

Sweden's Environmental Objectives – New Perspectives

Report of the Inquiry on the Environmental Objectives System



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To the Minister for the Environment

The Government decided on 17 July 2008 to set up an inquiry to look into and propose changes to the structure and organisation of the environmental objectives system. On the same date, Rolf Annerberg, Director-General of the Swedish Research Council for Environment, Agricultural Sciences and Spatial Planning, was appointed to chair the inquiry.

The inquiry has taken the name of the Inquiry on the Environmental Objectives System.

The following experts have assisted the Inquiry: Sofia Arkelsten, Member of the Riksdag; Mattias Ankarhem, Desk Officer, Ministry of Finance, until 1 June 2009; Mona Blomdin Persson, Director of Strategies and Incentives Secretariat, Swedish Chemicals Agency, from 6 April 2009; Åsa Domeij, Head of Environment and Social Responsibility, Axfood; Jan Eksvärd, Director, Environmental Affairs, Federation of Swedish Farmers; Karin Granbom Ellison, Member of the Riksdag; Maria Ingelsson, Desk Officer, Ministry of Finance, from 2 June 2009; Wiwi-Anne Johansson, Member of the Riksdag, from 18 November 2008; Anders Johnson, Acting Director, Environmental Assessment Department, Swedish Environmental Protection Agency; Mikael Karlsson, President, Swedish Society for Nature Conservation; Elisabeth Lidbaum, Desk Officer, Ministry of Enterprise, Energy and Communications; Liza-Maria Norlin, Member of the Riksdag, from 3 February 2009; Carina Ohlsson, Member of the Riksdag; Harald Perby, Deputy Director, Ministry of the Environment, until 9 January 2009; Sven Gunnar Persson, Member of the Riksdag, until 31 December 2008; Johanna Pivén, Deputy Head of Department, Skåne County Administrative Board; Marie-Louise Rydén, Director of Administration, Swedish Chemicals Agency, until 5 April 2009; Pierre Schellekens, Head of the European Commission Representation in Sweden; Erik Sollander, Forest

Policy Strategist, Swedish Forest Agency; Inger Strömdahl, Director, Environmental Policy, Confederation of Swedish Enterprise; Petronella Troselius, Desk Officer, Ministry of the Environment, from 10 January 2009; Claes Västerteg, Member of the Riksdag; Ulrika Wennergren, Environmental Strategist, Swedish Rail Administration; and Peter Wenster, Environmental Expert, Swedish Association of Local Authorities and Regions.

The position of Principal Secretary to the Inquiry has been held by Siv Ericsson. The following have served as Secretaries to the Inquiry: Pirjo Körsén from 1 September 2008, Erika Budh from 6 October 2008, Amanda Palmstierna from 27 October 2008, and Helena Bergström during the periods 11 February–12 June 2009 and 3 August–30 September 2009. Magnus Eriksson has assisted the Secretariat with the compilation of background data and analysis and Eva Ahnland with linguistic revision of the Swedish text of the report.

The Inquiry Chair presented a progress report on 27 February 2009 (M 2008:2/18). The Inquiry hereby submits its report *Sweden's Environmental Objectives – New Perspectives* (SOU 2009:83).

Stockholm, 30 September 2009

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Note: This is a translation of the main body of the report, omitting separate opinions given by experts to the Inquiry, the terms of reference for the Inquiry (Appendix 1) and a list of the working papers included in the separate appendix volume (Appendix 2).

Executive summary

The proposals put forward by the Inquiry give a clearer international perspective to Sweden's system of environmental objectives. They define more precisely the role of the Riksdag (the Swedish Parliament), the Government and government agencies in bringing about the changes in society that need to occur within a generation. The importance of day-to-day efforts in the environmental field, by government agencies, local authorities, companies and others, is underlined.

The Inquiry proposes a partly changed basis for assessing progress towards the environmental quality objectives: within a generation, by 2025, either the quality of the environment which they express, or the basic conditions for attaining that quality, should be achieved. That represents a very high, but not impossible, level of ambition, and also closely reflects the intentions that existed when the objectives were originally adopted.

