

# Conference Report

International knowledge co-creation event

# Beyond Growth

Indicators and Politics for People and Planet

28-29 OCTOBER 2019, HELSINKI







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# Introduction

**M**any planet-wide ecosystems are near or beyond their tipping points, climate change threatens everything that is important to us, and inequality within countries is growing. So far, the societal objectives and indicators tied up with economic growth – gross domestic product (GDP) in particular – have framed our ways of responding to the deepening sustainability crisis. There is a widely shared need for redefining progress through measures that go beyond GDP. We require a stronger and more realistic knowledge base for policy-making to create wellbeing that is sustainable now and in the future.

The aim of “Beyond Growth – Indicators and Politics for People and Planet” conference was to advance the ongoing discussions on developing measures of wellbeing and sustainability and improving their use in integrated policy processes. This international knowledge co-creation event brought together a wide range of actors to discuss and develop policy recommendations.

The main idea of the event was to provide a forum where experts from different backgrounds – science, decision making, civil society, business and administration – could meet and share ideas and expertise and work together. The event consisted of keynote presentations, panel discussions and thematic working groups. Participants were also invited to take part in making an art mandala.

*We require a stronger and more realistic knowledge base for policy-making to create wellbeing that is sustainable now and in the future.*

The event had five parallel working groups that focused on specific thematic questions and prepared policy recommendations on how EU should look beyond GDP-driven growth. The policy recommendations were finalized during the conference with the help of a specific task force and presented to a representative of Finnish Prime minister’s office at the end of the conference.

The message from the conference was clear: the European Union and Member States must seize the moment and adopt a new policy orientation and governance approach that puts people and their wellbeing and the future of the planet at the centre of policy and decision-making. This is a huge challenge, but the global 2030 Agenda for sustainable development and the European Green Deal provide the seeds to deliver such a change.

Beyond Growth conference was organized by *Finnish Development NGOs - Fingo together with Finland’s National Commission on Sustainable Development*. It was Fingo’s main event during the Finland’s Presidency of the Council of the EU in 2019. The organisers would like to thank all the participants for their invaluable contributions at the conference.

# Beyond Growth

Beyond Growth -conference was Fingo's main event during Finland's Presidency of the Council of the EU in 2019 and part of EU Presidency Project 2019–2021.

## Indicators and Politics for People and Planet

### OBJECTIVES OF THE EVENT



To advance the ongoing discussions on developing measures of wellbeing and sustainability and improving their use in integrated policy processes.



To bring together a wide range of actors from decision-making, administration, civil society, business, and academia + co-creation and networking.



To develop recommendations for the EU to advance the use of wellbeing and sustainability indicators as guides for policy-making.

### MAIN ORGANISERS FINGO + EU PRESIDENCY PROJECT 2019-2021



### FUNDED BY EUROPEAN UNION



### MAIN PARTNER

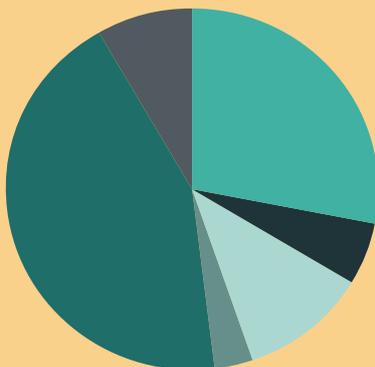


SUOMEN KEHITYKSEN KEHITYKSEN FÖRUMMINTA  
FINLANDS KOMMISSION FÖR HÅLLBAR UTVECKLING  
FINNISH NATIONAL COMMISSION ON SUSTAINABLE DEVELOPMENT

### SEVEN THEMATIC PARTNERS



### 180 PARTICIPANTS FROM OVER 100 ORGANISATIONS:



Research (51)	Decision Makers (6)
Business (10)	Civil Society (79)
Governance (20)	Other (15)

### DURING TWO CONFERENCE DAYS:



250  
tweets



595  
cups of coffee



1  
art Mandala

# 21

POLICY RECOMMENDATIONS  
FOR THE EUROPEAN UNION



Jason Hickel

## **Leading the ecological revolution – pathways to a post-growth economy**

In his conference speech, author and anthropologist Dr Jason Hickel mapped a way for high income nations to achieve the 1.5 degree target on global warming by cutting their CO<sub>2</sub> emissions to net zero by 2030. He stressed that this is the only responsible course of action considering the rich nations disproportionate role in global CO<sub>2</sub> emissions.

Meeting this goal will be difficult but is still possible. Dr Hickel said that the answer lies in the rapid elimination of fossil fuels, land use emission elimination and next-generation industrial processes. However, continuing current levels of economic growth will cancel out any gains from decarbonization in the coming century.

According to Hickel, rich nations need to shift to a post-growth economy and massively scale down material production and consumption. He noted that this doesn't mean that people's overall quality of life needs to decrease.

To achieve a sustainable post-growth economy Hickel discussed six points that need to be addressed.

First, we need to move beyond GDP as a measure of progress and toward indicators such as the GPI (Genuine Progress Indicator) that take into account both economic growth and its negative consequences, such as pollution and environmental degradation.

