



10 Years of Sustainability "made in Germany"

National Sustainable Development Strategy







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Sustainability requires **responsible action** – today and for future generations, both nationally and internationally. This is the aim of the national **Sustainable Development Strategy**.

20 Years after Rio

Twenty years ago at the **United Nations Conference on Environment and Development**, the states of the world established the idea of sustainability as a global guiding principle.

A great deal has changed since then. It has much more become a matter of course to consider the long-term repercussions of one's actions. But we continue to be confronted with major challenges. Around nine billion people will be living on Earth by 2050. They all have a right to development. How can we secure the subsistence of a rapidly growing world population, while at the same time protecting our natural resources in the long term?

Sustainability must be regarded as a **guiding principle** – globally, nationally and locally. The aim is a world in which economic prosperity for all goes hand in hand with social cohesion and the protection of natural resources – a world which recognises a commitment to intergenerational equity and the peaceful coexistence of peoples.

On the road to more sustainability, the United Nations Conference on Sustainable Development in Rio de Janeiro in June 2012 harbours an opportunity for important progress. Germany and the European Union

will be making every effort to ensure that ambitious results are achieved at the conference.

A decade of sustainability 'made in Germany'

Those who declare sustainability to be an international guiding principle must apply it in their domestic policies. For ten years now. Germany has been pursuing a Sustainable Development national **Strategy**. In 2002, the Federal Government presented this strategy at the World Summit on Sustainable Development in Johannesburg. Through a total of three extensive reports, this strategy has been continuously updated over two changes of government, most recently in the Progress **Report** adopted by the Federal Cabinet in February 2012. This underlines the broad, constant political consensus in Germany regarding the importance of sustainability.

Thinking for tomorrow and this from a global perspective: as an important stocktaking exercise, the Progress Report provides an overview of the way in which the principle of sustainable development is reflected in Federal Government policy as a whole.



Content of the Strategy

The Sustainability Guiding Principle

Sustainable development (sustainability) is a guiding principle of the policies pursued by the Federal Government. The Sustainable Development Strategy defines that this guiding principle should be observed as a goal and yardstick of any action the Government takes at the national, European and international levels in whatever policy field.

The Strategy is based on four guidelines – intergenerational equity, quality of life, social cohesion and international responsibility.

Sustainability requires a holistic, integrated approach. It is only when interdependencies are detected, disclosed and taken into account that long-term, stable solutions to existing problems and conflicting objectives can be identified.

Sustainability goal triangle

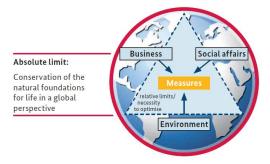


Figure based on: SRU, KzU No. 9, 2011/Fig. 2

Economic performance, environmental protection and social responsibility should be combined in a way that enables **sustainable decisions based on all three aspects** to be considered in a global context. The absolute limit is reached when the Earth's capacity to sustain life is involved. It is within this framework that the realisation of the various political goals should be optimised.

Management Concept for a Sustainable Development

The Management Concept for a Sustainable Development consists of management rules as well as targets and indicators that provide a basis for continuous monitoring (see Annex).

The ten management rules summarise the principle of guiding sustainable development and the associated requirements. The basic rule reads as follows: "Each generation is required to solve the challenges facing it and must not unload them onto future generations. It must also make provisions for foreseeable future problems." Add to this the rules of sustainability for individual areas of action.

Key indicators for 21 fields of action have been associated with 38 goals, most of which can be quantified; they highlight the need for action and are important milestones for measuring progress and success. The indicator status is shown using symbols.

Reports are presented at regular intervals as part of **continuous monitoring**. Every two years, the **Federal Statistical Office** publishes an Indicator Report which reflects the development the sustainability indicators have taken. The analysis of the indicators proceeds on an independent basis and without exterior interference.

Reports on the Strategy itself are presented every four years in the form of **progress reports**. The Report evaluates the progress made, contains measures for the achievement of the stated goals, and contributes to enhancing the Strategy. The **public is** comprehensively **involved** in the preparation of the reports at an early stage.

A sustainability test serves to link the strategy with **legislation**. In 2009, sustainability was enshrined in the Joint Rules of Procedure of the Federal Ministries as a mandatory way of **assessing the impact** of proposals by the Federal Government for laws and decrees.