The generational goal defining the direction of the necessary changes in society should be reformulated and incorporated more clearly into the structure of environmental objectives. The Inquiry proposes that decisions regarding this goal should be taken by the Riksdag. The sixteen environmental quality objectives should be retained and decisions relating to them taken by the Riksdag as hitherto. The cross-cutting issues related to the objectives should be dropped as a concept and as a level of goals. Clear milestone targets should be developed for the changes in society that are required. Most of the roughly 70 interim targets currently in place can be turned into milestone targets of this kind. The latter can also be designed to cut across several different environmental quality objectives. The concept of 'interim target' should be dropped. Milestone targets should be decided by the Government, unless they follow from EU decisions or, in the Government's assessment, there is reason for them to be decided by the Riksdag.

The environmental quality objectives need to be seen in a more international context, and Sweden's international dependence in this area should be more carefully analysed in the in-depth evaluation. The strategies drawn up to meet the objectives should, where necessary, also include strategies for efforts within the EU and internationally.

All government agencies involved in the environmental objectives system – lead agencies for individual objectives, agencies with special sectoral responsibility and county administrative boards – should have a clearer responsibility, set out in their standing instructions, to promote progress towards the objectives in their spheres of activity.

The Swedish Environmental Protection Agency should be given a coordinating responsibility for follow-up of the environmental objectives. The Inquiry proposes the establishment of a special Commission made up of representatives of the Riksdag parties, with the task of advising the Government on how the environmental quality objectives can be achieved. The existing Environmental Objectives Council should be attached to this Commission as experts. Through working groups of the Commission, stakeholders outside central government can become more involved in the environmental objectives system.

The Government should request the Commission or, where appropriate, government agencies to develop strategies for achieving the environmental quality objectives, which will include milestone targets and policy instruments. The existing permanent action strategies should be dropped from the system.

Arrangements for independent, targeted evaluations of policy instruments and agencies' environmental efforts should be introduced into the system.

1 Remit

1.1 Terms of reference

The Inquiry on the Environmental Objectives System has had the task of looking into and proposing changes to the structure and organisation of Sweden's environmental objectives system, with a view to making the system simpler and more effective.

Under its remit, the Inquiry has been required to analyse and, where necessary, present proposals on such matters as different levels of goals, division of responsibilities, environmental monitoring, how due attention can be paid to the international character of environmental problems, how environmental efforts in the business sector can be turned to better account, how economic analyses can be developed, and how the organisational structure and division of roles should be developed to ensure more effective coordination and guidance of action to safeguard the environment. The Inquiry has also been asked to make proposals regarding systematic follow-up of the economic cost-effectiveness of measures that are implemented. (The terms of reference are attached as Appendix 1 to the Swedish report.)

1.2 Implementation

The Reference Group attached to the Inquiry, comprising representatives of the Riksdag parties, the Government Offices, government agencies, special interest organisations and an expert from the European Commission, has held a total of seven meetings.

The Inquiry has conducted a large number of interviews, meetings and seminars with responsible government agencies and with representatives of local authorities, the business sector, non-governmental organisations (NGOs) and the research community.

Literature reviews and specially commissioned studies have produced additional background material. A group of economists has contributed to the work of the Inquiry by looking at how economic impact assessments could be developed within the environmental objectives system.

1.3 Structure of the report

The points of departure of the Inquiry and its analysis of the problems to be addressed are presented in Chapter 2. Chapter 3 sets out the Inquiry's deliberations and proposals concerning the environmental quality objectives, the basis for assessing progress towards them, and the structure of the objectives.

Chapter 4 outlines the changes proposed by the Inquiry in the way work within the environmental objectives system is organised. In Chapter 5, changes in the areas of follow-up, evaluation and reporting are presented. The development of strategies, milestone targets and proposals for measures is dealt with in Chapter 6, which also presents the Inquiry's views and proposals on the responsibilities of different stakeholders for follow-up, evaluation and implementation. Chapter 7 describes a proposal to introduce into the environmental objectives system independent, targeted evaluation of policy instruments and of the environmental efforts of government agencies. Consequences of the Inquiry's proposals are presented in Chapter 8.

