Sustainable Development

Federal report 2015

# Making our consumption and production sustainable

Federal report on sustainable development 2015

Prospective

## Synthesis and recommendations

Federal Planning Bureau

Task Force on Sustainable Development

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March 2015

Task Force on Sustainable Development

# The Federal Planning Bureau

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The *Federal report on sustainable development 2015* develops a prospective view. The gathering of data for the Report ended in mid-2014.

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# Synthesis

The 7th Federal report on sustainable development, *Making our consumption and production sustainable*, in Part A assesses current evolutions towards the sustainable development objectives. In Part B, it explores two scenarios for transition towards a sustainably developing Belgium and world in 2050. A key element of this Report is the *Federal long-term strategic vision for sustainable development* (LTV SD) adopted by the government in 2013, which contains 55 objectives that describe a sustainably developing Belgium in 2050.

This Report is the 7th Federal report on sustainable development by the Federal Planning Bureau (FPB), published under the *Act of 5 May 1997 on the coordination of sustainable development policy*. In accordance with that law, the Report is published in two parts. The first part is "*a status report on and evaluation of the current situation and pursued policies regarding sustainable development*". The 6th Federal report *Twenty years of political commitment to sustainable development?* was dedicated to this. The second part develops a prospective view, which presents "*alternative sustainable development scenarios for reaching the sustainable development objectives set out in the long-term vision*". This 7th Report fulfils this prospective mission.

The scenarios described in this Report show that society's evolution towards sustainable development is possible. Along with the Federal Plans for Sustainable Development and the civil society opinions on these matters, this Report contributes to the learning cycle of the sustainable development policy established by the 1997 Act. It also provides information that is meaningful to civil society for participating in the public consultation on the draft Federal Plan for Sustainable Development.

However, the trends in some indicators, which are moving away from their objectives, and the difficulties in establishing integrated policies that take into account the LTV SD objectives show the importance of implementing proactive policies to meet the commitments made to go towards sustainable development.

# Part A: Current evolutions towards sustainable development

**The 2014 strategic assessment of sustainable development indicators (SDI) evaluates the trends for 25 key indicators from 1992 to 2012-2013** by comparing these evolutions to objectives adopted by policy-makers. These objectives come from the LTV SD and other policy documents, such as the two Belgian Federal Plans for Sustainable Development and international documents on sustainable development drawn up at the European Union (EU) and the United Nations (UN) levels. The evaluation method used comes from the method followed by Eurostat to evaluate the European sustainable development strategy. All this information is given in detail at the site www.indicators.be, which presents a total of 75 SDI for Belgium.

There are two types of objective: strategic objectives and targets. The strategic objectives give the direction of the change that is desired (for example, to eradicate poverty). The targets are, in addition, quantified and include deadlines (for example, to reduce the number of people at risk of poverty or social exclusion by 380 000 between 2008 and 2018).

This assessment (see Table 2) is an initial monitoring report on the LTV SD indicators. These 25 key indicators followed since 2012 are classified into four categories, which correspond to the four challenges in the LTV SD (see Table 1).

**Table 1 Correspondence between the 4 categories of the 2014 assessment and the 4 challenges of the LTV SD**

| Assessment category | LTV SD challenge |
|---|---|
| Inclusive society | A society that promotes social cohesion |
| Environmental protection | A society that preserves its environment |
| Sustainable consumption and production patterns | A society that adapts its economy to economic, social and environmental challenges |
| Means of implementation | A society supported by the public federal authorities, which assumes its social responsibilities |

The assessment of observed trends for the 25 key sustainable development indicators (SDI) was made at the beginning of June 2014 on the basis of data for the end of May 2014 (a new assessment will be published in June 2015). The available figures indicate that 18 of the 25 indicators have evolved, over a long period, towards their strategic objective (the central columns in Table 2). Therefore some progress towards sustainable development has been observed in Belgium since 1992.

**Of the seven key indicators in the Inclusive society category**, four indicate a decline with regard to their strategic objective. For example, the number of people at risk of poverty or social exclusion has continued to grow since the economic and financial crisis. This increased risk is less a risk of income poverty than one of "severe material deprivation" or lack of access to the labour market. Likewise, the rates of youth unemployment, adult obesity and the share of the population suffering from cardiovascular disease show a negative evolution. Two indicators (life expectancy and early school leaving) are progressing rapidly towards their objective. But the progress on early school leaving is qualified as the indicator does not follow a trajectory that will allow it to reach its 2020 target (right-hand columns in Table 2). Finally, one indicator is progressing slowly towards its strategic objective; that of income inequality, which remained relatively stable in Belgium over the period 2003-2011.