Second, material throughput needs to be scaled down. Concrete ideas that would help us meet this goal would be the banning of planned obsolescence, a "right to repair", and ending food waste, as well as more abstract goals such as a broad shift from ownership to usership and the scaling down of destructive industries.

Third, we need a shortening of the working week to meet the goals of high employment. This combined with an increase of hourly wages or a universal basic income would ensure a fair transition for all members of society.

Fourth we need a redistribution of resources and the reduction of inequality to ensure growth in living standards and the achievement of social goals.

Fifth, a renegotiation of both public and private debt is needed. Because the function of interest demands ever increasing incomes to pay debt, a debt jubilee is needed to truly switch to a post-growth economy.

Finally, we need a change in company priorities of growth by liberating executives from shareholder value maximization, to pursue other objectives such worker conditions and environmental sustainability.



Doreen Grove

## Measuring – how we ensure the economy is working for the people and planet

**T**he Head of Open Government at the Government of Scotland, Doreen Grove presented a framework for achieving a Wellbeing Economy, where the wellbeing of individuals and communities carries more weight than just economic growth.

Grove set Scotland as an example for others in what she called the ‘Scottish Approach’. She emphasized local decision making by open democratic principles, where people who are affected by decisions should have their voices heard in the decision-making process. In addition, arrangements should be appropriate and tailored to the needs of the people in an effective, efficient and financially sustainable way.

Decision-making should focus on preventing harm, not just fixing harmful outcomes. Solutions should be holistic to fit complex needs and start from the identification of the potential and capabilities for change. They need to start from the suggestions of the people and to fit their needs. The focus should not be on goals only, but on the delivery methods of change too.

The Scottish National Performance Framework (NPF) is based on these principles. Grove provided a guideline for adapting the model. First, setting a *purpose statement* would give a rationale and long-term aim for policy. Second, determining the *values* that policy is based on would set priorities and a model for behavior. Next, *national outcomes* would set goals for policy and *indicators* to measure progress towards those goals. Grove stressed that it is important to focus on the outcomes and not just on the indicators, otherwise there is a risk of unintended consequences.

The outcomes and indicators do not need to be new but could be rooted in existing goals and methods of measurement. Scotland, for example has based the NPF on the UN’s 17 Sustainable Development Goals.

# Inequality of Income, Wealth and Opportunities

Organised in partnership with SOSTE Finnish Federation for Social Affairs and Health and The International Council on Social Welfare (ICSW) Europe.

**CHAIR:** Ronald Wiman, ICSW Europe

**COORDINATOR:** Jussi Ahokas, SOSTE - Finnish Federation for Social Affairs and Health

**PRESENTATIONS:** Richard Layard, London School of Economics, Carlos Gradín, UNU-WIDER  
Terhi Ravaska, The Labour Institute for Economic Research, Ismo Grönroos-Saikkala, European Commission Representation in Finland

**T**his working group discussed measures and policies that support a fair wellbeing economy at the EU context.

The expert keynotes presented in the group approached the theme from different angles. **Richard Layard** pointed out that the wellbeing of people should be the priority for EU and member state governments and special attention should be paid to mental health. **Terhi Ravaska** focused on the measurement of inequality of income and wealth and the need to address the multidimensionality of wellbeing. **Carlos Gradín** introduced the main indexes and indicators that are used to measure inequality and wellbeing internationally and at the EU-level. **Ismo Grönroos-Saikkala** presented indicators and policy tools that EU is currently using to tackle inequality.

In the discussion there was quite strong consensus that the transition to a wellbeing economy requires a systemic approach: The wellbeing of the people and planet should be the priority goal in every sector of society. Switching the focus from economic growth to wellbeing is also a precondition for reducing inequalities. Measuring the wellbeing and inequality in a multidimensional manner is important, but if there is too much focus on indicators and measurement there is a risk of losing the sight of the overall policy aim. One central question in fighting inequalities and promoting the wellbeing economy is how to get broad enough political support to change the approach.

## Recommendations

- ▶ The budgets and follow-up indicators at all levels (EU budget, national budgets, local budgets) should be structured to achieve wellbeing and equality of all people.
- ▶ The EU Semester should be restructured to monitor progress towards the wellbeing of people and sustainability.
- ▶ The EU's Social Score Board should be restructured to measure actual wellbeing and equality by using already existing indexes and aligning and harmonizing them with the SDG monitoring indicators.
- ▶ The EU and the Member States should invest in awareness raising and capacity building on economic models based on wellbeing at all sectors and at all levels of governance.
- ▶ Fiscal policy needs to be reoriented to prioritize the wellbeing of people and the planet for example by shifting taxation from labour to capital and wealth.
- ▶ The EU and the Member States should promote sustainability value over shareholder value.



# Resilience and Respecting the Ecosystem Boundaries

Organised in partnership with the European Environmental Bureau (EEB).

