

Resource policies and governance challenges

ESDN Case Study No. 8

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www.sd-network.eu

June 2011

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Introduction

Over the past 20 years, many concepts, tools and policy initiatives have been developed to support government, industry and civil society in making progress towards sustainable development. One of the main concerns in sustainable development is the conservation and management of resources. Although the overexploitation of natural resources is not a new phenomenon, national governments and international organisations have developed and implemented more dedicated public strategies on the sustainable use of these resources only lately. The data show that global resource use already exceeded the planet's biocapacity by 50% in 2007 with a population of 6.6 billion people (IEEP, 2011). If this population - rising to 9 billion in 2050 - is to be satisfied without burdens on the ecological systems and without economic instability due to resource scarcity and social unrest, then more concerted and coordinated approaches in various policies are required. The policy pressure in shaping strategies towards more efficient use of resources has been increasing, mainly due to scarcity of some finite resources and increasing pressure on many others that are more renewable. In this context, many initiatives have been released, setting the stage for actions and measures to lead markets and the society towards more sustainable resource use. Therefore, this challenge involves many stakeholders and makes resource efficiency not only an environmental but also an economic concern. A key development and concern is the proliferation of these strategies situated at different levels, and what their interlinkages are.

This ESDN case study provides an overview of some of those initiatives, such as the ones undertaken from the OECD, UNEP and EU. It outlines shortly the focus they take in setting objectives towards sustainable use of natural resources, and identifies some challenges and recommendations for future governance mechanisms and better coordination of those policies towards sustainable development. The case study will also inform the discussions at the ESDN Conference 2011¹.

¹ We would like to thank Daniel Wachter (Head of Sustainable Development Section, Federal Office for Spatial Development (ARE)) for his valuable inputs to this case study. Mr. Wachter will also hold a "flashlight" presentation about the topic of this case study in one of the parallel working groups at the ESDN Conference 2011.

Resource policy initiatives and objectives at the international level

The importance of natural resources as the basis of all economic activities, well-being and environmental health has been recognised at the international and European level in many initiatives for decades. However, only recently resource efficiency and resource scarcity concerns have shaped UNEP, OECD and EU policies towards a more focused approach and orientation. There are five varying types of strategies at the national and international level dealing directly or indirectly with natural resources: sustainable development strategies; green economy initiatives dealing with the whole greening of the economy; the sustainable action plans dealing with reduction of environmental impact of products and services; innovation and technology plans; and numerous micro-level or sectoral strategies such as biodiversity, energy climate and many more.

Following the Marrakech process, more than 30 countries have developed or are developing national SCP programs ([European Commission, 2011 News alert service](#)). According to a recent study commissioned from the European Commission, the SCP programs are not considered to provide strong, clear and balanced roadmaps, but instead slightly weak and diverse toolboxes. In terms of governance, the responsibility in policy towards promotion of green consumerism has shifted to businesses, NGOs, and consumers, which might potentially contribute to less effectiveness of these efforts ([European Commission, 2011 News alert service](#)). The content on natural resources in these action plans is extremely limited, only considering resource efficiency in economic terms.

Facing the economic crises, European and international organisations have felt the need to clearly prepare strategies which better link environmental protection and economic development. Against this background, many strategies have set the goals of a “*low carbon economy*” or “*green economy*”, “*economic stability*”, and “*social equity*”, such as the [OECD Green Growth strategy](#), [UNEP Green economy initiative](#) (GEI) or the [Europe 2020 strategy](#). These policy strategies have come up with clear actions and policy tools, plans and guides setting the vision for the years to come. The aforementioned green economy initiatives and strategies aim to identify policies that would promote both economic efficiency and environmental integrity, while ensuring social equity. For example, the OECD strategy guides government intervention across broader green growth policy areas, covering fiscal, innovation, trade, labor and social policies, as well as key sectors such as energy, transport, agriculture and fisheries (OECD 2010). They mostly identify the drivers for environmental degradation and show the economic benefit of green investments (e.g. UNEP GEI). Natural resources are herein taken into consideration as links between economic activities and the environment. The focus of the strategies is more on greening the whole economy rather than on giving attention to better conservation of particular resources.