**Table 2 Evaluation of trends of 25 key sustainable development indicators: June 2014 assessment**

| N° | indicator | strategic objective | | | target | |
|---|---|---|---|---|---|---|
| | | direction | period | evaluation | quantified objective | evaluation |
| | Inclusive society | | | | | |
| 1 | Income inequality | ↘ | 2003-2011 | 😐 | | |
| 2 | Poverty: multidimensional | ↘ | 2004-2012 | ☹ | -380 000 (2008→2018) | ☹ |
| 3 | Education: early school leavers | ↘ | 1992-2012 | ☺ | 9.5% (2009→2020) | ☹ |
| 4 | Unemployment: youth unemployment rate | ↘ | 1992-2013 | ☹ | | |
| 5 | Life expectancy | ↗ | 2004-2012 | ☺ | | |
| 6 | Cardiovascular diseases: population suffering from cardio-vascular diseases | ↘ | 1997-2008 | ☹ | | |
| 7 | Obese adults | ↘ | 1997-2008 | ☹ | | |
| | Environmental protection | | | | | |
| 8 | Farmland bird index | ↗ | 1992-2008 | ☹ | | |
| 9 | Fish stocks: number within safe biological limits | ↗ | 1992-2012 | ☺ | | |
| 10 | Climates change: greenhouse gases | ↘ | 1992-2012 | 😐 | -7.5% (1990/95→2008-2012) | ☺ |
| 11 | Air pollution: nitrogen oxides | ↘ | 1992-2012 | ☺ | 176 kt (2010-2019), 172 kt (2020) | ☹ |
| 12 | Water pollution: nitrogen | ↘ | 1995-2005 | ☺ | -50% (1985→1995) | ☹ |
| | Sustainable consumption and production patterns | | | | | |
| 13 | Employment: total employment rate | ↗ | 1992-2013 | 😐 | 17.2% (2009→2020) | ☹ |
| 14 | Decoupling: consumption of materials and GDP | decoupling | 2000-2011 | ☺ | | |
| 15 | Decoupling: primary energy consumption and GDP | decoupling ↘ | 1992-2012 | 😐 | -13.1% (2005→2020) | 😐 |
| 16 | Renewable energy: energy consumption from renewable sources | ↗ | 2004-2011 | ☺ | 13% (2004→2020) | ☺ |
| 17 | Transport modes: passengers | ↘ | 1992-2011 | 😐 | | |
| 18 | Transport modes: freight | ↘ | 1992-2011 | ☹ | | |
| 19 | Meat consumption: carcass weight | ↘ | 1992-2010 | 😐 | | |
| 20 | Over-indebtedness of households | ↘ | 2007-2013 | ☹ | | |
| | Means of implementation | | | | | |
| 21 | Investment by institutional sectors: business and government | ↗ | 1992-2012 | ☺ | | |
| 22 | Research and development: total expenditure | ↗ | 1993-2012 | ☺ | 3% (2009→2020) | ☺ |
| 23 | Development assistance: government expenditure | ↗ | 1992-2013 | 😐 | 0.7% (2002→2010\|2015) | ☹ |
| 24 | Government debt | ↘ | 1992-2013 | ☺ | 60% | ☹ |
| 25 | Federal Plan for sustainable development: implementation | ↗ | 2006-2012 | 😐 | | |
| | | | | | | |
| | | Evolution towards the strategic objective | | | Target achievement in the time provided | |
| | | ☺ | rapid progress | | ☺ | very probable |
| | | 😐 | slow progress | | 😐 | slightly probable |
| | | ☹ | decline | | ☹ | unlikely |

**Of the five key indicators in the Environmental protection category**, three are showing rapid progress towards their strategic objectives: fish stocks, air pollution by nitrogen oxides and water pollution by nitrogen. Two of these three indicators have a target, but have not achieved it (for example, emissions of nitrogen oxides into the air reached 206 kt in 2012 even though since 2010 their target has been to reach no more than 176 kt per year). One indicator is showing slow progress towards its strategic objective: greenhouse gas emissions. This indicator has achieved its reduction target from the Kyoto Protocol. Nevertheless, the rate of this reduction (1.1% per year) is not enough for these emissions to reach the target bracket set for them in the LTV SD (to reach this, a reduction rate of 3.6-7% per year would be necessary). Finally, one indicator, that on farmland bird populations, is in decline and moving away from its long-term strategic objective.

