

DECIDING ON SUSTAINABLE DEVELOPMENT

May 14, 2003 proved a landmark in Israel's environmental history. It was the day when the Government of Israel decided to base its policy on sustainable development principles.

With the exception of specific sections which relate to the tasks of the different ministries in drafting a strategic plan for sustainable development, which are enumerated in section 5 of the decision, following is a full translation of the momentous government decision:

1. The policy of the Government of Israel shall be based on the principles of sustainable development practice, that combine a dynamic economy, wise use of natural resources, protection of ecosystems, and the granting of equality of opportunity to all, in order to respond to the needs of the present and future generations, both as a follow up to Government decision no. 2426 of August 4, 2002, and in the spirit of the World Summit on Sustainable Development held in Johannesburg in August-September 2002.
2. The Government will promote the Plan of Implementation accepted by general agreement at the World Summit in Johannesburg in 2002, based on the 1992 Program of Action (Earth Summit in Rio de Janeiro - Agenda 21), and shall implement its various components in Israel, in accordance with conditions in Israel and the economic ability to finance activities resulting from the plan.
3. In the spirit of the Plan of Implementation, every government Ministry shall draft a Strategic Plan for Sustainable Development that shall include among others an action plan, means of implementation, sources of funding within its own budget, measurable goals, and target dates by which they should be met. The plan shall include means of identifying activities that are incompatible with the principles of sustainable development.
4. The Strategic Plan for Sustainable Development shall relate to the period up until 2020, will be submitted to the Government by the end of 2003, and shall be updated every three years. The plan shall be presented to the public during its drafting. When completed, the plan shall be submitted to the Government by the ministers and shall be made available to the public.
5. The Strategic Plan for Sustainable Development shall relate to the following tasks, which ministers will be responsible for carrying out, as well as to the budgets at the disposal of each Ministry, with respect to an economic evaluation of the benefit of the plan to the national economy.
6. The Director General of each Ministry shall be responsible for the implementation of this decision in his or her Ministry, and shall appoint a senior officer who shall be responsible for the formulation and implementation of the Strategic Plan for Sustainable Development of the Ministry.
7. Every Minister whose jurisdiction includes a statutory agency or public company shall ensure that a Strategic Plan is drafted in the relevant department, whether derived from the Ministerial plan or drafted independently.
8. The Director General of the Ministry of the Environment shall form a task force that includes the Directors General of all Ministries; representatives of the business community; environmental and social

non-governmental organizations; local government; and academia, as determined by the Minister of the Environment. The function of the task force shall be, among others, to oversee the drafting of the Strategic Plans and to propose principles and ways of consolidating a joint strategy regarding issues relevant to more than one Ministry or sector.

9. The Director General of the Ministry of the Environment shall establish a professional unit to assist in drafting the Strategic Plans, training staff, and gathering relevant professional material used to identify common/problematic inter-ministerial or inter-sectoral issues and proposing ways to deal with them.
10. The Minister of the Environment shall submit a bi-annual report to the Government on the progress of implementation of this decision.

STEPPING TOWARD SUSTAINABLE DEVELOPMENT

The process of formulating a sustainable development strategy in Israel was influenced by international and national factors, foremost among which was the 1992 Earth Summit and Agenda 21. Within Israel, several studies set the scene for anticipating future developments, particularly the masterplan for the 21st century – Israel 2020 which reviewed the issues likely to influence long-term development policy and proposed ways towards building a sustainable development strategy. These initial ideas were then compiled in a preliminary policy paper which proposed directions towards sustainable development for industry, energy, tourism and open spaces. The document was published and disseminated by the Ministry of the Environment in 1996 as a first step toward introducing the concept of sustainable development into government discussions.