**CHAIR:** Patrick ten Brink, EEB

**COORDINATOR:** Katharina Wiese, EEB

**PRESENTATIONS:** Jan-Erik Petersen, European Environment Agency, Helmut Scholz, Member of European Parliament GUE/NGL

**T**his working group discussed what kind of indicators are needed to measure ecological resilience and so-called “tipping-points”, how to take up the evidence in policies, and to translate this into progress towards sustainability. The group identified and discussed central political frameworks where the ecological resilience and socio-economic transition towards sustainability can and should be supported and discussed what policies and tools (such as e.g. the EU’s Biodiversity Strategy to 2020, and the 8th Environmental Action Programme) can make a difference and what specific windows of opportunities are there for change (such as e.g. European Green Deal, MFF, European Semester). The group further discussed how the EU can increase ecological resilience through increasing global trade measures based on the climate disruptiveness or environmental harmfulness of production as the interdependency of ecosystems has to be reflected in the interdependency of trade and diplomatic relations.

The main outcomes and recommendations concerning these policy frameworks were:

► **The EU Green Deal**

- EU must create a Green Deal that sets Europe as a pioneer in environmental policy and its implementation, inspiring other regional and international deals
- Implementing citizen consultation and participatory measures for shaping the Green Deal for instance through citizen assemblies.
- Set an environmental and/or carbon taxation and directing the tax to subsidize green initiatives

► **Better EU Regulation and Compliance**

To make the EU Green Deal work, deliver on the SDGs, shape an economy that works for the people and avoid to fail on ensuring ecosystem resilience we have to improve and accelerate EU regulatory processes by:

- Improving the processes of impact assessment of policies by enhancing transparency on environmental, social and health impacts of policies and regulations and developing the tools necessary to assess impacts on ecosystem resilience and wellbeing and abolishing the one-in and one-out rule and excluding fossil-industry from stakeholder consultation.
- Enhancing enforcement of environmental and wellbeing policies by agreeing on precautionary targets informed by science on ecosystem resilience and wellbeing and defining taxes, fines or sanctions for non-compliance.
- Strengthening policy coherence on ecosystem resilience and wellbeing by ensuring participation of ENVI in all council decision making processes and equipping it with a veto right on regulations and policies (similarly for EC and EP).



## ► EU BUDGET

EU and Member States must commit to and implement a Green Deal coherent budget that supports public goods and promotes resilient European ecosystems, respects planetary boundaries, and supports wellbeing.

To do this, the EU budget:

- Must fully reflect and respect policy objectives (e.g. the Paris Agreement, Agenda 2030 & CBD; wellbeing) - by sustainability proofing.
- For each budget line there must be a binding review of its impact on ecosystem conditions and wellbeing
- Must provide funding for monitoring ecosystem impacts at policy, programme and project level, and
- Should be prioritised towards public and common goods (from protected area management and restoration to public transport)

Also Member States must be allowed to increase their budget deficit above 3% in the European Semester to achieve climate and biodiversity goals.

## ► SDGS AND AGENDA 2030 (VOLUNTARY NATIONAL REVIEWS)

Biodiversity, resilience of ecosystems and their services are the basis for sustainable societies. Considering the poor status of European ecosystems, we request the EC to develop an action plan for the SDGs with a focus on the environmental ones. It should include the critical tradeoffs and synergies between all SDGs, as well as trade policies to address the global spillover effects. Member States should report on its implementation in a sustainability chapter in the European Semester and in the SDG Voluntary National Reviews.

## ► TRADE AND DEVELOPMENT POLICIES AND IMPACT ON ECOSYSTEM BOUNDARIES

Trade is about production, consumption and way of life. We have to rethink the question of consuming which determines our way of life under the precondition to integrate ecological resilience.

- Trade agreements must have binding commitments in chapters of sustainability and human rights (including the reform of international investment policies by including respective obligations to the rights and regulations for domestic and foreign investors as well as abandoning the existent arbitrary mechanisms such as ISDS, ICS and MIC).
- The SDGs as a necessary indicator must become the horizontal benchmark for any mandates and the evaluation reports of trade negotiations and agreements (including linking them to the on-going beyond growth concepts at EU and national levels;
- The EU must account for the environmental harms and climate disruptiveness of production and diminish the import of climate-unfriendly products by e.g. carbon adjustment taxes in a globalized economy and world-wide value chains, what has to be included into the strengthening and reform of the multilateral fair trading system and by parallel introducing respective new rules.
- The EU should commit to decoupling food production from international trade chains, shifting towards local or regional agricultural production, thereby decreasing overproduction and waste and to enhance a circular economy.

## Recommendations

- **Biodiversity, resilience of ecosystems and their services is the basis for sustainable societies.**
- **EU policymaking must be driven by principles of ecological resilience and social wellbeing, and respect ecosystem boundaries.** The EU regulatory framework, trade policy, budgeting, and the European Semester have to be shaped by these principles. The Green Deal must create transformative binding EU targets with indicators on ecological resilience and wellbeing, and mechanisms for enforcement and accountability across the EU and Member States.
- **Considering the poor status of our ecosystems, the EC should develop a concrete action plan and binding EU targets for the SDGs.** This must address the critical tradeoffs and synergies between all SDGs, as well as trade policies to address the global spillover effects. Member States should report on its implementation in a sustainability chapter in the European Semester and in the SDG Voluntary National Reviews.
- **Commit to a Green Deal-coherent EU multi-annual budget, that supports public goods, invests in resilient ecosystems, respects planetary boundaries and promotes European cohesion and social wellbeing** – by integrating sustainability principles, funding binding reviews of budget lines and programmes, and prioritising public money to common goods and public services. Public investment should be facilitated by making use of the flexibility mechanism of the European Semester, while the green taxonomy can leverage needed private investments.