**The eight key indicators in the Sustainable consumption and production patterns category** show contrasting evolutions. Two indicators, decoupling material consumption and GDP and the share of energy from renewable sources, are progressing rapidly towards their strategic objective. Four are progressing slowly: the employment rate, passenger transport modes, meat consumption and primary energy consumption. However, the reduction in primary energy consumption is too slow to achieve the target fixed for 2020 (a reduction of 13.1% compared to 2005). Finally, two of these eight indicators are moving away from their strategic objective: over-indebtedness of households and road freight transport.

**The five key indicators in the means of implementation category** are public debt, research and development expenditure, investment by institutional sector, government expenditure for development assistance and the implementation of the Federal Plan for Sustainable Development. They are all evolving towards their strategic objective, the first three rapidly, the last two slowly. Nevertheless, the reduction in governmental debt (target: 60% of GDP) and the increase in governmental expenditures for development aid (target: 0.7% of GDP) are not enough to reach their respective targets.

**Eleven of the 25 key indicators are linked to targets**, of which seven are from the Europe 2020 strategy. Ten of these eleven indicators have evolved towards their strategic objective. Thus the indicators with a target tend to show faster progress towards their strategic objective than those without targets. In most cases, the progress of these indicators is at too slow a rate to reach their target in the assigned period.

For the two sustainable development objectives that are quantified over the long term, those on poverty and the climate, the targets are insufficiently ambitious. If the objectives for 2020 were achieved and the trends continued, the objectives set for 2050 would not be reached. Regarding poverty, the number of people at risk of poverty or social exclusion would reach almost a million in Belgium in 2050. For greenhouse gas emissions, they would only be 36% lower than the 1990 emissions in 2050, which is very far from the reduction of at least 80-95% set in the LTV SD.

This assessment shows the value of evaluating, with the help of lists of indicators, whether the political objectives are on the way to being achieved. Unlike the monitoring of aggregate indicators such as GDP or the environmental footprint, the monitoring of lists of indicators allows the evolution of society in concrete areas to be communicated to the public, and to show whether society is approaching or moving

away from political objectives. This approach therefore allows identification of the areas in which ambitious policies must be implemented to guide society's evolution.

**The FPB has recently received two new statutory missions on the monitoring of the LTV SD indicators and the indicators complementary to GDP:**

- The FPB is in charge, in collaboration with the Interdepartmental Commission for Sustainable Development (CIDD-ICDO), of monitoring the LTV SD indicators (Royal Decree of 18 July 2013). With this assessment, the FPB is carrying out an initial evaluation of these monitoring indicators. Other steps, notably the improvement of this list of indicators, are planned.
- The FPB is also in charge of developing and monitoring the indicators complementary to GDP (Act of 14 March 2014). GDP is an indicator that measures a country's economic activity. It is not a suitable indicator for measuring its social, environmental or economic well-being and moreover was not designed for this purpose. This is why other indicators must complement GDP. To elaborate this list of indicators, the FPB will refer as much as possible to the results of studies already done in this area. In 2015, the FPB will carry out the first phase of federal studies on the list of complementary indicators on quality of life, human development, social progress and the sustainability of our economy, and will publish the results of these.

These two lists of indicators are linked to the sustainable development objectives. A consistent approach to developing these two lists would allow synergies to be developed and more integrated policies to be proposed, which would contribute to achieving the objectives of the LTV SD and to improving quality of life, human development, social progress and the sustainability of our economy.

The SDI database provides a great deal of information that is useful for measuring society's development. It is based on the TransGovern systemic model, which provides a framework for analysing the relationships between social, environmental, economic and policy data, with regard to societal development and the long-term influence that the public authorities have on this development. Together, all the SDI provide a useful database for elaborating and following consistently both the LTV SD monitoring indicators and the indicators complementary to GDP.