Institutions

The Federal Cabinet adopts changes in and further developments of the Sustainable Development Strategy. The State Secretaries' Committee for Sustainable Development which is chaired by the Head of the Federal Chancellery is in charge of the preparations for the report. The Committee updates the details of the National Sustainable Development Strategy and regularly monitors development of the sustainability indicators. All ministries are represented in this Committee.

Because of its cross-cutting nature and special importance, the National Sustainable Development Strategy is a matter which comes under **the competence of the Federal Chancellery**. In Germany, sustainable development is a key priority dealt with at the highest political level. **All ministries are involved** in shaping and implementing the strategy.

The Sustainable Development Council advises the Federal Government on all relating to sustainable matters development. Its 15 members appointed for three years by the German Chancellor. They represent the three dimensions of sustainability according to their professional and personal backgrounds. The Council works independently and it tables proposals on how the Strategy should move forward. It is at the same time an important stakeholder in the public dialogue.

A Parliamentary Advisory Council on Sustainable Development looks after the Federal Government's National Sustainable Development Strategy and the European Sustainable Development Strategy at the German Bundestag and tables its own proposals.

Current Challenges

Fiscal Sustainability

One special aspect of sustainability is currently the fiscal activities of the state – for intergenerational equity largely depends on a solid state budget.

Since 2008, the dramatic events in the **international financial and economic crisis** have highlighted the importance of principles of sustainability in financial policy, too.

A central objective of the Federal Government has been, and remains, to consolidate public finances. The amendments to Articles 109 and 115 of the **Basic Law enshrined new borrowing limits** at the Federal level and for the *Länder* and created a mandatory national

Stability Pact. The **budgetary rule as enshrined in Germany's constitutional Basic Law** makes a major contribution towards safeguarding the Federal Government's ability to act in the long term

At the same time, it is important to place the euro on a stable, sustainable footing at the European level. A large number of measures have already been taken to this end since 2010, with a view to improving economic governance and ensuring sound public finances in Europe.

Sustainable Economic Activity

More than ever before, the nation's economy is facing the challenge of global **megatrends**. These include urbanisation, the growing demand for resources and energy, a change in consumption patterns and lifestyles, climate change and demographic trends.

The transition to a low-carbon, more resource-efficient form of production will necessitate considerable investment, but may also open up **economic opportunities** and create **employment**. Making efficient use of natural resources and materials is



essential in order to ensure the competitiveness and efficiency of companies as well as the long-term availability of raw materials. Therefore, Germany is to become one of the most resource-efficient economies in the world.

Sustainable economic activity means adapting to face the challenges of our times and seizing economic opportunities; it also means businesses and organisations adopting a responsible attitude towards the future. It is becoming ever clearer that sustainability can equip us with an important **competitive edge**, provided it is properly understood.

Sustainable economic activity thrives on the combined action of the framework set by the government and private sector activities in which consumers are involved. It is particularly significant that ever more people are basing their purchasing decisions not only on price, brand and quality, but also on whether products have been made in an

environmentally compatible, socially responsible manner. Such behaviour tends to support these methods of production not only in their own country, but also globally.

The Federal Government will continue to contribute to reinforcing sustainable economic activity, both nationally and internationally. This includes providing support for the concept of 'Corporate Social Responsibility' (CSR). CSR combines commercial activity with social responsibility taken voluntarily and beyond what is legally required.

Within the **G20**, Germany strongly advocates the achievement of the goal highlighted in the G20 Seoul Summit Leaders' Declaration, namely to act together to generate strong, sustainable and balanced growth throughout the world.

Climate and Energy

It will only be possible to avoid the serious repercussions of climate change if the surface temperature of the earth rises by no more than two degrees Centigrade in comparison with pre-industrial times. In line with the **Kyoto Protocol**, Germany undertook to reduce its average greenhouse gas emissions between 2008 and 2012 by 21% in comparison with 1990. By 2010, emissions in Germany were down by close to 25% over the base year.

In **international climate talks**, the Federal Government has been joining forces with the European Union to press for an ambitious, wide-ranging and legally binding climate protection agreement which would be applicable to all countries worldwide and enter into force no later than 2020.

Back in 2007/2008, the EU launched its '20-20-20' initiative, according to which by 2020 greenhouse gas emissions are to be cut by 20% or 30% if possible (see the resolutions passed by the European Council), the share of energy consumption from renewables is to be increased to 20%, while energy efficiency is to rise by 20%. The Federal Government would

agree to the EU climate target being raised to 30% on the basis of Germany's own 40% goal as long as no additional emission reductions were demanded of Germany and all EU member states contributed fairly.