# Fair Transition to Carbon Neutral Circular Economy

Organised in partnership with The Finnish Innovation Fund Sitra.

CHAIR: Riikka Leppänen, Sitra

COORDINATOR: Tuuli Saukkonen, Sitra

FACILITATOR: Miia Toikka

PRESENTATIONS: Kari Herlevi, Project Director for Sitra's circular economy focus area, Anthony Nyong, Director of Climate Change and Green Growth at the African Development Bank

**T**he working group discussed the recommendations for the agenda-setting and monitoring of policy-making to best advance a transition to a carbon neutral circular economy that is fair and just for all.

In 2015, the EU launched an action plan for circular economy to shift from a take-make-dispose economy to a recycling-and-recovery economy. In 2018, the European Commission (EC) created a new monitoring framework with a strong focus on waste management, and in March 2019 the EC published a comprehensive report on the implementation of the agenda.

While the concept of circular economy has the opportunity to change the culture of production and consumption in favour of services and processes that build on long-lasting and modifiable products, it still has the risk of staying an inspiring but vague idea, if not backed up by clear policy goals, concrete actions and detailed indicators.

Since the transition from linear economy to circular economy is gaining urgency, it is crucial to ensure that the transition is socially as fair and inclusive as possible. For instance, the ILO's Guidelines for just transition towards environmentally sustainable economies and societies for all highlight the need to secure the livelihoods of those who might be negatively affected by the green transition and stress the need for societies to be inclusive, provide decent working opportunities for all, reduce inequalities and eliminate poverty.

In the context of fairness, it is important to analyze how the benefits and burdens of the transition can be distributed fairly – geographically, demographically and sectorally. The guiding question for this working group was: How can we keep everyone on board in the positive developments?

## Recommendations

- ▶ The EU should implement a bottom-up and transparent policy process in order to achieve a fair transition to a climate neutral circular economy.
- ▶ The EU should establish a European fund financed through environmental tax mechanism which allocates resources to the affected regions, industries and people.
- ▶ Member states should set a limit to material footprint per capita while ensuring equitable implementation.
- ▶ EU should mandate the life-cycle assessment including human rights and ecological objectives in all production.

# Policy Coherence for Sustainable Development – How European Policies Affect the Global South

Organised in partnership with the European confederation of Relief and Development NGOs CONCORD.

CHAIRS: Lonne Poissonnier and Leida Rijnhout

PRESENTATIONS: Guillaume Lafortune, UN Sustainable Development Solutions Network, SDSN, Christine Mayer, Eurostat

The group discussed the transboundary impacts of EU policies and why it is important to monitor them. The focus was on indicators to measure such transboundary impacts or international spillovers of EU policies on the Global South. Moreover, the group critically reflected on how the harmonisation, improvement or development of such policy coherence for sustainable development indicators could strengthen justice, equality and sustainability in the relations between the EU and its partners in the Global South.

Through the 2030 Agenda for Sustainable Development, EU Member States have committed themselves to pursuing Policy Coherence for Sustainable Development (PCSD). The concept of PCSD urges decision-makers to look beyond sectorally defined short-termism. The aim is to balance the four dimensions of sustainable development and to take transboundary and intergenerational impacts into account. Since the Lisbon Treaty, the EU has had a legal obligation to scrutinize the transboundary impacts of its policies on developing countries.

The EU toolbox includes some mechanisms for policy coherence. It has a set of guidelines for collecting data and conducting analysis in the form of impact assessments when it develops new or reviews existing laws and policies. It also publishes annually an SDG report and bi-annually a Policy Coherence for Development report to monitor progress. However, specific indicators for measuring the impact of domestic EU policies on the Global South, i.e. the transboundary impacts of PCSD, are still missing.



## Recommendations

We call on EU leaders to reiterate the political commitment and take action at the highest level, starting with the President of the European Commission, Parliament and Council, to strive towards elimination of negative transboundary impacts or spill-over from the EU's policies and practices, in line with the Lisbon Treaty obligation and Agenda 2030 for Sustainable Development.

Political leaders should be held accountable for the transboundary impacts of the policies they adopt or decisions and actions they take, because it hampers sustainable development worldwide, within the EU and in third countries, in particular of the Global South.