The next critical step on the road toward sustainable development began in 1996 when a Coastal Areas Management Programme (CAMP) was signed between Israel and the Mediterranean Action Plan. Its primary objective was to propose a sustainable development strategy for Israel. The program identified three goals which are common to all of the prevalent definitions of sustainable development: intergenerational equity, intragenerational equity and economic growth. Furthermore, it saw the preparation of sustainable development documents on industry, energy, tourism, transportation, agriculture, the urban sector and biodiversity, prepared through a process of consensus-building.

On the basis of the work of the sectorial teams, several targets were defined which indicate commonly accepted primary directions:

- Internalization of externalities by means of realistic pricing;
- Conservation of land, water and energy resources;
- Development of technologies to minimize or prevent environmental damages;
- Improvement in urban quality of life;
- Increase in public awareness and participation;
- Protection of weak communities and expansion of the circle of opportunities open to them.

The documents themselves were published in Hebrew by the Ministry of the Environment in 2002 and formed the basis for Israel's preparations for the Johannesburg World Summit on Sustainable Development – the next step on the sustainability road. In fact, the Johannesburg Summit catalyzed a wide range of activities in Israel with the aim of spreading the message of sustainable development. Among myriad activities, Israel prepared a review and assessment of its implementation of Agenda 21 for the UN Committee responsible for the Summit, initiated Local Agenda 21 projects in several municipalities throughout the country, launched 33 community projects and provided support to non-governmental organizations for sustainability projects.

On May 14, 2003, another important breakthrough occurred in the form of a government decision which determined, *inter alia*, that the policy of the Government of Israel will be based on the principles of sustainable development, that the government will promote the Plan of Implementation which was adopted at the

Johannesburg World Summit and that each government ministry will draft a strategic plan for sustainable development which will relate to the period up to 2020 and will be updated every three years.

On August 30, 2004, one more important step was added: presentation of the first report on the implementation of the government decision on sustainable development. To date, all government ministries have completed the initial stage of mapping and identifying those activities that are expected to promote the assimilation of sustainable development practices and some, namely the Ministry of Finance and the Ministry of Industry, Trade and Labor, have actually formulated their initial strategies.

Without doubt, these steps are beginning to make a difference. According to Ms. Valerie Brachya, Deputy Director General for Policy and Planning at the Ministry of the Environment, "Israel is definitely moving in the right direction. At the beginning of the process, we opted for a top-down approach with public participation, on the assumption that if every ministry would be given the responsibility to prepare its own strategy this would provide for more effective implementation. While we may have "sacrificed" integration, I believe we will achieve more effective implementation in the long term. Our vision for the future may be summed up in a few simple phrases - to put the environment into everyone's business, to have everyone responsible for their own process, in short, to mainstream the environment."

PRINCIPLES FOR SUSTAINBLE DEVELOPMENT

The concept of sustainable development is not new. In fact, it was the key term in the 1987 report of the World Commission on Environment and Development. What's more, the most frequently quoted definition of sustainable development is found in the Brundtland report: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Yet when Israel set out to formulate a sustainable development strategy of its own, it soon became evident that sustainable development means different things to different people, different groups and different states. Therefore, one of the first steps undertaken was to examine sustainable development principles formulated by international bodies such as the United Nations, OECD and European Union and by developed countries, such as Canada, Ireland and the Netherlands, in order to adapt them to Israel's special conditions. The process involved input from government ministries, the private sector, non-governmental organizations and academia. The result - 15 principles which form the common basis for the sustainable development strategies which are now being formulated by each ministry – a so-called common language of sustainability.

Principles for Sustainable Development in Israel

1. **Integrated Resource Management:** Management based on an integrated systems approach which takes account of the impacts of actions on environmental, social and economic resources.

2. **Mainstreaming of Sustainable Development Principles into Action Plans and Policy:** Internalization and implementation of environmental, social and economic considerations in the decision-making systems of institutions and economic sectors. Government should exemplify this process in its development, administration and purchase contracts.

3. **Polluter Pays:** Obligation of the polluter to repair damage to the environment or loss of resources and to compensate society for these damages or losses.

4. **User Pays:** Obligation of organizations and individuals to internalize the costs of using public resources in their economic calculations.