**The year 2015 is a watershed year for bringing about the transition towards sustainable development.** The international political context will evolve significantly in 2015, with the UN's adoption of global sustainable development goals at the end of the year. In addition, the European strategy for sustainable development should have been revised at the end of 2014. This revision could take place in 2015. The Europe 2020 strategy should also be reviewed in the course of the year.

The year 2015 will also see the national political context evolve strongly on this topic, with several important deadlines:

- the approval, by May 2015 at the latest, by the Flemish government of a new *Flemish strategy for sustainable development*;
- the approval, by July 2015 at the latest, by the Walloon government of a new *Walloon strategy for sustainable development*;

- the approval, by October 2015 at the latest, by the federal government of a new *Federal Plan for Sustainable Development;*
- the completion during the year 2015 of the public inquiry into the *Regional Plan for Sustainable Development* of the Brussels-Capital Region.

**There is a broad measure of agreement between the LTV SD elaborated by the federal authorities and the long-term visions of the other authorities**, in both the substance and the method. The objectives of the LTV SD are similar to those adopted in the long-term visions and strategies of the regional and international actors, within their respective competences.

These observations make it possible to hope that a national strategy for sustainable development could emerge, as requested by the international community (Rio Summit 1992 and the following Rio + 10 and Rio + 20). The federal legislator makes explicit reference to this when indicating that the challenges and objectives of the LTV SD will be better met if "*cooperation between all levels of governance is set up*" (Royal Decree of 18 July 2013, explanatory statement).

Finally, examination of a certain number of recent opinions from the Federal Council for Sustainable Development (CFDD-FRDO) reveal that there is a consensus within the Council on the need to put in place a long-term guiding perspective on sustainable development, such as the LTV SD, as well as on the outlines that it should adopt. However, the measures to implement in the short and medium term are the subject of discussions within the Council.

# Part B: Scenarios for transition towards a sustainable society in 2050

**This Report presents two sustainable development scenarios**: these scenarios lead to a sustainably developing Belgium in 2050 and their development path respects the principles of sustainable development agreed by the international community[1].

The purpose of these scenarios is to show that the transition towards sustainable development is conceivable, and possible. Their purpose is also to generate and nourish the democratic debate around society's long-term objectives, embodied in the *Federal long-term strategic vision for sustainable development* (LTV SD), and on the actions and policies to undertake to get there. These two paths are not forecasts. They are examples of possible evolution for achieving the ambitious objectives of a Belgium that is developing sustainably in 2050. They also contain examples of possible policies to support and generate these evolutions. These examples, most often taken from existing studies, are not ready-to-use recommendations but are very much a source of inspiration to nourish the debate on the transition to sustainable development.

These scenarios have been constructed and presented on the basis of the *TransGovern*[2] systemic model. They have also been constructed by applying a backcasting approach. In this approach, the final image,

1 UN 1992, *Rio declaration on environment and development* (www.un.org) and Federal report 1999, *A step towards sustainable development?* (http://sustdev.plan.be).

2 Presented for the first time in the Federal report 2005: *Understanding and Managing Development* (http://sustdev.plan.be).

in this case a Belgium that is developing sustainably in 2050, is defined first. It is only then that one or more development paths are constructed that describe how society could evolve from the current situation to the final image.

The final image defined in this Report synthesises the LTV SD objectives in the form of a list of 16 goals anchored in European and global works on this topic. The 55 LTV SD objectives are regrouped in these 16 goals according to their position in the TransGovern model. The definition of LTV SD and of this list of 16 goals is part of a wider process of defining long-term sustainable development objectives that was initiated at an international level and consequently followed at the regional and community levels within Belgium. Achieving sustainable development at the global level will require that all the objectives of the different political levels are met.

**Table 3 The 16 goals associated with the 4 challenges of the long-term vision**

| N° | Name of goals |
|---|---|
| **Promoting social cohesion** | |
| 1 | Eradicating poverty |
| 2 | Protecting health |
| 3 | Guaranteeing education and training |
| **Adopting sustainable consumption and production patterns** | |
| 4 | Ensuring coupling between economic growth and employment |
| 5 | Ensuring decoupling between economic growth and raw materials consumption |
| 6 | Strengthening the social responsibility of actors |
| 7 | Guaranteeing sustainable food |
| 8 | Guaranteeing sustainable energy |
| 9 | Guaranteeing sustainable mobility |
| **Preserving the environment** | |
| 10 | Limiting climate change and reducing the concentration of pollutants |
| 11 | Guaranteeing functioning ecosystem services |
| **Means of implementation** | |
| 12 | Putting physical capital at the service of sustainable development |
| 13 | Putting financial capital at the service of sustainable development |
| 14 | Strengthening the coordination of federal sustainable development policy |
| 15 | Putting research at the service of sustainable development |
| 16 | Putting cooperation at the service of sustainable development |