In a separate appendix volume to this report (available in Swedish only), the Inquiry presents its legislative proposals and the working papers that have formed the basis for its proposals. These papers contain background descriptions, additional analysis and deliberation and, in several cases, a discussion of alternatives to the proposals set out in the report. The appendix volume also includes lists of references.

2 Points of departure and problem analysis

Sweden's system of environmental objectives, originally comprising fifteen environmental quality objectives, was adopted by the Riksdag in 1999, taking the place of around 170 different environmental goals. The system has subsequently been developed to include interim targets, action strategies and a sixteenth environmental quality objective.

The environmental objectives system enjoys strong support in many parts of Swedish society. There is broad consensus that it provides a shared framework of goals for action to secure a better environment. It has promoted cooperation and greater commitment on the part of the stakeholders involved. What is more, the regular monitoring of the state of the environment associated with it is often highlighted as a strength, as is the comprehensive structure of the system, which draws attention to the various aspects of environmental issues.

There is also criticism of the system, however. It has been suggested that in some respects its purpose is unclear, that it has become increasingly complex over time, and that political guidance of the system could have been clearer. For several of the objectives, the level of ambition is unrealistically high. The system is geared more to follow-up than to implementation. It has a focus on government agencies, and stakeholders outside central government can experience difficulty finding their roles. International interdependence has made it increasingly difficult to achieve the objectives through measures in Sweden alone.

Unclear purpose

Initially, the purpose of the environmental objectives system was to monitor the state of the environment. Gradually, the system has also increasingly been called upon to deliver impact-assessed proposals.

The Inquiry is of the view that the purpose of the environmental objectives system should be to monitor the state of the environment and, on the basis of that monitoring, to take action to meet the objectives.

The government agencies involved in the system also have the task of informing a broad target group, including the general public, about the state of the environment. Naturally, everyone has a responsibility for the environment. But, in the Inquiry's opinion, everyone does not necessarily have to be familiar with all the environmental quality objectives, let alone the whole of the environmental objectives system.

Complex system

The environmental objectives system has many component parts and involves a large number of stakeholders.

Component part	Function
5 fundamental values	Basis for all environmental action; serve as a starting point for formulating environmental quality objectives and interim targets.
1 generational goal	Indicates the time frame for achieving the environmental quality objectives, i.e. 20–25 years after they were adopted.
3 cross-cutting issues related to the objectives	Ensure that the fundamental values are taken into account, and serve as a complement to the environmental quality objectives.
16 environmental quality objectives, with specifications	Define the state of the Swedish environment which environmental action is to be directed towards achieving on a timescale of one generation. The specifications indicate how the objectives are to be interpreted.

Over 70 interim targets	Flesh out aspects of the environmental quality objectives on a shorter timescale.
Regional and local environmental objectives	Guide regional and local environmental action.
3 action strategies	Help to achieve the environmental quality objectives.
Around 100 indicators	Used to assess progress towards the objectives.

Environmental issues are complex and affect many areas of society, and this is one reason why the system, too, has become complex. Nonetheless, the Inquiry believes there to be scope for simplification.

Unrealistic expectations

The Environmental Objectives Council's assessment is that one of the environmental quality objectives – *A Protective Ozone Layer* – can be met, while the others will be difficult or impossible to reach within one generation. There are several reasons why this is the case. One is that the interpretation of what is to be achieved within a generation has gradually become more stringent. Another is that recovery of the natural environment takes time.

To meet the objectives, measures need to be developed and implemented on an ongoing basis, a process for which stakeholders outside central government bear a major responsibility. Furthermore, working towards the objectives involves striking difficult balances in many areas, necessitating political initiatives and decisions to change mandates and policy instruments.

Clearer international perspective needed

To achieve many of the environmental objectives, such as *Natural Acidification Only*, Sweden is dependent on action being taken within the EU and internationally. In the ten years the environmental objectives system has existed, international efforts have been stepped up, bringing benefits in terms of the quality of the environment for everyone involved. A great deal of Swedish

legislation in the environmental field is shaped by EU cooperation. Global environmental cooperation, too, is often coordinated within the EU. The environmental objectives system needs to take greater account of these factors.