Achieving a reliable, economical and ecofriendly energy supply is one of the biggest challenges in the twenty-first century.

As early as 2010, the German Government's **Energy Concept** set out the path to be taken as we enter the age of renewable energies, and is now being implemented at an accelerated pace. In June/July 2011, the Government, the *Bundestag* and the *Bundesrat* adopted a comprehensive **package of measures**.

In line with its decisions for an accelerated implementation of its Energy Concept, the Federal Government reaffirmed its commitment to **reduce** Germany's greenhouse gas emissions by **40% by 2020**, **55% by 2030**, **70% by 2040 and 80 to 95% by 2050**.



Energy Concept 2010 - Goals and Development Paths

Renewables are to be developed into a mainstay of energy supply: Their share of gross final energy consumption (around 10% in 2010) is to rise to 60% by 2050; the share of renewable energy in electricity supply is to reach at least 80% by 2050 (NB: Targets revised in the 2012 EEG (Renewable Energy Sources Act)).

Long-term reduction of energy consumption:

By 2050, primary energy consumption is to be reduced by 50% compared to 2008. This requires an annual increase in energy productivity of, on average, 2.1% based on final energy consumption.

By 2050, power consumption is to be reduced by 25% compared to 2008, and by 10% by 2020.

Furthermore, the rate of energy-saving renovation is to be raised from currently about 1% of the building stock annually to 2%.

In transport, final energy consumption is to be cut back by 2050 by around 40% compared to 2005.

The reason behind the **development of renewables** in Germany is rooted in the suitable conditions created by the feed-in tariff under the Renewable Energy Sources Act (EEG). Long-term investment protection generated by these conditions has stimulated dynamic growth in many areas of renewable energy. As a result, renewables are becoming an important pillar of energy supply and a driver for innovation, the expansion and modernisation of the energy infrastructure (storage, smart grids, flexible power plants and new technology), and employment.

Energy efficiency is the key to achieving a high share of valuable renewables and the objectives of the Energy Concept.

In Germany, there is still substantial potential for saving electricity and other forms of energy. This potential is to be harnessed as far as economically and technically possible. But instead of more bureaucracy, the Federal Government is relying on the sense of responsibility of the business sector and the general public.

The continuous expansion of renewables requires a constant optimisation of inter-

action with conventional energy. A key role in this regard is played by the grid Germany, infrastructure. In stations are located relatively close to where electricity is consumed. In future, however, power generation at sea and in coastal areas will increase significantly. In addition, power will be fed into the grid from many distributed generation systems running on photovoltaics or biomass. A modern, efficient electricity grid therefore is the main requirement for a power supply system relying on a growing share of renewables.

While maintaining competitive energy costs, energy security and a high level of prosperity, the Federal Government intends Germany to become one of the most advanced and energy-efficient economies in the world.

The path towards a sustainable future requires openness and an ability to learn new lessons. The incident in Fukushima provided visible evidence that the risks associated with the use of nuclear energy could not be excluded entirely even in a technologically advanced country. This was the reason for the Federal Government to decide on a nuclear power phase-out to be completed by 2022.

Restructuring the country's energy supply system will present businesses and the German people with enormous challenges. It requires major investments, not least in the infrastructure.

One thing is certain: restructuring Germany's energy supply sector represents a challenge for the decades ahead. It can only succeed if this project and the associated requirements are supported by as broad a section of society as possible.

Above all, we must remain focused on the **positive prospects**: the technological and economic opportunities for competitiveness as well as the protection of the climate and natural resources.



Sustainable Water Policy

Clean water is **one of life's necessities**, and one of our most important resources.

Managing water resources under the principle of sustainability will ensure that water resources are available to future generations and preserve or restore the ecological balance of bodies of water. Sustainable water policy is a **cross-cutting issue**.

The availability of water and affordable access to it are **issues of global importance**. Population growth, the expansion and intensification of agriculture, and economic development have resulted in an increased pollution of water with nutrients and pollutants in many parts of the world, despite significant progress in some regions (e.g. Europe).

Add to this the substantial use of water resources associated with the international exchange of goods and services.

