper published and consultations carried out across the province; - 49 sustainable community indicators identified, divided into 13 categories, to inform and guide decision-making; - GPI under development, to provide comprehensive measure of well-being and full-cost accounting; - Statistics Canada assisted with selection of 22 social, economic and environmental components; - Criticisms that 2-3 years before

		GPI is ready, and policy-makers doubtful about feasibility of application
Manitoba Province	SD report	- Report completed, but not yet fully approved or released for public consultation - Aspects hindering process include techniques of ecological footprint analysis and dashboard approach within sub-regional case studies.

12. Overall comments and conclusions – Nordic and Canadian study

12.1 Cross-national comparability

At the outset, the overall aim of the study was not to make a detailed comparison of the Nordic and Canadian experiences, but rather to draw on differing but related contextual sources of information in an attempt to provide a broad picture of SD and regional development interaction. In the Canadian study, the focus is on SD work in general, to provide an understanding of the approach adopted at the federal and provincial levels, as well as an examination of selected SD work in relation to regional development policy and administration (the approach to sustainable regional development). In comparison, in the Nordic study the focus is on regional development administrations and on investigating the implementation of SD in the context of regional development programming work. As such, the main effort in the Nordic study was put on the study of the regional administrations and bodies and their everyday work concerning the implementation of SD, but more specifically on their experiences with the different tools used to promote this implementation. In spite of these differences, a number of compatible experiences can be observed between both the Nordic and Canadian parts of the study

The Canadian experience concerning the development and implementation of SD and SD tools is derived from a political and administrative system that has significant parallels with the Nordic countries. In particular, the Canadian federal system, with its different jurisdictions, offers an interesting and practical comparison with the Nordic multi-country perspective. In both instances, organisations operate at a federal/Nordic scale with the capacity to bring different levels and sectors together, while each also assumes the role of supporting regional economic development.

As such, equivalent political and cultural responsibilities can be identified at the Nordic national level and the Canadian provincial level, especially in increasingly assertive jurisdictions such as Quebec. However, this is also where the Nordic and Canadian administrative contexts become diverge. From this level, the Nordic countries organise and co-ordinate regional policy measures and regional development initiatives, but the Canadian provinces operate a very different form of regional support, with the focus on regional groupings of administrations working together for the common interest. In practice, the Canadian interventions are less targeted on problem regions and designed more on

developing an entire region, although this is done in accordance with the principles of SD.

12.2 SD expectations

The Nordic countries are committed nationally to SD, and Canada has a similar general commitment at the federal level. However, whereas each of the Nordic countries has produced a guiding national SD strategy, Canada has discussed, but not yet established, a federal overarching SD strategy.

The field of regional development policy is not seen as an especially important arena for the implementation of SD goals at the Canadian federal level, and this is comparable with the national political situation in Denmark and Norway. In contrast, in Sweden and Finland the regional development field is clearly perceived as significant for the implementation of SD goals.

Moreover, political expectations concerning *the role of regions in the promotion of the goal of SD in regional economic development* initiatives appears to display a similar pattern for the provincial level in Canada and for the national level in the Nordic countries. In both cases, there are large differences in the expressed levels of expectations. In the Nordic countries, this reflects national autonomy, subject to fulfilling the obligations imposed by UN agreements, whereas in the Canadian context, the provinces have the power to choose their own policies and policy instruments. Leading provinces were highlighted in the study, illustrating the new approaches and tools under development, but these examples are unusual, as the majority of provinces are still waiting for guidance, for example in the form of a federal SD strategy, before launching their own efforts to bring about provincial SD.

The measures taken by national or federal authorities to stimulate SD implementation in the various regional economic development contexts appear to be important in initiating SD work in the bodies and regions responsible for regional development measures and programming work. There remain however a number of SD efforts, in relation to regional development, that have emerged for reasons specific to the provincial organisation or region. The national level implications that follow from SD implementation in regional development raises the level of attempts made. The outcome, usefulness and effectiveness of these SD initiatives will however be largely dependent on the commitment and capacity of the implementing organisation and administration. It can also be observed that the driving forces behind the focus on SD differ substantially. In Canada, for instance, there are currently no federal

efforts aimed at the promotion of SD in regional development work at the provincial level.

12.3 Institutional innovation

The outstanding aspect of the Canadian context – now in evidence at both the federal and provincial levels – is the new institution of an auditor for sustainable development. Moreover, while this is a relatively new development at the federal level it is only just being established at the provincial level. The federal example is one that is not paralleled in the Nordic context, but there may be scope to introduce a similar cross-national institution i.e. a Nordic Commissioner for Sustainable Development. The task of such an office would be to report on the attempts made to fulfil commitments undertaken in national SD strategies, as well as reporting on the logic and compatibility of SD instruments and initiatives.