Conditions for developing effective measures

In the area of follow-up and evaluation, the Environmental Objectives Council has played an ongoing coordinating role. When it comes to measures to attain the objectives, on the other hand, clear and permanent coordination has been harder to achieve. The Council has pointed to a need to further develop and clarify responsibility for proposing changes to policy instruments.

Proposals for measures and instruments are developed in a consolidated manner every four years, as part of the in-depth evaluation. The terms of reference for this work have not been very precise. As a result, the in-depth evaluation has grown into a wide-ranging undertaking, in which the authorities responsible are expected to review progress in terms of quality of the environment, analyse the prospects of reaching the objectives, and develop impact-assessed proposals for measures to that end. It is of course an advantage that many different bodies and individuals are able to contribute ideas and proposals. Partly owing to pressure of time, however, there has not been sufficient scope in the in-depth evaluation to analyse the problems in depth and to set priorities among the proposals put forward.

To sum up, the Inquiry notes that the environmental objectives system has resulted in good follow-up and in structured and more active efforts to safeguard the environment. Using the room for improvement that exists, it should be possible to enhance the system's credibility and ensure that it provides a better basis for policy decisions. This could increase the commitment of government agencies and other stakeholders within the system.

3 Goal achievement and goal structure

3.1 Ambitious but not impossible objectives

Proposals

- The basis for assessing progress towards the objectives should be changed to:
 - Within one generation, the quality of the environment which the environmental quality objectives express or the basic conditions for attaining that quality must be achieved.
- The generational goal should be met by 2025. The base year is 1999, i.e. when the environmental quality objectives were adopted.
- The wording of the environmental quality objective *A Non-Toxic Environment* should be changed to:
 - The occurrence of man-made or extracted substances in the environment must not represent a threat to human health or biological diversity. Concentrations of non-naturally occurring substances will be close to zero and their impacts on human health and on ecosystems will be negligible. Concentrations of naturally occurring substances will be close to background levels.

3.1.1 Timescale of one generation

In the case of many of the environmental quality objectives, emissions in other countries or long recovery times in nature mean that they will be difficult or impossible to achieve within one generation.

In 1999 the Riksdag adopted fifteen long-term environmental quality objectives (Government Bill 1997/98:145, Committee Report 1998/99:MJU6, Riksdag Communication 1998/99:183). In the Government Bill, moreover, an overall goal for environmental policy was proposed. That goal also formed the basis for the decision of the Parliamentary Committee on Environment and Agriculture to endorse the environmental quality objectives:

The Government's overall goal for efforts in the field of environmental policy is to be able to hand over to the next generation a society in which the major environmental problems in Sweden have been solved.

In Govt. Bill 1997/98:145, the Government of the day added to this overarching generational goal four bullet points describing what it considered needed to be achieved within a generation:

By then,

- Sweden's ecosystems, which at present are still exposed, at least in part, to quite excessive loadings in terms of toxic pollutants, acidification, eutrophication and other pressures, must be on the way to recovery;
- the harmful effects of the external environment on human health must be as close to zero as it is possible to get;
- agriculture and forestry must be carried on in an ecologically sustainable manner;
- the use of scarce resources, both renewable and non-renewable, must be sustainable and efficient.

The first bullet point says that, within a generation, ecosystems are to be on the way to recovery. In several government bills relating to the environmental objectives, one generation has been said to be 20–25 years. In the case of all the environmental quality objectives except *Reduced Climate Impact*, the Environmental Objectives Council uses the year 2020 as a point of reference for assessing whether it will be possible to achieve the objectives. One reason for this is that, in its 2008 in-depth evaluation, the Council saw a need for a specific target year as a basis for its assessments, in conjunction with the development of new and revised interim targets.

Like the Environmental Objectives Council, and in accordance with established theories of management by objectives, the Inquiry believes that there should be a clear point in time against which progress towards the objectives can be assessed. However, it

considers that the year 2025, i.e. the later part of the range stated in various bills, is more in line with what is normally regarded as one generation.