Challenges and recommendations for better governance mechanisms at the international level

Only recently, strategies on resource efficiency, like the [Resource efficient Europe Flagship initiative](#), [sustainable materials managements](#) (OECD 2010) and [UNEP “Resource Panel”](#) have specifically addressed natural resources and sustainable resource management issues. They are trying to feed the whole debate on the green economy strategies and better apply the resource topics to the broader debate on green economy. Beside the overarching strategies,

there are also many sectoral public strategies focussing on energy efficiency, biodiversity, rare materials, clean-tech plans addressing the micro-level policies, with an important stake on resource management.

There is still not a lot of evidence on where the linkages and synergies exist between these overarching framework strategies, such as green economy initiatives, SCP action plans, and resource management and resource productivity initiatives. Likewise, there are no clear guidelines or recommendations on how the coordination between those strategies should follow at the international or national level in order to advance cooperation and progress towards sustainable development. A recent OECD study on sustainable materials management (SMM), has though compared the objectives and areas of common interest² and came to the following conclusions (OECD, 2010a):

- The initiatives have different names, but there is substantial overlap in scope and objectives;
- There exists opportunity for greater collaboration and cooperation in terms of resources applied to the initiatives;
- The strategies on resource management can support the existing efforts in green economy or SCP;
- Green growth strategy and the SCP framework for action provide comprehensive approaches. Therefore, the OECD suggests that it would be useful first to look at improving the integration of these two initiatives. And secondly to better map how the initiatives on resource productivity, sustainable management or resources efficiency could support specific aspects of these programs in order to optimize collaboration and minimize overlap (OECD, 2010a).

A solid legal and regulatory basis on resource management is still not given. There is still no international convention on resource management such as that which exists on climate change, binding all countries at the international level to reach certain quantified targets (Bleischwitz 2009; Bleischwitz & Brigenzu 2007; Bleischwitz & Pfeil 2009). Therefore, it is also being recommended that such a convention is introduced soon in order to improve the information exchanged among countries on resource policies, and also to create incentives of national learning processes for those policies. The convention should aim to set clear goals on sustainable and peaceful resource management and to establish binding principles on material efficiency and conservation of resources (Bleischwitz 2009). Moreover, the convention should also find an institutional anchor, such as, for example, an Agency on International Resource Management, in order to supervise and control the information needed and the implementation of resource policies. The institutional set up, the convention and the UNEP Resource Panel could form a first basis upon which better governance mechanisms on sustainable resource management could be built upon (Bleischwitz 2009).

EU natural resource policy – the current picture

The EU's new strategy for growth and jobs, "Europe 2020", relies on 7 flagship initiatives, which reinforce the main objective of the strategy of a "smart, sustainable and inclusive

² The initiatives investigated were the OECD Green Growth Strategy, European Integrated Product Policy, The SCP-Marrakech process, OECD SMM.

growth". Some of these initiatives have potential relevance to sustainable use of natural resources and address resource issues directly or indirectly (IEEP 2011). These focus particularly on resource efficiency ("Resource efficient Europe Flagship initiative"), innovation ("Innovation Union"), industrial policy, and security of rare raw materials ("European Commission Communication on Raw Materials and Commodity Markets"). Although these have been published, there is no detail yet on targets and actions as to how resource efficiency is to be understood (IEEP 2011). The main flagship initiative towards a resource efficient economy will be followed by a roadmap, setting clear actions and goals for 2020 and formulating already a vision for 2050. The road map is expected to be published in mid-2011.

The overarching EU resource policy that cuts across many policy areas, by making it not only an environmental but also economic concern, is a relatively recent development. At the EU level, resource use has already been tackled in a holistic approach in the EU SDS. The EU SDS has also identified the better management of resources as one of the seven key challenges for the years to come: *"Safeguard the earth's capacity to support life in all its diversity, respect the limits of the planet's natural resources and promote sustainable production and consumption to break the link between economic growth and environmental degradation."* (European Commission, 2005: 23). Resource use has been set as a goal in the EU's environmental action plans. The 2002 6th Environmental Action Plan (EAP) identified natural resources and waste as one of the four key priority areas for the next decade. In 2005, the thematic strategies on sustainable use of natural resources were published alongside a thematic strategy on waste prevention and recycling to take forward the aims of the 6th EAP. These thematic strategies form also the cornerstone of EU natural resource policy (IEEP 2011).