In support of this, we ask the EU and its Member States to:

- ▶ Take holistic evidence-based decisions, by including findings of transboundary Policy Coherence for Sustainable Development indicator monitoring in ex-ante and ex-post impact assessments in EU policy-making. The findings should also be discussed with Member States, through the renewed European Semester policy coordination cycle so also national policies can be adjusted accordingly. We also strongly recommend third party peer review.
- ▶ Monitor transboundary Policy Coherence for Sustainable Development on the basis of concrete indicators in line with the following approach:
  - Identify or develop (through a participatory process) and integrate multi-disciplinary spill-over indicators into Eurostat's annual SDG or other relevant progress reports and pathways analysis:
    - consumption based accounting (such as energy and material use, social outcomes but also including land use, deforestation, water use)
    - export/trade indicators or flows (such as conventional weapons, CO<sub>2</sub> emissions, waste)
    - financial flows (such as illicit financial flows, tax havens, unfair tax competition, financial secrecy)
    - humanitarian action: number of resettlement slots by EU MS annually, percentage of the transaction costs of migrant remittances
    - impact on trafficking of human beings and violence against women
    - health workforce migration
  - Develop an EU PCSD dashboard integrating all the above individual indicators;
  - Further integrate existing and new data that has proved its worth and meets quality criteria into existing monitoring frameworks: citizens and civil society generated data, business reports, data from international organisations and institutions, research institutes, geospatial data, etc.
  - Mandate European Commission services and national statistical offices to gather and analyse the transboundary impacts or spill-overs regularly, support partner countries and EU delegations to gather the data
  - Invest in gathering missing data, clarify concepts and dedicate adequate resources, in particular in the following areas:
    - waste and secondary material flows
    - land grabbing
    - governance
    - social impacts.

# Respecting Human Rights in Business

Organised in partnership with Fairtrade Finland and Finnish Evangelical Lutheran Mission FELM.

**CHAIRS:** Niko Humalisto, Felm, Tytti Nahi, Fairtrade Finland

**PRESENTATIONS:** Daniel Neale, Corporate Human Rights Benchmark, Heidi Hautala, Member of European Parliament Greens/EFA, Matt Mayer, Economy for the Common Good UK

**B**usinesses and investors make a huge impact on the realization of human rights in the world - for better or worse. They are also an integral part in making the transition into a beyond-growth economy. There are still no binding regulations directing businesses to respect human rights in international supply chains, even though many countries are too weak or unwilling to oversee the rights of their citizens.

The working group focused on the use of indicators in informing corporate due diligence and supporting the capacity of governments to guide actors of the private sector to responsible business conduct. Participants discussed on the importance of measuring corporate responsibility in creating wellbeing and sustainability and the role of governments and the EU in strengthening corporate responsibility. Key questions included what metrics should be created and what measures should be taken to ensure that businesses strive towards protecting human rights, generate wellbeing, and develop sustainability for all?

To realise the 2030 Agenda, efforts to develop a beyond growth economy must be grounded in respect for human rights, the violation of which are strongly connected to ecological degradation including the climate crisis. To build a beyond growth economy, we must redefine the purpose, structure and business practices of companies.

## Recommendations

Due to market and regulatory failure, companies continue to directly and indirectly cause and contribute to human rights violations and ecological degradation, since voluntary measures and reporting requirements to date have proven wholly insufficient.

It is therefore essential to establish new EU legislation on the Company for a 21st Century 'Beyond Growth' Economy, which must include, inter alia:

- ▶ a redefinition of the purpose of the company beyond short-term profit and shareholder value maximization, taking into account social equality, environmental and climate impact throughout the entire value chain;
- ▶ mandatory human rights due diligence for companies at the EU level, which would create a level playing field instead of the current patchwork of national laws.

Meaningful outcome-oriented metrics should be developed to assess implementation by companies of this new EU legislation and its impact, which should be developed in a transparent and consultative manner and on the basis of adequate resource allocation.



Open seminar

# Transformation to a climate-neutral society – the role of beyond GDP indicators

Organised in partnership with the Dialogue on European Decarbonisation Strategies (DEEDS) project

Europe wants to achieve climate neutrality by 2050 in accordance with the Paris Agreement. This requires deep economic and societal transformations, engaging all sectors of the economy and society. The European Commission wants to ensure a fair and just transition where nobody and no region in Europe is left behind. Monitoring wellbeing in a broad sense (beyond-GDP monitoring) could play a role in following the objectives of the transition to climate neutrality.

**MODERATOR:** Adriaan Slob (DEEDS project)

**KEYNOTE** 'Decarbonisation Policies through a Well-being Lens' by Brilé Anderson (OECD)

**REFLECTION OF THE KEYNOTE** by Paavo Järvensivu (BIOS Research Unit)

**PANEL DISCUSSION:**

Brilé Anderson, OECD

Beata Jaczewska, High-Level Panel of the European Decarbonisation Pathways Initiative

Mohammed Chahim, Member of European Parliament

Ulla Rosenström, Prime Minister's Office (Finland)

Atte Harjanne, Member of Finnish Parliament

## Conclusions

**Why is a broader monitoring perspective (wellbeing lens, beyond-GDP monitoring) needed?**

- ▶ A more comprehensive set of indicators than economic indicators alone can inform policies to increase political and societal support for climate action and can help to overcome barriers to change;
- ▶ Monitoring of wellbeing in a broad sense (i.e. Beyond-GDP monitoring) can help to show synergies and trade-offs between climate change mitigation, various policy domains and broader societal and sustainability goals;
- ▶ A broader wellbeing lens helps to achieve a fair and just energy transition, in terms of inclusiveness and a fair division of wealth, while avoiding energy poverty;
- ▶ Beyond-GDP monitoring can give meaningful insights into progress of a just transition for all involved stakeholders: national, regional and local governments, firms (both industries and small businesses), citizens and societal organisations; both on progress of the transition to a climate-neutral economy and society, as well as on associated impacts on health, education, environmental quality, biodiversity, security, prosperity and equal distribution of income and opportunities;
- ▶ Beyond GDP-monitoring is necessary to co-create, implement and interpret the far-reaching, integrated, policy measures that have to be taken to fundamentally mitigate the socio-economic impacts of climate change.