Water resources management and water and sanitation services belong to the focuses of German development policy. Inadequate access to a reliable water supply and sanitation and the lack of adequate sewage treatment are still important causes of poverty, malnutrition and disease in many places.

The aim of the **Bonn2011 Nexus Conference** held in the run-up to the United Nations' Conference in Rio was to improve the linkage between the major global issues of securing adequate supplies of water, energy and food.

Sustainability as a Driver behind Progress

Regionally, nationally and globally, sustainability can help people enjoy a good standard of living while securing long-term protection of our shared natural heritage. This provides sustainability with the possibility of becoming the "driver" behind social and political progress.

Since the adoption of the National Sustainable Development Strategy ten years ago, sustainability has been the principle which guides the policies of the Federal Government. Sustainability "made in Germany" has become a hallmark of German policy-making.

But it is not just a matter for the state and policymakers; each and every German citizen is equally called upon to commit to this cause.

Sustainable development should increasingly be accepted as a benchmark in business and society and be integrated as a guiding principle into all spheres of life.

Therefore, within the whole process, the Federal Government works to strengthen the idea of sustainability, both nationally and internationally.

The Federal Government,
April 2012

For more information on the Strategy and the content of the 2012 Progress Report see (German and English versions):

www.nationale-nachhaltigkeitsstrategie.de



Annex Management rules, indicators and goals of the National Sustainable Development Strategy

- Basic rule -

- (1) Each generation must solve its own problems and not burden the next generations with them. It must also make provisions for foreseeable future problems.
 - Rules of sustainability for individual areas of action -
- (2) Renewable natural goods (e.g. wood or fish populations) should, on a long term basis, be used only within the bounds of their ability to regenerate.
 - Equally, non-renewable natural goods (e.g. minerals or fossil energy sources) should only be used to the extent that their functions can be replaced by other materials or energy sources.
- (3) The release of materials into the environment should, in the long run, not exceed the adaptability of the eco-system e.g. the climate, forests and oceans.
- (4) Dangers and unjustifiable risks to human health should be avoided.
- (5) Structural change triggered by technical developments and international competition should be shaped in a way that is economically successful as well as ecologically and socially sustainable. For this purpose, political fields should be integrated so that economic growth, high employment, social cohesion and environmental protection go hand in hand.
- and (6) Energy natural resource consumption and the provision of transport services should be decoupled from economic growth. At the same time, we should aim for growth-related in demand for increases energy, resources and transport to be more than offset by efficiency gains. In this context, adding to the body of knowledge through R&D and disseminating it through education have a decisive role to
- (7) Public budgets are to take account of intergenerational equity. The Federal Government, the *Länder* and the

- municipalities should present balanced budgets and then take the further step of continually reducing their debt position.
- (8) Sustainable agriculture needs to be compatible with nature and the environment and take into account the requirements of livestock farming in a way that is fair to the animals and provides consumer protection, particularly concerning health matters.
- (9) In order to strengthen social cohesion
 - poverty and social exclusion should be prevented as far as possible,
 - opportunities for participating in economic development should be open to all sections of society,
 - necessary adaptations to demographic change should take place at an early stage at the political and economic levels and in society,
 - everybody should take part in social and political life.
- (10) General international conditions should be shaped jointly in a manner which ensures that people in all countries can lead a life worthy of a human being and according to their ideas and in unison with their regional environment while at the same time profiting from economic developments. Environment and development form a unit. Sustainable global action is based on the Millennium Development Goals of the United Nations. An integrated approach should link the fight against poverty and hunger with
 - the respect of human rights,
 - economic development,
 - environmental protection, and
 - responsible action by governments (good governance).



No.	Indicator areas Sustainability axiom	Indicators	Goals
	I. Intergenerational equity		
1a	Resource conservation Using resources economically and efficiently	Energy productivity	To be doubled between 1990 and 2020
1b		Primary energy consumption	To be reduced by 20% by 2020 and 50% by 2050 compared to 2008
1c		Resource productivity	To be doubled between 1994 and 2020
2	Climate protection Reducing greenhouse gases	Greenhouse gas emissions	To be reduced by 21% by 2008/2012, 40% by 2020 and 80 to 95% by 2050, in each case compared to 1990
3a	Renewable energies Strengthening a sustainable energy supply	Share of renewable energy sources in final energy consumption	To be increased to 18% by 2020 and 60% by 2050
3b		Share of renewable energy sources in electricity consumption	To be increased to 12.5% by 2010, to at least 35% by 2020 and to at least 80% by 2050
4	Land use Sustainable land use	Built-up area and transport infrastructure expansion	Increase to be reduced to 30 hectares a day by 2020
5	Biodiversity Conserving species – protecting habitats	Biological diversity and state of the countryside	To be increased to the index value of 100 by 2015
6a	Government debt Consolidating budgets – creating intergenerational equity	General government deficit	Ratio of government deficit to GDP less than 3%
6b		Structural deficit	Structurally balanced public spending, total national structural deficit of no more than 0.5% of GDP