3.1.2 Basis for assessing progress

The Government's intention when the environmental objectives system was developed was that the *basic conditions* for achieving the environmental quality objectives in the long term were to be in place within a generation. This is expressed in the wording about ecosystems being on the way to recovery. When the objectives were subsequently adopted by the Riksdag, it was determined that what was to be achieved within a generation was the *quality of the environment* which the objectives express. This is also the interpretation used by the Environmental Objectives Council when assessing whether it will be possible to meet the objectives. Overall, this has had the effect of making the environmental quality objectives very ambitious.

The Inquiry believes that environmental goals must of course be ambitious and challenging, but that they should not be impossible to achieve. That could undermine their credibility and make it difficult to secure effective action.

As for the date by which the defined quality of the environment can be brought about, the Inquiry has asked the lead agencies for individual environmental quality objectives to make an assessment for each objective. Their responses reveal considerable variation in this respect from one goal to another. Certain objectives, such as *A Safe Radiation Environment*, are judged to be achievable by 2020 if further measures are introduced. For others, the view is that they cannot be met within a generation even if vigorous action is taken, owing to the long timescale of recovery in the natural environment. For *Sustainable Forests*, it is expected to take 50–80 years to attain the quality of the environment described.

In the light of the material which the lead agencies have presented, the Inquiry concludes that, for most of the environmental quality objectives, it is difficult to determine when it will be possible to achieve them. This is partly a result of uncertainties in the underlying data and of changes arising for example from new research. The Inquiry therefore proposes that the basis for

assessing progress towards the objectives on a timescale of one generation should be changed from

The quality of the environment which the environmental quality objectives express must be achieved within one generation.

to

The quality of the environment which the objectives express or the basic conditions for attaining that quality must be achieved within one generation, i.e. by 2025.

This entails a return to the point of departure for implementing the environmental objectives that was formulated in Govt. Bill 1997/98:145.

As regards *what* is to be achieved, the Inquiry is of the view that the environmental quality objectives should express the *quality of the environment* which environmental efforts are to result in. The state of the environment should be monitored and assessed against the wordings and specifications of the objectives.

The assessment of whether the *basic conditions* for meeting the objectives will be achieved by 2025 should be based on an evaluation of how action taken across the environmental policy field as a whole affects progress towards the objectives. A great deal of Swedish legislation in this field is shaped by EU cooperation. Global environmental cooperation, for example on climate change, is often coordinated within the UN. The results of such cooperation should accordingly be taken into account in the assessment, as should compliance with international agreements. An objective should be judged to be achievable if the analysis shows *either* that the quality of the environment which it expresses can be brought about or that sufficient measures, national and international, have been decided on and are expected to be implemented by 2025.

This basis for the assessment means that the environmental quality objectives will be very ambitious, but not impossible to achieve. Many government agencies, businesses and local authorities have pointed out that it is not felt to be constructive when follow-up of the objectives signals that we are getting further and further away from attaining them, despite significant investments of resources in action to safeguard the environment and despite the fact that, for several of the environmental quality

objectives, the 2008 in-depth evaluation concludes that the state of the environment has improved.

3.1.3 Revised wording of the objective *A Non-Toxic Environment*

The Inquiry has not examined the specific wordings of the environmental objectives. However, it has been pointed out in many contexts that the environmental quality objective *A Non-Toxic Environment*, as currently worded, cannot be achieved. The existing wording is as follows:

The environment must be free from man-made or extracted compounds and metals that represent a threat to human health or biological diversity.

The wording ‘The environment must be free from man-made or extracted compounds and metals...’ makes the objective virtually impossible to meet, even if very significant resources were to be invested. After discussing the matter with the Swedish Chemicals Agency, the Inquiry therefore proposes the following revised wording:

The occurrence of man-made or extracted substances in the environment must not represent a threat to human health or biological diversity. Concentrations of non-naturally occurring substances will be close to zero and their impacts on human health and on ecosystems will be negligible. Concentrations of naturally occurring substances will be close to background levels.

Since our understanding of how man-made and extracted substances affect health and the environment is incomplete, the first sentence of the new wording needs to be clarified by the two sentences that follow. The revised wording makes the objective more precise and more feasible to achieve, but still very ambitious.