The two scenarios in this Report describe two paths that take the current situation towards a sustainably developing society in 2050. In these two development paths, also called socio-ecological transition (or SET) paths, it is assumed that the public authorities will support this transition at all levels of government, from global to local.

Each of these two paths focuses on the impetus that a single group of actors can give, consumers in the path called *SET-Consumption*, and producers in that called *SET-Production*. Hence all actors, consumers as well as producers and public authorities, must support this transition together through ambitious actions and policies.

To reach the final image of a sustainably developing Belgium, these two scenarios hypothesise an economic growth of 1.4% per year between 2012 and 2050. But the content of the growth has to change.

In the scenarios in this Report, consumption and production patterns, lifestyles and societal organisation change profoundly. Among the most notable changes are the application of the principles of the circular economy, growth in the share of investments in GDP, change in diet, and evolution of consumption towards more services and towards higher-quality goods. Furthermore, the measurement of GDP must evolve to take into account the improvements in the quality of products. It is only under these conditions that a GDP growth rate of 1.4% can be compatible with the transition towards sustainable development.

**In the *SET-Consumption* scenario**, changes in consumption patterns drive the transition towards sustainable development. Consumers become aware of their responsibilities and change their behaviour as a consequence. These changes in behaviour vary according to the situation of each consumer as the trend towards individualisation becomes more marked. Therefore, behaviours and demand for goods and services diversify. Nevertheless, people increasingly take the common good into account in their individual lifestyle choices, while also considering criteria of social and environmental quality. This allows the principles of a circular economy to be applied. Accordingly, consumers have a more active role in the preparation of their meals and change their diet; they demand goods produced in decent work conditions and that consume little energy, have a long service life and that they repair rather than throw away; they coordinate their demands to allow the supply to be organised efficiently, for example to deliver collective transport or home care.

Businesses adapt their patterns of production to these evolutions in demand. Production respects strict sustainable development standards. Therefore, producers ensure that the whole production chain offers decent work conditions. Agriculture adopts agro-ecological production patterns that are multifunctional (education, protection of the environment, etc.), including through urban agriculture. Eco-design becomes the rule, so that goods are not only energy- and material-efficient, but are also easy to repair, re-use and recycle. Repair, re-use and recycling services develop.

**In the *SET-Production* scenario**, changes in production patterns drive the transition toward sustainable development. Producers take their social and environmental impacts into account. They offer goods and services that respond better and better to strict sustainable development standards and implement the principles of a circular economy. They also ensure that the whole production chain offers decent work conditions. Agriculture adopts agro-ecological and multifunctional production patterns. The food-processing industry offers ready-made meals that respect strict nutritional and environmental standards. In general, producers offer goods that use little energy and have a long service life. They take charge of repair, re-use and recycling, often in a product-service system. To ensure more efficient land use, town and country planning moves towards higher density of housing and economic activities. In the transport sector, collective modes that are efficient and less expensive can therefore be offered. In addition, producers offer low-energy, non-polluting vehicles, for both individual and collective transport.

Consumers adapt their consumption patterns to these evolutions in the offer. There is little variety in behaviour and the demand for goods and services. Households principally consume meals prepared by industry and use restaurant and catering services. They use relatively standardised and efficient goods offered by industry and drive the repair, re-use and recycling channels provided by producers. They

use collective transport more often than private transport. Through the evolution of the supply, consumers are confident that their choices respect social and environmental criteria.

**In both the *SET-Consumption* and the *SET-Production* scenarios**, the evolution of these consumption and production driving forces allows the content of GDP growth to change. This growth is then compatible with sustainable development. The pressures on the development capitals are profoundly changed. To give a few examples, the improvement in work conditions improves the health of workers (human capital) and allows them to work for longer with a decent wage, guaranteeing a good standard of living (human capital). The evolutions in diet also have a positive impact on health, as well as on biological diversity and the state of the atmosphere (environmental capital). Eco-designing goods and the extension of their service life reduces pressure on natural resources and cuts energy consumption, greenhouse gas emissions and pollution. Environmental capital is broadly improved by this, which also has positive impacts on health. Economic capital is also improved, due to investment – notably in transport infrastructure and energy-efficient buildings – which further reduces pressures on environmental capital.