5 **Eco-efficiency:** Economic progress, production and provision of services should be based on efficient utilization and conservation of resources: energy, water and land.

6. **Sustainable Consumption:** Efficient and sustainable consumption aimed at increasing standards of living among all population groups while reducing the burden on environmental resources.

7. **Intergenerational and Intragenerational Equity - Environmental and Social Justice:** Intragenerational equity assures that environmental and social benefits and costs are justly distributed between regions and population groups. Since most of the population lives in urban areas, urban planning should provide a good quality of life

for all residents. Intergenerational equity assures that present resources are used in such a way as to allow future generations to enjoy them. It calls for maximum freedom of choice to future generations in terms of the space in which they live and quality of life which they enjoy.

8. Accountability and transparency: Establishment of transparent assessment mechanisms or indicators to allow the public to monitor environmental, social and economic development trends in the medium and long range.

9. Valuation of Environmental Resources: Recognition of the “free” services provided by ecosystems as life supporting and as the invisible underpinnings of society and the economy. Therefore, economic and social incentives should be created to internalize the economic value of environmental resources, cover the cost of ecosystem rehabilitation and prevent damage to systems which have not been harmed.

10. Treatment at Source: Prevention or treatment at source in order to prevent or reduce emissions, pollutants and wastes.

11. Precautionary Principle: Addressing potentially damaging activities or processes even when their adverse impact on the environment is not proved beyond doubt.

12. Public Participation (The Public as Partner): Partnership of local authorities, civil society and the private sector in activities and in responsibility for their common future.

13. Enlarging the Market: Increasing the total resources available to the economy. Upcycling in which materials are turned into more valuable products is preferable to downcycling which reduces the quality of the material over time.

14. Cross-Boundary Perspective: Adaptation of institutional mechanisms to allow cross-boundary political and administrative approaches to economic, social and environmental issues.

15. Advancement of Knowledge as a Resource: Advancement of knowledge, research and development, both in technology and policy making, in order to reduce damage to the environment and society.

ON THE ROAD TOWARD IMPLEMENTATION

The May 2003 government decision on sustainable development was much more than a declaration of intent alone; it was a statement of guidelines as well, a road map to implementation. The guidelines incorporated into the decisions helped ensure that concrete steps would be taken to translate principles into reality, vision into action.

In setting the foundation for a sustainable development process in Israel, a careful analysis of the experience in other countries was conducted with the intention of choosing the process most appropriate for Israel. Based on this analysis, it was decided to have each ministry prepare its own strategy in accordance with sustainable development principles and with the participation of the public.

The process of consolidating and adopting a sustainable development policy in Israel is similar to that followed in Canada. It calls on each ministry to draft its own strategy as part of an ongoing and incremental process that would constantly be updated. In the first phase, each ministry was asked to identify which of its current activities promotes sustainable development in order to reinforce these activities and grant them priority in resource allocation within the ministry. In addition, each ministry was requested to identify barriers to promoting sustainable development so that appropriate steps could be taken to remove these barriers. Finally, each ministry was called on to identify those areas that had been neglected previously and require further action.

The process, which is being coordinated by the Ministry of the Environment, is now bearing fruits. The mapping process in most government agencies has been completed and the drafting process has begun. In some cases, specifically the Ministry of Trade, Industry and Labor and the Treasury, progress has been swifter and preliminary strategies have already been completed.

Ministry of Trade, Industry and Labor as a Case Study

Following are the tasks which the Minister of Industry, Trade and Labor was required to implement according to the government decision:

- Promotion of efficient use of raw materials, water, energy, and land in the business sector;
- Promotion of production practices and requirements that Israeli products meet the environmental conditions and standards shared by the international market;
- Promotion of and aid to Israeli technology that applies sustainable development principles and is appropriate for implementation in Israel and other countries;
- Inclusion of environmental and social considerations in the consolidation of trade agreements and their implementation;
- Promotion of research and development of Israeli technologies that are suited to the application of sustainable development through legislation that encourages R & D in industry;

- Promotion of clean manufacturing practices and support for the Cleaner Production Center;
- Promotion of research and development of technologies appropriate for implementation of sustainable development in Israel and for marketing to other countries.