3.2 Structure of the objectives

Proposals

- The goal structure should be changed to:
 - *Environmental quality objectives*, defining the state of the Swedish environment which environmental action is to result in. Decisions on the environmental quality objectives will be taken by the Riksdag.
 - *A generational goal*, defining the direction of the changes in society that need to occur within one generation if the environmental quality objectives are to be met. Decisions concerning this goal will be taken by the Riksdag.
 - *Milestone targets*, which are steps on the way to achieving the generational goal and the environmental quality objectives. In the first instance, such targets will be decided by the Government. If it is evident that the Riksdag should decide, or if the Government considers it appropriate, milestone targets will be decided by the Riksdag. The concept of ‘interim target’ should be dropped.
- The overall generational goal should be worded as follows:
The overall goal of environmental policy is to hand over to the next generation a society in which the major environmental problems in Sweden have been solved. *This presupposes a proactive environmental policy in Sweden, within the EU and in international contexts, and means that:*
 - ecosystems will be on the way to recovery, *and their long-term capacity to generate ecosystem services will be assured;*
 - *human health will be adversely affected as little as possible by factors in the environment, at the same time as the positive impact of the environment on human health is promoted;*
 - *biodiversity will be conserved and promoted and the natural and cultural environment will be used responsibly;*
 - *materials cycles will be resource-efficient and as far as possible free from dangerous chemicals;*
 - *the share of renewable energy will constantly increase and use of energy will be efficient, with minimal impact on the environment;*

– *consumption of goods and services in Sweden will cause the least possible environmental and health problems, regardless of where in the world their production is located.*

- Cross-cutting issues related to the environmental objectives should be dropped as a concept and as a level of goals within the environmental objectives system.
- Regional environmental objectives should be decided by regional lead agencies for the environmental objectives, following consultation with bodies for regional self-government or cooperation in the counties concerned.

In its environmental policy decision of 2001 (Govt. Bill 2000/01:130, Committee Report 2001/02:MJU3, Riksdag Communication 2001/02:36), the Riksdag established the following goal structure:

1. Environmental quality objectives, defining the state of the Swedish environment which environmental action is to be directed towards achieving. Environmental quality objectives will be adopted by the Riksdag, which will also adopt any changes and additions to them.
2. Interim targets under the environmental quality objectives, stating that a given quality of the environment is to be achieved or that changes are to be implemented by a certain date, to enable the environmental quality objectives to be attained within a generation. Interim targets, too, will be adopted by the Riksdag.

The Inquiry proposes certain changes to this structure.

3.2.1 Fundamental values and cross-cutting issues

When the environmental objectives system is described, the fundamental values on which it rests, and cross-cutting issues related to the objectives, are often also mentioned as levels of goals within the system. The fundamental values set out what environmental policy is to seek to achieve, namely to:

- promote human health,
- safeguard biodiversity and the natural environment,
- preserve the cultural environment and cultural heritage,
- maintain long-term ecosystem productivity and
- ensure wise management of natural resources.

These values were established by the Riksdag in its environmental policy decision of 1991 (Govt. Bill 1990/91:90, Committee Report 1990/91:JoU30, Riksdag Communication 1990/91:373).

The fundamental values are a starting point for environmental policy and for the environmental objectives system, rather than part of that system. The Inquiry's interpretation, therefore, is that they should not be included as a component part of the environmental objectives system. Accordingly, it has refrained from examining their substance and function.

Within the system of environmental objectives there are three cross-cutting issues: *Human Health, The Cultural Environment, and Land Use Planning and Wise Management of Land, Water and Buildings*. The need for such cross-cutting issues as a specific concept and as a level of goals within the system has been questioned. They add to its complexity, without enhancing understanding of the areas they cover. All three of the lead agencies for the cross-cutting issues, however, have told the Inquiry that, in their view, these issues serve a function in the system. In particular, the agencies believe that they impart a human, cultural and geographical dimension to the system and establish a clear responsibility to develop greater expertise in these fields.