While the Canadian version has thus far been restricted to auditing at the federal level, any prospective Nordic equivalent could perhaps be given a wider remit, specifically including for example regional development as a key focus, as well as the task of enhancing and reinforcing the common ‘Nordic identity’ of the states concerned. A review from the Nordic SD Commissioner could potentially serve as a benchmark for, while also providing feedback to, national SD work in the Nordic countries. In this role, such an office could provide input to, for example, the work of the newly established national Secretariat for SD in Sweden. The role of this secretariat is to co-ordinate the SD work of the Swedish government, to create new ideas and further the Swedish national SD strategy. It will also have responsibility for developing the position of Sweden in relation to international SD and environmental issues – in the EU and in the UN Commission for Sustainable Development (CSD).

The reviews made by a Nordic Commissioner of SD would provide valuable ongoing input further enhancing an already broad knowledge base related to challenges in developing and implementing SD. In scope, this would encompass not only national and regional SD initiatives, but also provide an important follow up and input to the Nordic SD work that has been launched by the Nordic Council of Ministers.

12.4 SD strategies

It is undoubtedly the case that in the Canadian provincial organisations studied here, as well as in the Nordic regions, *the role of a sustainable development strategy* (SDS) is crucial. Where one already exists, it can represent a manifestation of the mutual basis for policy and operations

and a practical reference point for the beginnings of performance measurement, or at the very least to identify the fulfilment of commitments. Conversely, when no strategy exists, it is perceived as an important contributory factor as to why SD has not yet been implemented sufficiently in the organisation or regional territory, even though it is recognised that its existence is no guarantee of effective integration.

Nevertheless, it would appear that the development of a coherent SDS is one of those important measures that federal and national governments should take to promote SD implementation at the regional or provincial levels. It seems also that, in practical terms alone, this is a crucial measure for each organisation working with SD to take.

12.5 SD tools

There are a number of specific measures, actions and different tools applied by governments, provincial bodies and Nordic regions as part of their efforts to promote and further SRD and/or more specifically, SD in the context of regional economic development. As is clearly pointed out in chapters 10 and 11 of this study, the mere use of such tools is, of itself, no panacea overriding the need to establish a wider SD commitment by a government or a provincial or regional organisation. However, applying a good 'tool' can result in heightened efficiency and effectiveness in the sequence of policy development, implementation and evaluation.

Clearly, the perception and definition of what constitutes 'a good tool' differs according to relative needs and context. With a common element such as SD indicators, the studies suggested that all Nordic and Canadian levels of federal, national, provincial and regional administration can find a selection of indicators that present an image of SD approximation; or at least this is currently assumed, however elusive the final list may prove to be. However, with other tools, their functioning and value in different contexts may be more dependent on the institutional structures and incentives that they provide for the 'digestion' of the tools' outputs rather than being dependent on the 'the advancement of the tools as such'.⁵⁶

The specific design of the tools does however also influence the actual usefulness and practicality of the instrument. This was demonstrated in relation to the development of the General Progress Index (GPI) in the Canadian provincial context, where administrators remain sceptical as to data availability and the feasibility of integration into existing policy processes, in spite of the positive expectations of the indicator tool in general. In the Nordic countries, SEA was successfully

⁵⁶ De Jong and Gerlings (2003)

developed to fit the needs of the region of Päijät Häme, while the development and use of a set of SD indicators in Västra Götaland serves also as a positive example.

12.6 Contextual factors

The use of tools such as those focused upon in this study – SD indicators, SD Auditing, Strategic Environmental Assessment, Sustainability Assessment and SWOT-analysis – can provide relevant and applied input in launching SD work in a government or regional body operating in the field of regional development. Ultimately however, the experiences both of Canada and of the Nordic regions show that in order for SD work to become a successful and integral part of both regional development *and* regional economic development, a number of contextual factors of some significance need addressing (see for example the list in chapter 10).

It seems highly probable then that the SD tool will be useful for an organisation if the political will and commitment to SD already exists among political actors and administrators respectively. Other useful preconditions would include the level of SD knowledge and skills possessed by regional development staff, and a corresponding institutional capability and readiness to apply these concepts and tools in programmes and projects. This represents the short-term perspective and the user organisation's point of view.

In the longer term, and seen from a broader societal point of view, there may also be substantial and tangible benefits from tools use – especially as they evolve – for example through legislative measures, policy reviews and the development of 'follow-up' measures designed to reinforce earlier successes.