**This Report offers examples of policies** that the federal government can pursue in each scenario to improve the state of the development capitals. This Report also proposes cross-cutting policies that can make polices more consistent and strengthen their effectiveness. This is particularly true for the *ex-ante* evaluation of policies, with a regulatory impact assessment (RIA) for proposed laws and royal decrees, setting and regularly improving long-term objectives such as those of the LTV SD, developing planning instruments such as the Federal Plan for Sustainable Development, setting up partnerships with private actors, for example through sustainable development partnerships, and establishing monitoring instruments, which would allow an *ex post* assessment of policies.

In addition to the measures that it takes itself, the federal government can act at other levels of government. It can act at the global level, for example by working to define ambitious global *sustainable development goals* (SDG), or taking part in programmes in the *10-year framework of programmes on sustainable production and consumption patterns*. It can act at the European level, for example by working for the revision of the European sustainable development strategy.

The federal government can also support actions committed to by the federal entities, in particular through inter-ministerial meetings and by working to define the national sustainable development strategy, for which a framework text has existed since 2005.

**The project for sustainable development is an ambitious project for changing society.** This project can be summarised by the three overarching objectives defined in 2012 by the United Nations Summit on sustainable development in Johannesburg: eradicate poverty, change unsustainable production and consumption patterns, and preserve and manage natural resources. These overarching objectives were presented in detailed and concrete terms for Belgium in the LTV SD adopted by the federal government in 2013.

To realise this project and achieve the LTV SD objectives, proactive policies, possible examples of which are given in this Report, are necessary. However, beyond these policies, such a transition cannot be achieved without the commitment of all of society's actors to this transition.

Consequently, this Report argues for a new social consensus binding together all citizens and social actors. This social consensus should mobilise policy-makers, citizens and social actors around a sustainable development project that attempts to integrate social, environmental and economic challenges.

# Recommendations

This Report shows the importance of establishing ambitious long-term objectives, for example in the form of a *Federal long-term strategic vision for sustainable development*, to guide the evolution of society towards sustainable development and the policies to implement, and to have tools available – such as lists of sustainable development indicators – to measure society's progress towards these objectives. It also shows that achieving these objectives is realistic and proposes two development paths that lead there, to strengthen the democratic debate around these long-term objectives and the policies to implement to achieve them. But the whole of society must commit to this. Therefore this Report argues for the adoption of a broad social consensus that will mobilise all actors to achieve this transition towards sustainable development. To set this transition in motion, this Report makes the following recommendations.

### Strengthen the dynamic of evaluating societal trends

- Develop the annual assessment of the sustainable development indicators (SDI). This assessment allows the trends for these indicators to be evaluated against the objectives fixed for them by policy-makers.
- Improve the list of LTD SV monitoring indicators. The choice for this list should be made on a scientific basis, taking into account the contributions of actors of the law to ensure a broad societal basis.
- Continue the work on the indicators complementary to GDP following the statutory mandate given to the FPB, within the framework of the National Accounts Institute.
- Use the SDI database (www.indicators.be) to develop consistent approaches to and synergies between the lists of indicators complementary to GDP and the list of LTD SV monitoring indicators, which are organised by two different Acts.
- Strengthen cooperation between the regional and federal levels to develop consistent lists of indicators.

### Define sustainable development objectives and strategies

- Adopt a national sustainable development strategy. At the federal level, Belgium has a *Federal long-term strategic vision for sustainable development* and a federal sustainable development strategy (Act of 5 May 1997). The Communities and the Regions are also committed to equivalent initiatives. The year 2015 is an important deadline for several governments, all the more so since the UN must define a set of global *sustainable development goals* (SDG) this year. It is necessary to seize the opportunity of this watershed year, 2015, to strengthen the dynamic of constructing a national sustainable development strategy.
- Improve awareness of the LTV SD and continue the debates around society's long-term future and the policies to implement, in particular under the participation principle. For example, it is necessary to organise regularly a parliamentary debate on the LTV SD, as provided for in the Act, and to adapt the long-term objectives as our knowledge and society's evolution progress. The LTV SD should take

into account as much as possible the SDG and the indicators adopted during the UN General Assembly of September 2015.