6c		Government debt	Ratio of government debt to GDP no more than 60%
7	Provision for future economic stability Creating favourable investment conditions – securing long-term prosperity	Gross fixed capital formation in relation to GDP	Increase in GFCF share in GDP
8	Innovation Shaping the future with new solutions	Private and public R&D spending	To be increased to 3% of GDP by 2020
9a	Education and training Continuously improving education and vocational training	18- to 24-year-olds without a school leaving certificate	To be reduced to less than 10% by 2020
9b		30- to 34-year-olds with a tertiary or postsecondary level of education	To be increased to 42% by 2020
9c		Share of students starting a degree course	To be increased to 40% by 2010, followed by further increase and stabilisation at a high level
	II. Quality of life		
10	Economic capacity Raising economic output in an environmentally and socially compatible way	GDP per capita	Economic growth
11a	Mobility Guaranteeing mobility – protecting the environment	Intensity of goods transport	To be reduced to 98% by 2010 and to 95% by 2020, compared to 1999 levels
11b		Intensity of passenger transport	To be reduced to 90% by 2010 and to 80% by 2020, compared to 1999 levels
11c		Modal share of rail transport	To be increased to 25% by 2015
11d		Modal share of inland freight water transport	To be increased to 14% by 2015



12a	Farming Environmentally sound production in our cultivated landscapes	Nitrogen surplus	To be reduced to 80kg/hectare of agricultural area by 2010, further reduction by 2020
12b		Organic farming	Share of organic farming on land used for agriculture to be increased to 20% in coming years
13	Air quality <i>Keeping the environment healthy</i>	Air pollution	To be reduced to 30% by 2010, compared to 1990 levels
14a	Health and nutrition Living more healthily for longer	Premature mortality (cases of death per 100,000 residents under 65): Men	To be reduced to 190 cases per 100,000 by 2015
14b		Premature mortality (cases of death per 100,000 residents under 65): Women	To be reduced to 115 cases per 100,000 by 2015
14c		Smoking rate amongst young people (12- to 17-year- olds)	To be decreased to under 12% by 2015
14d		Smoking rate amongst adults (15 years and older)	To be decreased to under 22% by 2015
14e		Proportion of adults suffering from obesity (18 years and older)	To be reduced by 2020
15	Crime Further increasing personal security	Criminal offences	To be reduced in number of recorded cases per 100,000 inhabitants to under 7,000 by the year 2020

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	III. Social cohesion			
16a	Employment Boosting employment levels	Employment rate (total) (15- to 64-year-olds)	To be increased to 73% by 2010 and 75% by 2020	
16b		Employment rate (older people) (55- to 64-year- olds)	To be increased to 55% by 2010 and 60% by 2020	
17a	Prospects for families Improving the work-life balance	All-day care provision for children 0- to 2-year-olds	To be increased to 30% by 2010 and 35% by 2020	
17b		All-day care provision for children 3- to 5-year-olds	To be increased to 30% by 2010 and 60% by 2020	
18	Equal opportunities Promoting equal opportunities in society	Gender pay gap	To be reduced to 15% by 2010 and to 10% by 2020	
19	Integration of foreigners Integration instead of exclusion	Foreign school leavers with a school leaving certificate	Proportion of foreign school leavers with at least a Hauptschule certificate (lower secondary schooling) is to be increased and brought into line with that of German school leavers by 2020	
	IV. International responsibility			
20	Development cooperation Supporting sustainable development	Official development assistance as a share of gross national income	To be increased to 0.51% by 2010 and 0.7% by 2015	
21	Opening markets Improving trade opportunities for developing countries	German imports from developing countries	Further increase	



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For more information go to

www.nationale-nachhaltigkeitsstrategie.de www.bundesregierung.de

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