Section 6

References and appendices

References

- Alkan-Olsson, J, Hilding-Rydevik, T, Aalbu, H and Bradley, K (2004) *Indicators for Sustainable Development*. Discussion paper 2004-02-10 for the European Regional Network on Sustainable Development.
- Anshelm J and Hedrén J (1998) "Miljöforskningens döda vinkel", i *Hållbart Samhälle – en antologi om mål, möjligheter, medel och makt*. Forskningsrådsnämnden (FRN): Stockholm.
- Barker, A. and Wood, C. (1999) "An evaluation of EIA system performance in eight EU countries." *Environmental Impact Assessment Review* 1999; 19, pp 387-404.
- Bartlett, R V and Kurian, P A (1999) "The Theory of Environmental Impact Assessment: Implicit Models of Policy Making," *Policy and Politics* 27 (1999): 415-433.
- Bell, S and Morse, S (2003) *Measuring Sustainability: Learning by Doing*. Earthscan
- Berg, P. O. (1997) "Quo Vadis Norwegian Regional Policy?" in Byron, R. & Hutson, J. (eds) *Local Enterprise on the North Atlantic Margin*, London: Ashgate.
- Benson, J F (2003) "Round table: What is the alternative? Impact assessment tools and sustainable planning." *Impact Assessment and Project Appraisal*, Vol 21, No 4, pp 261-266.
- Berthoin Antal A, Dierkes M, Child J and Nonaka I (2001) "Organizational Learning and Knowledge: Reflections on the Dynamics of the Field and Challenges for the Future", in Dierkes M, Berthoin Antal A, Child J and Nonaka I (eds) 2001, *Handbook of Organizational Learning and Knowledge*. Oxford University Press: Oxford, New York.
- Bjarnadóttir, H (2001) *A Comparative Study of Nordic EIA Systems. Similarities and Differences in National Implementation*. Nordregio R2001:1. Stockholm.
- Bjarnadóttir, H. & Bradley, K. (2003) *Ny kurs för Norden – planering och hållbar utveckling*, Nordregio, R2003:2.
- Bossel, H. (1999) *Indicators for Sustainable Development: Theory, Method, Applications*. International Institute for Sustainable Development. Canada.
- Brown, A L and Therivel, R (2000) "Principles to guide the development of strategic environmental assessment methodology." *Impact Assessment and Project Appraisal*, Vol 18, No 3, pp 183-189.

- Böhme, K. (ed) (2004) Preliminary title: *Integrated Multi-level Analysis of the Governance of European Space*, Nordregio report series. In print.
- Cashmore, M, Cobb, D, Bond, A and Gwilliam, R (2004) "Enhancing the 'substantive' effectiveness of EIA: A case for the reform of the EIA research agenda." In: Hilding-Rydevik, T and Theodórsdóttir, A H (2004) *Planning for Sustainable Development – the practice and potential of Environmental Assessment*. Nordregio report R2004:2. Stockholm.
- CEC (Commission of European Communities) (1995) *Cohesion Policy and the Environment*. Commission Communication to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions. Brussels 22.11.1995. In Valve 1999.
- Clement K (1999) *Assessing Environmental Integration within Canadian Regional Economic Development* Report for Canadian High Commission, Ottawa.
- Clement K and Hansen M (2001) *Sustainable Regional Development in the Nordic Countries* Report No 2001:8, Nordregio, Stockholm.
- Clement K, Hansen M and Bradley K (2003) *Sustainable Regional Development: Learning from Nordic Experience* Report No 2003:1, Nordregio, Stockholm.
- Clement K (2004) "Structural Funds Programmes as Instruments for Sustainable Regional Development: A Review of Nordic Effectiveness." *Innovation: The European Journal of Social Science Research* Vol. 17 No. 1 pp.43-60.
- Commission of the European Communities (1998) *A handbook on Environmental Assessment of Regional Development Plans and EU Structural Funds Programmes*. DG Environment, August 1998. Brussels.
- Coulombe S (1997) *Regional Disparities in Canada: Characterisation, Trends and Lessons for Economic Policy*. Working Paper 18, Industry Canada, Ottawa.
- Council on Environmental Quality (1997) *The national environmental policy act. A study of its effectiveness after twenty-five years*. CEQ, Executive Office of the President, January 1997. Washington DC.
- Dalal-Clayton B (1996) *Getting to Grips with Green Plans: National Level Experience in Industrial Countries*, Earthscan Publications, London.
- De Jong, M and Gerlings, H (2003) "Exposing weaknesses in interactive planning: the remarkable return of comprehensive policy analysis in