With the aid of professional consultants, the Ministry of Trade, Industry and Labor decided that its strategic plan will be based on the following foundations: promoting conservation of the common goods – land, water and air; minimizing environmental nuisances; improving urban quality of life; increasing public participation; advancing environmental justice; internalizing externalities; and taking a long-term view which considers the needs of future generations.

Implementation of the government decision in this ministry was carried out in several incremental steps: As a first step, the activities of the ministry and all of its divisions and branches were mapped, based on data collection from sources within and outside the ministry. Meetings were then set up with the major players within the ministry in order to identify those units and activities relevant for sustainable development. At this point, a preliminary document which defines the goals and targets of sustainable development and specifies the criteria necessary to assess the contribution of each activity to fulfillment of the targets was prepared. As part of the process, relevant experience from other government offices in the USA and Europe was gathered, with special emphasis on the Swedish, Danish and British experiences.

At this stage, preliminary implementation plans were drafted for each ministerial division and unit. These plans included three components: definition of a sustainable development policy along with explanatory notes relating to the need for such a policy and its adaptation to defined criteria; determination of implementation plans in each division; and establishment of specific tasks for different time periods – short, medium and long term. Based on the feedback from key personnel within the ministry, a preliminary plan for sustainable development was drafted.

The Trade Ministry's strategy, which is outlined in the first report to the government on the implementation of the sustainable development decision, surveys different approaches to sustainable development - ranging from weak sustainability to strong sustainability - and looks at different indicators to measure economic sustainability, mainly green national accounting and genuine savings. Based on these sustainability approaches, different criteria for sustainable development in the ministry are presented, such as conservation of renewable resources, reduced use of exhaustive resources and protection of existing ecosystems.

On the basis of these criteria, tasks and goals were drafted for each cluster within the ministry. As an example, the following policy was proposed for the industrial cluster:

- Internalization of externalities in the activities of industrial plants;

- Recognition of the market benefits of developing and promoting industries which encourage sustainable development;
- Internalization of environmental risks in current costs and in the investment considerations of industrial plants;
- Adaptation of production standards in Israel to international conventions and standards;
- Increase in information, cooperation and ability to trade in pollutants between industries.

The proposed policy is accompanied by implementation goals for the short, medium and long range which include such elements as expansion of the Cleaner Production Center, emissions trading, environmental risk insurance, ratification of international conventions and promotion of information highlighting the advantages of environmental services and products.

Towards the Future

While all of Israel's ministries are currently in the process of drafting their sustainable development strategies, it is interesting to note that the first two ministries to have completed the initial drafting stage are the country's economic ministries – the Ministry of Finance and the Ministry of Trade, Industry and Labor. Israel strongly believes that the road to sustainable development would best be paved with the aid of the driving forces of the economy, namely those ministries with a major impact on the country's economy. Hopefully, the reorientation process which has been initiated by these ministries will go a long way toward advancing the goals of sustainable development.

Additional ministries are now in the process of preparing their own strategies and it is expected that a second progress report on the implementation of the government decision will soon be prepared. Meanwhile, however, all ministries have adopted the language of sustainable development. All are gradually moving forward on the path set at Rio in 1992 and Johannesburg in 2002 – the path toward sustainability.

PATHS TO SUSTAINABILITY: AN NGO PERSPECTIVE

It all began in the midst of preparations for the Johannesburg World Summit on Sustainable Development when environmental and social NGOs in Israel set up a coalition, dubbed “Paths to Sustainability.” Its first mission: to prepare a shadow report to Israel’s government report on the implementation of Agenda 21. The report, which critically examines environmental, social and economic issues over the past decade, was presented at Johannesburg alongside the government report. It called on the government to adopt sustainable strategies and change the way it has been relating to environmental issues and on civil society to take an active part in the creation of a sustainable and equitable future for all segments of society in Israel.