## Recommendations

- ▶ The transformation to a climate-neutral society should be monitored in a broad sense, not only in terms of economic impact but also in terms of: health, education, environmental quality, biodiversity and security, etc. This type of monitoring, i.e. beyond-GDP monitoring or a wellbeing lens, has for example been developed in UNECE and OECD frameworks;
- ▶ Beyond-GDP monitoring should show progress on and impact of Climate Action on different geographical scales. The international level, where agreements between nations are made. The national level to make comparisons between nations. On the regional and local level, where results can play a strategic role for policy making and information provision to all stakeholders. There should be a connection between monitoring efforts at all three levels. Transparency, objectivity and integrity of monitoring on all levels should be assured.
- ▶ On the regional and local level the monitoring can in particular inform bottom-up dialogue and create 'common ground' for further joint actions, benchmarks, and exchange of experiences. This will help to create an enduring climate action that is supported by the people, and ensures that no one is left behind;
- ▶ To ensure the uptake of beyond-GDP monitoring in European policy it is recommended to include the beyond-GDP monitoring results in the regular monitoring and reporting schemes of Member States to the European Commission. The first option mentioned in the session was the European Semester. Another option involves National Energy and Climate Plans.

# POLICY RECOMMENDATIONS FOR THE EU:

## Wellbeing and sustainability at the centre of policy and decision-making

From the knowledge co-creation conference Beyond Growth –  
Indicators and Politics for People and Planet

IN HELSINKI, ON 28-29TH OCTOBER 2019

**M**any of the planetary ecosystems are near or beyond their tipping points, climate change threatens everything that is important to us and our children, and inequality within countries is growing. So far, the societal objectives and indicators tied to economic growth – gross domestic product (GDP) in particular – have framed our ways of responding to the deepening sustainability crisis. *People's wellbeing is a principal aim of the European Union. There is a widely shared need for redefining progress through measures that go beyond GDP. We require a stronger and more realistic knowledge base for policy-making to create wellbeing that is sustainable now and in the future.*

We want the European Union to be a global forerunner in adopting and implementing policies which respect human rights and address the global challenges of the 21st century, such as climate change, poverty, inequality, resource depletion and quality of life.

Now the EU must seize the moment. We have a once in a generation opportunity to design new economic models that really work for all people and for the future of our planet. The global 2030 Agenda for sustainable development and the European Green Deal provide the seeds to deliver such a change.

The following recommendations were written in the knowledge co-creation conference Beyond Growth, which brought together politicians, academics, civil society, business and representatives of the EU institutions and international organisations.



## **GENERAL RECOMMENDATIONS**

- 1.** The European Union and Member States should adopt a policy orientation and governance approach that puts people and their wellbeing and the future of the planet at the centre of policy and decision-making.
- 2.** The European Green Deal cannot be monitored and measured through a single simple indicator such as GDP, which is no longer fit for purpose. The EU should replace the Stability and Growth Pact with a Sustainability and Wellbeing Pact accompanied by a dashboard of key indicators measuring social and environmental sustainability and resilience.
- 3.** Member States and the European Commission should focus on transparent sustainability impact assessment as an integral part of key political and budgetary processes in order to facilitate fair and just sustainability transitions.
- 4.** Measuring wellbeing and sustainability needs the participation of the people in order to get meaningful policy and action on the regional and local levels. Efforts should be made to listen to all different groups in society and their particular concerns as well as to understand their contexts.
- 5.** Decision-makers in the EU and Member States should take a lead in establishing and implementing integrated policies that deliver on wellbeing and sustainability. Integrated policies will maximise wellbeing in a broad sense through managing synergies and trade-offs.
- 6.** Beyond-GDP monitoring should happen at international, regional, national and local levels and there should be a connection between the monitoring efforts at all levels. Therefore, international and EU standards and frameworks for beyond-GDP data collection are required to ensure harmonised methodologies and data quality. This requires the EU to invest resources to increase the quality of the indicators, in particular in terms of timeliness, periodicity and granularity.
- 7.** The European Semester should be a mechanism to monitor progress towards the wellbeing of people and sustainability in the EU and globally.
- 8.** The EU should strive towards the elimination of negative transboundary impacts resulting from the EU's policies and practices, in line with the Lisbon Treaty obligation and Agenda 2030 for Sustainable Development.



## **SPECIFIC RECOMMENDATIONS FROM THE THEMATIC GROUPS**

### **Inequality of Income, Wealth and Opportunities**

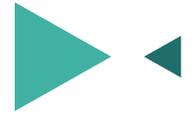
- 1.** The EU's Social Score Board should be restructured to measure actual wellbeing and equality. This can be done by using existing indexes by mapping and harmonising them in line with the SDGs.
- 2.** The EU and the Member States should invest in awareness raising and capacity building (economic models based on wellbeing) at all sectors and all levels of governance.
- 3.** Fiscal policy needs to be reoriented to prioritise the wellbeing of the people and the planet, for example by shifting taxes from labour to capital and wealth.