- the Netherlands.” *Impact Assessment and Project Appraisal*, Vol 21, No 4, pp 281-291.
- EU Commission (1999) *Council Regulation EC/1260/1999 of 21 June 1999 laying down general provisions of the Structural Funds*.
- EU Commission (2001) *A Sustainable Europe for a Better World – a European Union Strategy for Sustainable Development*, (com 2001/264). Brussels.
- EU Commission (2002) *The Thematic Evaluation on the Contribution of the Structural funds to Sustainable Development*. Vol 1 and 2.
- EU Commission (2002) *A European Union Strategy for Sustainable Development*. EU Lisbon homepage.
- EU Commission (2003) *Implementation of Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment*. Brussels.
- Finansdepartementet (2001) Prop. 2001/02:7 *Regional samverkan och statlig länsförvaltning*. Stockholm.
- Folketinget (2004) L 147 *Forslag til Lov om miljøvurdering af planer og programmer*. (som fremsat): Forslag om lov om miljøministeren (Hans Christian Schmidt).
- Institute of Regional Development (Iceland), *Regional Policy and Plan for Iceland 2002-2005*, January 2002. Draft version.
- Gabriel I and Narodoslawsky M (1998) *Regions – Cornerstones for Regional Development*, Graz, Austria; Häkkinen L (2000) *Regions-Cornerstones for Regional Development: Proceedings of the Second European Symposium* Academy of Finland, Helsinki.
- Glasson, J, Therivel, R and Chadwick, A (1995) *Introduction to Environmental Impact Assessment*. Second Edition. UCL Press, London.
- Government of Canada (1990) *Canada's Green Plan*, Ministry of Supply and Services, Ottawa.
- Government of Canada (1995) *A Guide to Green Government*, Ministry of Supply and Services, Ottawa.
- Government of Canada (2002) *Progress towards a Sustainable Development Strategy: A Report to the World Summit on Sustainable Development* Environment Canada, Ottawa.
- GPI Atlantic (1998) *Measuring Sustainable Development: Application of the Genuine Progress Index to Nova Scotia* Halifax, Nova Scotia.
- Hajer M A (1995) *The politics of environmental discourse. Ecological Modernization and the policy process*. Oxford University Press: New York.

- Hildén, M (2000) "Environmental Issues and Experiences of Environmental Assessments in Structural Funds Programmes in Finland." In: Hilding-Rydevik, T (ed) (2000) *Regional Development Programmes and Integration of Environmental Issues – the role of Environmental Assessment*. Workshop proceedings. Nordregio WP 2000:9, Stockholm
- Hilding-Rydevik, T (2000) "Final comments and conclusions." In: Hilding-Rydevik, T (ed) (2000) *Regional Development Programmes and Integration of Environmental Issues – the role of Environmental Assessment*. Workshop proceedings. Nordregio WP 2000:9, Stockholm
- Hilding-Rydevik, T (2001) (ed) *Regional Development Programmes and Integration of Environmental Issues – the role of Environmental Assessment*. Workshop proceedings. Nordregio WP 2000:9. Stockholm.
- Hilding-Rydevik, T (2002) *Environmental Assessment of large projects - challenges and obstacles in relation to Effectiveness and Quality*. Paper given at the fourth Nordic Environmental Assessment conference in Helsinki, 2001.
- Hilding-Rydevik, T (2003) "Reflektioner över arbetet med hållbar utveckling i regionalt utvecklingsarbete." In: Naturvårdsverket (2003) *Vägar till hållbar regional utveckling*, Rapport 5324, Stockholm.
- Hilding-Rydevik, T, Lähtenmäki-Smith, K, Hansen, M (2003) *Project Application (Phase 1): Regional Partnerships and Sustainable Regional Development in the Nordic countries*, 2003-02-07, Nordregio.Stockholm.
- Hilding-Rydevik, T., Lähtenmäki-Smith, K., Storbjörk, S. (forthcoming) *The Potential of Sustainable Regional Development? Regional Development Programming Processes and Partnerships in Denmark, Finland, Norway and Sweden*, Stockholm: Nordregio. Stockholm.
- Hjortskov Jensen, J., Brix Studsholt, A., & Kragh, M. (2001) *Strategisk miljövurdering i praksis*. Paper presented at the Nordic EIA Conference, 2001 in Helsinki.
- Indenrigs- og Sundhedsministeriet (2003) *Regionalpolitisk redegørelse – Regeringens redegørelse til Folketinget Maj 2003*, Copenhagen.
- International Association for Impact Assessment (2002) *Strategic Environmental Assessment – Performance criteria*. Special Publication Series No 1. IAIA home page <http://www.iaia.org>.