- Continue the federal sustainable development policy, in particular by adopting the next Federal Plan for Sustainable Development (FPSD).
- Define, as provided for in the Act, interim objectives (targets) to guide and evaluate policies, as much for the end of the FPSD (2019) as for the medium term, for example 2030. These objectives must have a deadline and, as far as possible, be quantified. They must be sufficiently ambitious to be on a course to achieve the long-term objectives defined in the LTV SD.

**Strengthen the dynamic of evaluating policies**

- Give more importance to sustainable development in policy-making. It is necessary to strengthen the integration of policies by evaluating them in terms of their contribution to achieving the LTV SD objectives.
- Develop the *ex-ante* evaluation of policies. In particular, it is important to strengthen the role of the Regulatory Impact Assessment (RIA). The RIA should be used at an earlier stage o f the prepation of decisions. It is also necessary to take the conclusions of these evaluations better into account.
- Develop the *ex post* evaluation of policies. Each plan and policy should include, from its conception, monitoring and evaluation instruments.

**Implement policies that strengthen society's evolution towards the LTV SD**

To achieve the objectives of the LTV SD, ambitious policies are needed. Examples of such policies are included in the scenarios.

- Support and strengthen consumers' and producers' social responsibility efforts. The two scenarios presented in this Report emphasise the driving role that these actors can play. The public authorities can support these actors, in particular through partnerships, subsidies, regulatory change or awareness-raising campaigns.
- Apply the principles of a circular economy. The two scenarios in this Report propose two different ways to apply these principles. In both cases, eco-design, extending the service life of products and the opportunity to repair, re-use and recycle them are key factors in this evolution.
- Internalise external costs. This could be implemented in the area of energy, with a tax on $CO_2$ (except for transport and sectors participating in the European emissions permits market) to internalise the costs linked to climate change. In the area of transport, other externalities are generated, for example congestion. Other tools, such as a tax per kilometre, are better adapted to internalising all the externalities generated by this activity.
- Adopt a fiscal reform that includes the taxes internalising external costs. These taxes can be part of a shift of taxes away from labour towards other components. In such a fiscal reform, it is necessary to consider the impacts of taxation as a whole on the redistribution of income or on public revenues. For example, when introducing environmental taxes, their possible regressive impact can be compensated by adapting other deductions.
- Adopt a safe, healthy diet that has a high nutritional value. This diet should follow nutritional recommendations while minimising its impact on the environment. At the same time, adopting a

similar diet for the whole of the world's population should be compatible with the planet's long-term capacity to produce food.

- Use the reference budget method to monitor annually the extent to which it is possible to follow socially accepted lifestyles with social security and social assistance payments.
- Encourage sustainable investments. The transition towards sustainable development inevitably demands a greater share of investments in GDP. To encourage investments that follow the direction of this transition, their effects must be evaluated systematically over the long term. An example would be to evaluate the effect on health of investments in bicycle lanes.

### Strengthen consideration of the principles of sustainable development

Of the 27 sustainable development principles defined in the Rio declaration, five – the most encompassing and innovative – have been selected by the Federal reports on sustainable development as from 1999[3]. Several recommendations can be made to take them better into account.

- Adopt pro-active policies to meet the commitments made by Belgium to move towards sustainable development (principle of common but differentiated responsibility).
- Develop deeper reflection on the integration of policies and the interactions between policies when pursuing long-term objectives (principle of integration).
- Use foresight studies such as those of this Report to help define policy and indicator targets that are compatible with the long-term objectives (precautionary principle).
- Quickly organise a wide consultation and participation process to clarify the major societal challenges and the actions to take to address them. Youth representatives should play a central role as it is they who will be the most affected by the future. The new social consensus that will result from this, as well as the LTV SD, are meaningful tools for strengthening the coherence and synergies between the different plans, pacts and visions developed by the public authorities (participatory principle and principle of inter- and intragenerational equity).

[3] UN 1992, *Rio declaration on environment and development* (www.un.org) and *Federal report 1999, A step towards sustainable development?* pp. 32-40 (http://sustdev.plan.be).

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