### **Resilience and Respecting Ecosystem Boundaries**

- 1.** EU policymaking must be driven by principles of ecological resilience and social wellbeing, and respect ecosystem boundaries. The EU regulatory framework, trade policy, budgeting, and the European Semester have to be shaped by these principles. The Green Deal must create transformative binding EU targets with indicators on ecological resilience and wellbeing, mechanisms for enforcement and accountability across the EU and Member States.
- 2.** Considering the poor status of our ecosystems, the EC should develop a concrete action plan and binding EU targets for the SDGs. It must address the critical tradeoffs and synergies between all SDGs, as well as trade policies to address the global spillover effects. Member States should report on its implementation in a sustainability chapter in the European Semester and in the SDG Voluntary National Reviews.
- 3.** Commit to a “Green-Deal-coherent” EU multi-annual budget, that supports public goods, invests in resilient ecosystems, respects planetary boundaries and promotes European cohesion and social wellbeing – by integrating sustainability principles, funding binding reviews of budget policies and programmes, and prioritising public money to common goods and public services. Public investment should be facilitated by making use of the flexibility mechanism of the European Semester, while the green taxonomy can leverage needed private investments.

### **Fair Transition to Carbon Neutral Circular Economy**

- 1.** The EU should establish a European fund financed through environmental taxation which allocates resources to the affected regions, industries and people.
- 2.** Member States should set a limit to the per capita material footprint, while ensuring equitable implementation.
- 3.** The EU should mandate the life-cycle assessment, including human rights and ecological objectives, in all production.



## **Policy Coherence for Sustainable Development**

- 1.** The EU and its Member States should take holistic evidence-based decisions by including findings of transboundary Policy Coherence for Sustainable Development indicator monitoring in ex-ante and ex-post impact assessments in EU policy-making. The findings should also be discussed with Member States, through the renewed European Semester policy coordination cycle so that national policies can also be adjusted accordingly. Third party peer reviews should be used when possible.
- 2.** The monitoring of transboundary Policy Coherence for Sustainable Development should be based on concrete indicators, in line with the following approach:
  - a.** Identify or develop and integrate multi-disciplinary spill-over indicators into Eurostat's annual SDG or other relevant progress reports and pathways analysis:
    - consumption-based accounting (such as energy and material use, social outcomes but also including land use, deforestation, water use)
    - export/trade indicators or flows (such as conventional weapons, CO<sub>2</sub> emissions, waste)
    - financial flows (such as illicit financial flows, tax havens, unfair tax competition, financial secrecy)
    - humanitarian action: number of resettlement slots by EU Member States annually, percentage of the transaction costs of migrant remittances
    - impact on trafficking of human beings and violence against women
    - health sector workforce migration
  - b.** Develop an EU PCSD dashboard integrating all the above individual indicators;
  - c.** Further integrate existing (and new) data that has proven its worth (meets quality criteria) into existing monitoring frameworks. For example: citizen and civil society-generated data, business reports, data from international organisations and institutions, research institutes and geospatial data.
  - d.** Mandate the European Commission's services and national statistical offices to gather and analyse the transboundary impacts or spill-overs regularly, support partner countries and EU delegations to gather the data;
  - e.** Invest in gathering missing data, clarify concepts and dedicate adequate resources, in particular in the following areas:
    - waste and secondary material flows
    - land grabbing
    - governance
    - social impacts

## Respecting Human Rights in Business

Due to market and regulatory failure, companies continue to directly and indirectly cause and contribute to human rights violations and ecological degradation, since voluntary measures and reporting requirements to date have proven wholly insufficient.

It is therefore essential to:

1. Establish new EU legislation for companies that must include, inter alia:
  - a redefinition of the purpose of the company beyond short-term profit and shareholder value maximisation, taking into account social equality, environmental and climate impact throughout the entire value chain;
  - mandatory human rights due diligence for companies at the EU level which would create a level playing field for companies instead of the patchwork of national legislation.
2. Meaningful outcome-oriented metrics should be developed to assess the implementation by companies of this new EU legislation and its impact, which should be developed in a transparent and consultative manner and on the basis of adequate resource allocation.