- Jóhannesson, B (year unknown) *Regional Development in Iceland*, Article from The Institute of Regional Development in Iceland, <http://www.bygg.is/english/main/regdev.htm>, 2003-03-07
- Karlsson, D (2003) En chimär av endräkt. Ideologiska dimensioner i kommunal kulturpolitik. Göteborgs universitet, Förvaltningshögskolan. Göteborg.
- Karppi, I, Kokkonen, M and Lähtenmäki-Smith, K (2001) *SWOT-analysis as a basis for regional strategies*. Nordregio WP 2001:4. Stockholm.
- Kirkpatrick, C, Lee, N and Morissey, O (1999) *WTO New Round. Sustainability Impact Assessment Study*. Phase 1 Report. Institute for Development Policy and Management, and Environmental Impact Assessment Centre, University of Manchester and Centre for Research on Economic Development and International Trade, Univ of Nottingham.
- Kjellerup, U (2001) "Horsens – Skanderborg rail link." In: Hilding-Rydevik, T (2001) *EIA, large development projects and decision-making in the Nordic countries*. Nordregio report R2001:6. Stockholm.
- Knudsen, J.P. *Fem grep for regional utvikling – Nordisk regionalpolitikk i endring*, Sluttrapport fra prosjektet "Verksted for nordisk regionalpolitikk", Nordregio, 2002. Forthcoming.
- Kommunal- og Regionaldepartementet (2002) *Vekst – i hele landet*, Redegjørelse i Stortinget, 30 april 2002.
- Kommunal- og Regionaldepartementet (2001) *Om distrikts- og regionalpolitikken*, St.meld. nr. 34 (2000-2001), Oslo.
- Lafferty, W (2002) "Lokal Agenda 21 I Europa: tolkning of implementering i tolv land." In: Aall, C, Høyer, K G and Lafferty, W (2002) *Fra miljøvern til bærekraftig utvikling i kommunene*. Gyldendal, Akademisk. Oslo.
- Lee, N., Walsh, F. and Reeder, G. (1994) "Assessing the performance of the EA process." *Project Appraisal*, Vol 9, no 3, pp 161-172.
- Lovering J (1999) "Theory Led by Policy: The Inadequacies of the 'New Regionalism'" (Illustrated from the case of Wales). *Int. Journal of Urban and Regional Research*, 1999, vol 23, No 2, pp 379-395.
- Lundqvist L J (2000) "Capacity building or social construction? Explaining Sweden's shift towards ecological modernisation", *Geoforum* 31 (2000), p 22-32, Pergamon/Elsevier Science Ltd. 2000.
- Lundquist, L (1991) *Förvaltning och demokrati*. Norstedts juridikförlag, Stockholm.

- Lähteenmäki-Smith, K. in forthcoming Böhme, K. (ed) (2004) *Integrated Multi-level Analysis of the Governance of European Space*, Nordregio report.
- McGee R (1992) *Getting it Right: Regional Development in Canada*, Queen's University Press, Montreal.
- Miljödepartementet (2001) *Nationell strategi för hållbar utveckling*, Regeringens skrivelse, 2001/02:172.
- Miljödepartementet (2004) *Miljöbedömningar av planer och program*. Lagrådsremiss. Prop 2003/04:116.
- Miljø- og Energiministeriet (1999) *Miljøvurdering i regionplanlægningen – Evaluering af Nordjyllandsprojektet*.
- Miljöministeriet och Inrikesministeriet (1999) *Bedömning av miljökonsekvenserna av regionala utvecklingsprogram*. Ekenäs, Finland.
- Miljøministeriet (2003) *Et Danmark i balance. Hvad skal der gøres?*, Copenhagen.
- Miljøverndepartementet (2004) *Om lov om endringer i plan- og bygningsloven (konsekvensutredninger)*. Tilråding fra Miljøverndepartementer av 26. mars 2004, godkjent i statsråd samme dag. (Regjeringen Bondevik II).
- Naturvårdsverket & NUTEK (1999) *Ekologiskt hållbar tillväxt*. Rapport 9958, Stockholm.
- Naturvårdsverket (2000) *Miljöintegration. Erfarenheter från fyra län*, Rapport 9978, Stockholm.
- Naturvårdsverket (2002a) *Bredda perspektiven – miljöintegration i tillväxtarbetet*, Rapport 5163, Stockholm.
- Naturvårdsverket (2002b) *Samverkan – Miljö och regional utveckling*, Rapport 5189, Stockholm.
- Naturvårdsverket (2002c) *Det nya tillväxtarbetet – förändringsarbete för hållbar regional tillväxt*, Rapport 5263, Stockholm.
- Naturvårdsverket (2003) *Vägar till hållbar regional utveckling*, Rapport 5324, Stockholm.
- Nordic Council of Ministers (2000) *Baeredygtig udvikling – en ny kurs for Norden*. Copenhagen.
- Nordiska Rådet, *Europautskottets arbetsgrupp om EU:s regionalpolitik*, rapport/notat, 1 sept 2001.
- Nordjyllands Amt (1997) *Regionplan '97. Miljøvurdering*, Theme paper.
- Nordjyllands Amt (2003) *Nordjysk Erhvervsredegørelse 2003*.
- Nordjyllands Amtsråd (2001) *Regionplan 2001*.
- Norland, I. T. & Lafferty, W. M. (forthcoming 2004) *National Report on Regional Sustainable Development – Norway*, ProSus, Oslo. To be