The EU Thematic Resource strategy was one of the first strategies which addressed natural resources in a horizontal way (IEEP 2011). Its four key action areas focused on improving and understanding the knowledge of European resource use, developing tools to monitor and report progress, integrating life-cycle assessments to relevant areas, and raising awareness on natural resource impacts (European Commission, 2005:5).

The strategy was widely criticized for its insufficient specification of key concepts (such as 'resources'), lack of operational tools (e.g. for measuring environmental impacts linked to resource use), and lack of specific targets with quantitative goals (BIS, 2010). However, the future flagship initiative on a resource efficient Europe can build on some foundations, such as the establishment of the Eurostat data centre on products and natural resources and a proposal by the Commission to create a regulation on the European environmental accounts. This regulation would help the regular and harmonized presentation of national accounts on various natural resources (IEEP, 2011).

In 2008, other policies focused on the links of resource use and production and consumption pattern such as the [Sustainable Consumption and Production and Sustainable Industrial Policy](#) (SCP/SIP) or on specific materials ([Raw materials initiative](#)). The SCP Action Plan aims to contribute to the improvement of the environmental performance of products, boost demand for more sustainable goods and production technologies, and foster innovation. The Action Plan was accompanied by proposals for a recast of the Eco-design and Energy Labeling Directives and the revision of the Eco-label (Brigenzu, 2006). The content of natural

resources was, however, extremely limited despite the action plan containing a section on “boosting resource efficiency” (IEEP, 2011). It mostly referred to the EU thematic strategy on natural resources regarding the intention of creating tools to monitor benchmark and promote resource efficiency taking account of the life cycle perspective (IEEP, 2011).

The [Raw Material Initiative](#) (RMI) focuses on physical supplies of key raw materials such as non energy and non-agricultural raw materials (metallic minerals, industrial minerals, construction materials, wood) (European Commission, 2011a: 4-5). The initiative establishes an integrated strategy to respond to different challenges related to access to non-energy and non-agricultural raw materials. The RMI is based on three pillars: ensuring access to raw materials at an international level, fostering sustainable supply from European sources, boosting overall resource efficiency, and promoting recycling to reduce the EU’s consumption of primary raw materials.

Challenges and recommendations for better governance mechanisms at the European level

As there are many initiatives at the European level driving national initiatives on resource policies, a better overview on the synergies and linkages in target actions and measures is needed. At the EU level some overarching resources related policies are in place (SCP Action Plan, the Europe 2020 strategy with its flagship initiatives), as well as more specific resources related provisions in product or process based legislation (IEEP 2011: 6). Generally as assessed in the IIEP environmental policy study, the gap still exists between the overarching policies and the detail needed for more concrete implementation measures to drive policy. The study has outlined that the overarching strategies (Europe 2020 and its flagship initiatives) will not be the ones driving the middle level strategies on resources. So the “public policy framework needs to provide a more effective hierarchy of measures during a time of continuing data gaps” (IEEP 2011: 7). This is said to have particular natural resource impacts and integration of natural resources aspects into micro level policies.

Some recommendations concerning the governance challenges which could be further discussed at the ESDN Conference 2011 can be formulated as following:

- Create order among the numerous strategies; establish a meta-co-ordination. This could be a role for sustainable development strategies, in particular.
- Limit additional strategies and strategy processes as much as possible, particularly if they do not contain real novelties or add value in comparison to sustainable development strategies.
- Avoid redundant or duplicating strategies, such as for clean-tech or green growth. Focus as much as possible on sustainable development strategies.
- Use new debates on green growth or clean-tech to better integrate actors from the private sector or from finance or economy ministries in the sustainable development process.
- Strengthen sustainable development processes in order to improve delivery.
- Better link EU and national levels (governance mechanisms).

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