The fundamental values already make it clear that cultural heritage and health fall within the scope of environmental policy. The Inquiry therefore takes the view that the three cross-cutting issues are not needed as a specific concept or level of goals within the system. To underline the continued need to take health and cultural heritage into account in the environmental objectives system, the Inquiry proposes that these concerns be integrated into the definition of the generational goal and further developed as part of the relevant agencies' special sectoral responsibility for environmental action.

3.2.2 Sixteen environmental quality objectives

The sixteen environmental quality objectives enjoy broad support in Swedish society and have been adopted by a unanimous Riksdag. They are comprehensive in their coverage and highlight the environmental problems that need to be addressed. The Inquiry therefore considers that these sixteen objectives should be retained. They are: *Reduced Climate Impact, Clean Air, Natural Acidification*

Only, A Non-Toxic Environment, A Protective Ozone Layer, A Safe Radiation Environment, Zero Eutrophication, Flourishing Lakes and Streams, Good-Quality Groundwater, A Balanced Marine Environment, Flourishing Coastal Areas and Archipelagos, Thriving Wetlands, Sustainable Forests, A Varied Agricultural Landscape, A Magnificent Mountain Landscape, A Good Built Environment and A Rich Diversity of Plant and Animal Life.

The Inquiry has discussed the possibility of reducing the number of objectives and has considered several alternatives, such as integrating aspects relating to emissions into the objectives for different natural habitat types, or combining some of the environmental quality objectives.

The Inquiry believes that the benefits of retaining the established set of sixteen environmental quality objectives outweigh any benefits that might arise from a reduced number of objectives. Several of the stakeholders involved in the environmental objectives system point out that significant time and resources have been invested in securing support for the sixteen objectives and in adapting their own activities to them. Any changes would therefore entail appreciable costs of adjustment and divert time away from action to achieve the objectives.

3.2.3 The generational goal – defining the direction of environmental policy

The generational goal as defined when the environmental quality objectives were first proposed is important, since it indicates the direction of the changes in society that need to occur if the environmental objectives are to be achieved (see 3.1.1). However, this overall goal has no actual place in the goal structure. The Inquiry proposes that the generational goal should be given a clearer place and function in the system of environmental objectives. By defining the direction of environmental policy, it can help to make clear the changes in society that are required within a generation, i.e. by 2025, if the quality which the environmental quality objectives describe is to be brought about.

This goal should be introduced into the goal structure at the level between environmental quality objectives and milestone targets, as it is an objective that is to be met in the medium term, i.e. by 2025, in relation to the often longer time frame of the

environmental quality objectives and the shorter-term perspective of the milestone targets. The Inquiry proposes that decisions concerning the generational goal should be taken by the Riksdag.

The goal does, however, need to be updated to take account of the changes that have occurred over the past ten years – above all, as a result of the increasingly international character of environmental policy. The Inquiry proposes the following generational goal:

The overall goal of environmental policy is to hand over to the next generation a society in which the major environmental problems in Sweden have been solved. This presupposes a proactive environmental policy in Sweden, within the EU and in international contexts, and means that:

- ecosystems will be on the way to recovery, and their long-term capacity to generate ecosystem services will be assured;
- human health will be adversely affected as little as possible by factors in the environment, at the same time as the positive impact of the environment on human health is promoted;
- biodiversity will be conserved and promoted and the natural and cultural environment will be used responsibly;
- materials cycles will be resource-efficient and as far as possible free from dangerous chemicals;
- the share of renewable energy will constantly increase and use of energy will be efficient, with minimal impact on the environment;
- consumption of goods and services in Sweden will cause the least possible environmental and health problems, regardless of where in the world their production is located.

The fact that the environmental quality objectives cannot be met by action in Sweden alone is emphasised in the generational goal by the reference to the need for the country to pursue a proactive environmental policy in Sweden, within the EU and in international contexts. The final bullet point adds a further global dimension to the system.