- published within the project: REGIONET – Thematic Network: Strategies for Regional Sustainable Development, An Integrated Approach beyond Best Practice.
- Näringsdepartementet (2000) *Tillväxt i hela Sverige*. DS 2000:7.
- Näringsdepartementet (2001) *En politik för tillväxt och livskraft i hela landet*, Prop. 2001/02:4.
- Näringsdepartementet (2002) *Riktlinjer för arbetet med regionala tillväxtprogram*, Bilaga till regeringsbesluts 2002-11-14, Stockholm.
- Näringsdepartementet (2002) *Rapport om tillväxtavtalen. Andra året*. Ds 2002:34.
- OECD (2000) *Frameworks to Measure Sustainable Development, An OECD Expert Workshop*. Paris.
- Office of the Auditor General of Canada (1997) *Report of the Commissioner of the Environment and Sustainable Development to the House of Commons*, Minister of Public Works and Government Services Canada.
- Office of the Auditor General of Canada (1998) *Report of the Commissioner of the Environment and Sustainable Development to the House of Commons*, Minister of Public Works and Government Services Canada.
- O'Neill T (1992) *Regional Development Policy in Canada*, Paper to OECD Working Party No.6, St John's, September 1992.
- Organisation for Economic Co-operation and Development (1994) *Regional Problems and Policies in Canada* OECD, Paris.
- Project de société (1994) *Planning for a Sustainable Future: Project de société – A Partnership for change. Prospectus*, National Round Table on the Environment and the Economy, Ottawa.
- Project de société (1995) *Canadian Choices for Transitions to Sustainability Vol 5, Towards a National Sustainable Development Strategy for Canada*, National Round Table on the Environment and Economy, Ottawa.
- Province of Nova Scotia (2003) *"A Discussion Paper on Community Development"*.
- Province of Quebec (2002) *Report on Sustainable Development*, Quebec City.
- Regeringen (2002) *Fælles fremtid – udvikling i balance – Danmarks nationale strategi for bæredygtig udvikling*. Copenhagen.
- Regulation No 347/2000 for the Institute of Regional Development, <http://government.is/interpro/ivr/ivreng.nsf/pages/2000-347>.
- Ryle G (1949) *The Concept of Mind*. Hutchinson, London.

- Sadler, B. (1996) *Environmental Assessment in a Changing World: Evaluating Practice to Improve Performance*. Final Report of the International Study of the Effectiveness of Environmental Assessment. Canadian Environmental Assessment Agency. Ottawa, Canada.
- Sager, T (2001) 'Planning style and agency properties'. *Environment and Planning A* 2001, Vol 33, pp 509-532.
- Sairinen, R (2000) 'Regulatory reform of Finnish Environmental Policy.' Centre for Urban and Regional Studies, Helsinki University of Technology, Helsinki
- Savoie D (1992) *Regional Economic Development: Canada's Search for Solutions*, University of Toronto Press, Canada.
- Schleicher-Tappeser R and Faerber A (1998) *Towards Sustainable Regional Development: Experiences and Recommendations of Seven European Regions*, Institute for Regional Studies in Europe, Freiburg.
- Schleicher-Tappeser R and Strati F (1999) *Progress Towards Sustainable Regional Development* EU RTD in Human Dimensions of Environmental Change Report Series 3/1999, DG Research, European Commission, Brussels.
- Schleicher-Tappeser et al (1999) *Instruments for Sustainable Regional Development: The INSURED Project* Institute for Regional Studies in Europe, Freiburg.
- Sotarauta, M and Linnanmaa, R (1997) *Kaupunkiseudun elinkeinopolitiikka ja prosessien laatu*. Tampereen yliopisto, Aluetieteen ja ympäristöpolitiikan laitos, Sarja A:19. Tampere.
- Stenstadvoll, M (2001) "The role of EIA in the planning and decision process of large development projects in the Nordic countries – Norway case study." In: Hilding-Rydevik, T (2001) *EIA, large development projects and decision-making in the Nordic countries*. Nordregio report R2001:6. Stockholm.
- Theodórsdóttir, A H and Elmarsdóttir, M Kr (2003) "Basis for implementation of the EU Directive 2001/42/EC in Iceland." In: Hilding-Rydevik, T (2003) *Environmental Assessment of Plans and Programmes*. Nordregio R2003:4. Stockholm.
- United Nations Development Programme (2003) *Human Development Report*, Oxford University Press.