### MAIN PARTNER



SIJOMEN KESTÄVÄN KEHITYKSEN TOIMIKUNTA  
FINLANDS KOMMISSION FÖR HÅLLBAR UTVICKLING  
FINNISH NATIONAL COMMISSION ON SUSTAINABLE DEVELOPMENT

### THEME PARTNERS



SITRA

SOSTE



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# Beyond Growth

## Indicators and Politics for People and Planet

28-29 OCTOBER 2019, PAASITORNI, HELSINKI, FINLAND

### PROGRAMME

#### Day 1 Monday 28, October

- 8.30 - 12.00** Registration and coffee at the lobby 
- 9.30 - 11.30** Open seminar: ***Transformation to a climate-neutral society - the role of beyond GDP indicators.*** Organised in partnership with the Dialogue on European Decarbonisation Strategies (DEEDS) project.
- Brilé Anderson**, OECD
- Paavo Järvensivu**, BIOS Research unit, Finland
- Beata Jaczewska**, High-Level Panel of the European Decarbonisation Pathways Initiative
- Mohammed Chahim**, Member of European Parliament
- Ulla Rosenström**, Prime Minister's Office; Finland
- Atte Harjanne**, Member of Finnish Parliament
- 12.00 - 13.00** Official opening of the conference
- Opening words: **Saila Ruuth**, State Secretary, Ministry of Social Affairs and Health
- Keynote speaker: **Jason Hickel**, writer and anthropologist, ***Leading the ecological revolution: Pathways to a post-growth economy***
- Q&A and reflection with the participants
- 13.00 - 13.45** Lunch 



**13.45 – 14.30** Plenary discussion on themes and objectives of thematic working groups

**14.30 – 17.00** Discussions in thematic working groups (2,5 hours)  
+ afternoon coffee

**ROOM 301**

**Inequality of Income, Wealth and Opportunities**

Chair: **Ronald Wiman** (ICSW-Europe)

Speakers: **Richard Layard** (LSE); **Carlos Gradin** (UNU-WIDER);  
**Terhi Ravaska** (The Labour Institute for Economic Research);  
**Ismo Grönroos-Saikkala** (EC Representation in Finland)

**ROOM 302**

**Resilience and Respecting the Ecosystem Boundaries**

Chair: **Patrick ten Brink** (EEB)

Speakers: **Ronan Uhel** (EEA); **Helmut Scholz** (MEP GUE/NGL)

**ROOM 303**

**Fair Transition to Carbon Neutral Circular Economy**

Chair: **Riikka Leppänen** (Sitra)

Speakers: **Kari Herlevi** (Sitra); **Anthony Nyong** (AfDB)

**ROOM 304**

**Respecting Human Rights in Business**

Chair: **Niko Humalisto** (Felm) and **Tytti Nahi** (Fairtrade Finland)

Speakers: **Daniel Neale** (CHRB); **Heidi Hautala** (MEP Greens/EFA);  
**Matt Mayer** (ECG UK)

**ROOM V. J.  
von Wright**

**Policy Coherence for Sustainable Development**

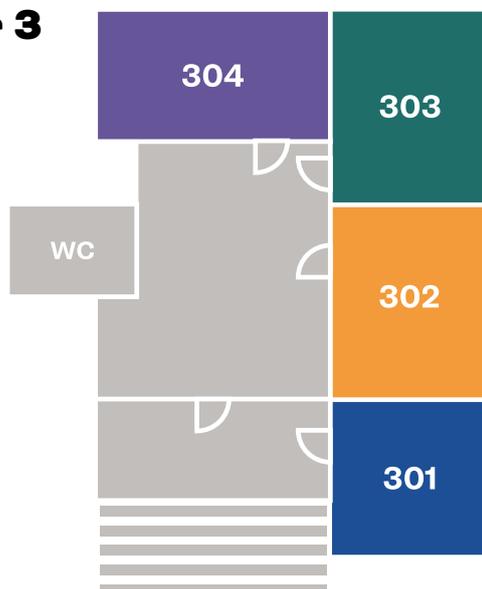
Chair: **Lonne Poissonnier** (CONCORD) and **Leida Rijnhout**

Speakers: **Guillaume Lafortune** (UNSDSN);  
**Christine Mayer** (Eurostat)

**18.00 – 19.00** Reception hosted by the City of Helsinki  
at Old Court House, Aleksanterinkatu 20



**Floor 3**



**Floor 3,5**



# PROGRAMME

## Day 2 Tuesday 29, October

- 8.30 – 9.00** Morning coffee at the lobby 
- 9.00 – 10.15** Keynote speaker: **Doreen Grove**, Head of Open Government at Scottish Government and Chair of WEAll Scotland: ***Measuring – how we ensure the economy is working for people and planet***  
Q&A  
Plenary on the recommendations based on the discussions and presented by the task force
- 10.15 – 12.45** Thematic working groups finalize their policy recommendations
- 12.45 – 13.30** Lunch 
- 13.30 – 14.30** Thematic working groups: next steps
- 14.30 – 15.00** Coffee break and Art Mandala 
- 15.00 – 15.15** Presentation of the recommendations
- 15.15 – 16.15** Panel discussion: ***Beyond GDP Indicators – a way forward for EU***  
**Mladen Domazet**, Research Director, Institute for Political Ecology, Croatia  
**Elisabeth Freytag-Rigler**, Head of the EU Coordination for Climate and Environment, Federal Ministry for Sustainability and Tourism, Austria  
**Ulla Rosenström**, Chief Senior Specialist, Prime Minister’s Office, Finland  
**Paul Okumu**, Head of Secretariat of the Africa Platform  
**Fulvia Raffaelli**, Head of Unit, DG GROW, European Commission
- 16.15 – 16.30** Closure of the conference: **Juha-Erkki Mäntyniemi**, Executive Director at Fingo
- 16.30 – 17.00** Drinks and networking at the lobby 

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