But the “shadow report” was just the beginning. Following the Johannesburg Summit, members of the coalition committed themselves to further cooperation in the promotion a sustainable development policy in Israel. This resolve was only strengthened by the May 2003 government decision, which called for interministerial cooperation, with the aid of the professional knowledge accumulated by Israel’s environmental and social organizations, in formulating a sustainable development strategy for the country. In light of the decision, the coalition decided to do all in its power to impact the strategy and to ensure that it gives expression to the opinion of all stakeholders and the general public.

As evidenced by the first report on the implementation of the government decision, the coalition has indeed taken an active part in the process. With the financial support of a number of philanthropic foundations, it issued a call to all organizations to submit those subjects considered to be crucial for the preparation of a sustainable development strategy in Israel. The emerging list of subjects - water, planning, transportation, energy, education and culture, international cooperation, public health, minorities, agriculture and the Treasury – led to the establishment of ten thematic groups aimed at building a dialogue with the relevant ministries, creating public discourse on the emerging strategies and raising innovative directions for action. A coordinator, who also acts as a referee to each government ministry, heads each of the groups.

Since the beginning of 2004, the working groups have been hard at work to increase awareness by creating public discourse and round-table discussions with the participation of the government ministries, representatives of academia and stakeholders from different sectors. Thus far, conferences and seminars have been conducted on such subjects as education for sustainable development, ecological art, sustainable agriculture, public participation in trade agreements, and public health and public participation in the formulation of the sustainable development strategy. Furthermore, the coalition has published alert papers on potential weak points in the process, replete with examples from other parts of the world and recommendations for action. One such alert addresses the issue of public participation in trade agreements, another the importance of public participation in the process of establishing sustainable development policies in Israel. Additional alerts, which will be published shortly, relate to water policy and implementation mechanisms for the policy.

Once the strategies are presented for government approval, the coalition is determined to take an active part in monitoring them through the publication of a shadow report

on the sustainable development strategy and the issuance of a summary report on the process itself and on the role of public participation in its formulation and implementation.

Without doubt, public participation remains an essential tenet of the coalition's agenda. Yet, the coalition contends that with the exception of the Ministry of the Environment and a few other ministries, public involvement in the development of the ministerial strategies remains a weak point. Since it is convinced that public participation will help develop a better strategy, the coalition has called for the development of appropriate mechanisms to allow society to define its common values, to develop a common vision. In its alert paper on public participation in the sustainable development process, the coalition cites the OECD Public Management Policy Brief of 2001 entitled: *Engaging Citizens in Policy-making: Information, Consultation and Public Participation*. According to this policy brief, "strengthening relations with citizens is a sound investment in better policy-making and a core element of good governance. It allows government to tap new sources of policy-relevant ideas, information and resources when making decisions. Equally important, it contributes to building public trust in government, raising the quality of democracy and strengthening civic capacity. Such efforts help strengthen representative democracy, in which parliaments play a central role." The alert also cites an in-depth research study conducted by the United Nations – *Civic Entrepreneurship: A Civil Society Perspective on Sustainable Development*– which argues that the success of a sustainable development policy largely rests on "civil will" which is also the prerequisite for the creation of "political will."

According to Ms. Orli Ronen, Deputy Director of the Heschel Center for Environmental Learning and Leadership, which is coordinating the joint initiative of environmental and social NGOs to participate in and monitor the process of drafting an Israeli strategy for sustainable development, the process, although still in its infancy, is revolutionary: "We very much appreciate the courage of the Ministry of the Environment to spearhead the process of formulating a sustainable development strategy in Israel, both conceptually and practically through the development of tools to enhance the ability of each ministry to advance the process. Furthermore, the place which the Ministry of the Environment is giving to public participation in the process is impressive."