Wood, C. (1999) "Comparative evaluation of EIA systems." In: Petts, J. (1999) *Handbook of EIA*. Volume 2. EIA in practice: impact and limitations. Blackwell Science.

World Commission on Environment and Development (1987) *Our Common Future*. (WCED 1987:43) Oxford: Oxford University Press.

World Economic Forum (2002) *Environmental Sustainability Index* Annual Meeting, Davos, 2002.

Økonomi- og Erhvervsministeriet (2002) *Vækst med vilje*, Copenhagen.

Økonomi- og Erhvervsministeriet (2003) *Den Regionale Vækststrategi*, Copenhagen.

Websites

Aalborg University: www.auc.dk

ACOA home page: www.acoa.ca

Employment and Economic Development Centres: <http://www.te-keskus.fi/>

Environmental Protection Agency, USA, homepage 2001: www.oaspub.epa.gov

Erhvervs- og Boligstyrelsen: www.ebst.dk

Finnish Ministry of Interior: <http://www.intermin.fi>

Glesbygdsverket: www.glesbygdsverket.se

Institute of Regional Development, Iceland: www.bygg.is

ITPS: www.itps.nu

Länsstyrelsen i Södermanlands län: www.d.lst.se

Mälardalsrådet: www.malardalsradet.se

Naturvårdsverket : www.naturvardsverket.se

Nordjyllands Amt: www.nja.dk

Norska Kommunal- og regionaldepartementet: <http://odin.dep.no/krd>

www.lpa.dk

Näringsdepartementet: www.naring.regeringen.se

NUTEK: www.nutek.se

Planning portal: <http://www.planningportal.gov.uk>

Regionförbundet Sörmland: www.region.sormland.se

Svenska Kommun- och Landstingsförbunden:
<http://www.lf.svekom.se/tru/RSO/regionforsoken.htm>, 2003-10-03

Sörmlandsturism: www.sormland.com

Appendices

A1 Intervjufrågor för den nordiska delen av projektet Progressing Sustainable Regional Development¹

Personlig bakgrund

1. Berätta kort om din bakgrund och roll i regionen

Hållbar utveckling och regionalt utvecklingsarbete

2. Hur har ni överlag arbetat med att föra in hållbarhets- och miljöaspekter i det regionala utvecklingsarbetet? Hur har det gått? Vad kan vara förklaringar till detta? Vilken roll har hållbar utveckling och miljöaspekter i det regionala utvecklingsarbetet?
3. Vilken roll har, enligt din mening, de verktyg och metoder ni använt spelat för detta?
4. Bedömer du att det arbetet för regional utveckling och tillväxt i din region går hand i hand med en hållbar utveckling? Eller finns där svårigheter eller målkonflikter? Om så, vilka är dessa?
5. Skulle du säga att ni arbetar med att föra in miljöhänsyn i det regionala utvecklingsarbetet? Eller arbetar ni med hållbar utveckling i bemärkelsen samspelet mellan ekologiska, sociala och ekonomiska aspekter?

Verktyg för hållbar utveckling

6. På vilka sätt – med vilka verktyg och metoder – har du/ni arbetat med att föra in frågor om miljö och/eller hållbar utveckling i det regionala tillväxtarbetet?
7. Varifrån kommer dessa verktyg eller metoder? Hur har de tagits fram?
8. Är dessa verktyg eller metoder anpassade just till din specifika region? Eller bedömer du att de är ”allmängiltiga” och skulle kunna användas på motsvarande sätt även i andra regioner?
9. Till vilka syften används dessa verktyg/metoder? Vilka förväntningar har du på dem?
10. Vem eller vilka använder sig av dessa verktyg/metoder i din regions arbete?

¹ For those not acquainted with the Scandinavian languages needing a translation of the interview questions please contact Tuija Hilding-Rydevik, at Nordregio.

11. När och hur i arbetsprocessen används dessa verktyg/metoder? (T ex i början av det regionala utvecklingsarbetet eller mot slutet – för att bedöma programmets/initiativens inverkan på miljö och hållbar utveckling?)
12. Hur bedömer du nyttan av dessa verktyg eller metoder? I vilken mån bidrar de till ovan nämnda syften? Hur relaterar detta till dina förväntningar?

Regionens (framtida) roll i arbetet för en hållbar utveckling

13. Hur tror du att ni skulle kunna lyckas bättre med att integrera arbetet för regional utveckling och tillväxt med arbetet för en hållbar utveckling? Vilka faktorer är viktiga för detta? (t ex mer eller annan kunskap, attitydförändring, bättre verktyg, mätbarhet, externa faktorer...)
14. Hur tror du att ni kommer att arbeta med verktyg för hållbar regional utveckling i framtiden? Ev: Tror du att ni kommer att fortsätta använda verktygen som beskrivits i frågorna 6-12? Eller använda dem på ett annat sätt?
15. Vilken roll anser du att den regionala nivån spelar i arbetet för en hållbar utveckling? Vilken roll borde regionerna spela?
16. Hur ser du på fördelningen av ansvar när det gäller att driva på arbetet för hållbar regional utveckling? (mellan exempelvis den regionala myndigheten, regeringen, statliga verk, EU...) Vilken roll spelar lagstiftning, resurser, institutionella förutsättningar, riktlinjer, handböcker...?
17. Vilka förväntningar upplever du att ni regionen har på er från nationell nivå när det gäller arbete för en hållbar regional utveckling? Vilket stöd får ni? Har du idéer om hur arbetet för hållbar regional utveckling bättre skulle kunna stödjas?
18. Vilka är drivkrafterna bakom ert arbete med att föra in miljöaspekter och hållbar utveckling i det regionala utvecklingsarbetet? (t ex göra regionen mer konkurrenskraftig, följa direktiv, ta samhällsansvar för framtida generationer, skapa bättre image...). Har ni sett någon konkret nytta av ert arbete hittills? Om så, hur?
19. Vilka konsekvenser tror du att införandet av EU-direktivet om strategiska miljöbedömningar (från och med 1 juli 2004) kommer att ha för ert arbete med regional utveckling? Vilka konsekvenser har (eventuell) lagstiftningen på området haft hittills?

Övrigt

20. Är det något annat du vill tillägga?

A2 Progressing Sustainable Regional Development

Questions for review of the regional documents in the Nordic study

1. The role of the document

Briefly describe the document. Title, date, time of validity, legal status and relation to other documents.

2. Use of the concept of sustainable development

- Is there any definition of sustainable development?
- If so, cite the definition and give the source (for example the Brundtland report)
- In what way is SD described, with what kind of terms?
- Is the description of SD consistent throughout the document or is the use of the concept ambiguous ?

3. Tools and methods used in order to integrate environmental issues and sustainable development

- Have any special tools been used in order to promote environmental or SD issues onto the agenda or overall into the regional development work, for example SWOT, EIA, SEA, sustainability indicators etc?
- Is it noted from where the idea of using these particular tools originated?
- Is it mentioned why these particular tools were used? Or what expectations there are of the tools?
- How and when in the process have the tools been used?

4. The status and integration of sustainable development

- Is SD an overarching strategy or goal?
- Does the concept of SD recur throughout the document? Where is SD or environment mentioned, in the introduction, in relation to concrete projects etc?
- In what way is SD or environmental issues more generally integrated into the document? Is it an overarching value or is it treated separately?

5. The role of the tools for integrating SD and/or environmental issues

- What role do the tools seem to have had in integrating environmental issues or SD?
- Do proposals exist for any concrete measures to be undertaken as a result of the integration of SD/environment?
- How well do the proposed measures correspond to the results or recommendations drawn from the tools that were used (e.g. using environmental opportunities or counteracting threats from the SWOT, indicators, SEA etc)?

6. Additional information

Note any additional information of interest.

7. Summary

- Overall, how effective does the integration of environment/SD seem?

Nordregio

The Nordic Centre for Spatial Development

An Independent Centre for Research, Documentation and Information Dissemination

Established in July 1997 by the Nordic Council of Ministers on behalf of the governments of the five Nordic countries, Nordregio serves as an independent research centre on questions concerning spatial planning and regional development. Our staff come from all the Nordic countries, as well as from other European countries. Located in Stockholm, Sweden, the Centre applies a Nordic and comparative European perspective in its investigations, which include:

- ◆ initiating and carrying out research projects and analyses where the comparative perspective is central;
- ◆ offering internationally attractive educational programmes, where the sharing of experience provides new angles of approach to national issues and activities;
- ◆ disseminating experience and contributing to the professional discussion on spatial analyses, planning and policies.

A Young Institution with 30 Years of History

Nordregio grew out of the consolidation of three former Nordic institutions: *NordREFO* (The Nordic Institute for Regional Policy Research, established 1967), *Nordplan* (The Nordic Institute for Studies in Urban and Regional Planning, established 1968) and *NOGRAN* (The Nordic Group for Regional Analysis, established 1979).

The legacy of these institutions includes a widespread network of researchers and civil servants in all the Nordic countries as well as in Europe, a network which has been incorporated in Nordregio and upon whose experience Nordregio will continue to build.

Read more about Nordregio on the website www.nordregio.se.