3.2.4 Milestone targets

The environmental objectives system has given rise to systematic and structured action to safeguard the environment, partly thanks to regular follow-up, which provides a basis for the strategic development of measures to achieve the objectives. The system includes just over 70 interim targets, which were largely created when the system was developed and have since been changed to

only a limited degree. In some respects, the function of these targets is unclear. Some of them have the character of specifications of the relevant environmental quality objective, while others can better be described as milestones. The interim targets are linked to individual environmental quality objectives and are not cross-cutting in character. As a result, certain broader issues have failed to be identified and the most effective measures, contributing to the achievement of several environmental quality objectives, have not been developed. The Inquiry believes that the interim targets should have more of a focus on the changes in society that are needed on a timescale of one generation. Greater flexibility in the system is also to be desired, enabling targets to be revised on an ongoing basis as the need arises.

The Inquiry proposes that the interim targets be replaced with milestone targets which, to a greater degree, can be cross-cutting in character. These targets are intended as steps on the way to creating conditions, within a generation, for attaining one or more of the environmental quality objectives. They will also flesh out the bullet points of the generational goal, and can state that a certain change is to be implemented or a certain quality of the environment achieved. Most of the existing interim targets indicate steps along the way and can probably appropriately be described as milestone targets. The concept of 'interim target', which is unclear in meaning, can thus be dropped from the system.

Milestone targets can be introduced into the system of environmental objectives in various ways, for example by the incorporation of targets adopted within the EU or under international agreements. It may for instance be a matter of targets or standards for emissions and concentrations of nitrogen compounds and particles under the *Clean Air* objective, arising from the EC Directive on national emission ceilings for certain atmospheric pollutants. Another example would be targets relating to *Zero Eutrophication*, i.e. concerning emissions of nitrogen and phosphorus to water, stemming from the agreement reached under the Helsinki Convention.

EC directives containing provisions that require a given result to be brought about have to be transposed in an appropriate way into national law. In Sweden, this is done either by a Riksdag decision or by a Government decision to include the provisions in ordinances or regulations. Once incorporated into the environmental objectives system, targets deriving from the EU or inter-

national agreements are provided with systematic follow-up and become a natural part of the country's environmental efforts.

Milestone targets can also be developed at the request of the Government. In 6.1.1, the Inquiry proposes that the Government should establish a Commission whose principal task would be to prepare, at its request, policy advice setting out, among other things, alternative levels of ambition for such targets, together with the policy instruments needed to meet them. The Government could in addition task government agencies with developing milestone targets and supporting analysis. Subsequently, political decisions will be needed to determine which milestone targets are to be adopted, how ambitious a given target is to be, and what combination of policy instruments is to be used. Which body should decide on a milestone target, the Riksdag or the Government, will accordingly depend on what policy instruments are adopted.

The Riksdag will of course always have the possibility of discussing, debating and deciding on targets of this kind, for example through motions. But in the first instance they should be decided by the Government. The Riksdag should decide on long-term strategic issues, while questions of detail can be determined by the Government. Giving the Government more scope to adopt milestone targets will make for a more flexible system of environmental objectives. In any decision on such a target, it must be clearly stated which authority is responsible for reviewing progress towards it.

3.2.5 Regional and local objectives and sectoral goals for the environment

The national environmental quality objectives also form a basis for monitoring and reporting on the state of the environment at the regional level. The Inquiry believes that regional objectives can continue to be formulated as the need arises, taking regional conditions into account.

Regional objectives are adopted by the relevant county administrative board or, in the case of *Sustainable Forests*, by the Swedish Forest Agency. They have often been developed in collaboration with stakeholders in the counties concerned, such as local authorities, businesses and NGOs. This broad-based coopera-

tion should continue, as it creates conditions for an exchange of knowledge and a sense of involvement.

However, the Inquiry is of the view that regional political support for goals of this kind needs to be strengthened, and therefore proposes that decisions on regional environmental objectives should be taken following consultation with bodies for regional self-government or cooperation in the counties in question. This should be made clear in the standing instructions of the authorities making the decisions. Consultation will create conditions for political support at both the regional and the local level.

Many of Sweden's local authorities see the national and regional environmental objectives as an asset. Most of them have, on a voluntary basis, adapted the objectives to their local situations. Local action relating to the environmental objectives is of great value, as commitment at that level is crucial to achieving them.

The sectoral goals for the environment that exist in other areas of society also contribute to meeting the environmental quality objectives. Greater attention should be paid to such goals within the environmental objectives system.

4 A more effective environmental objectives system

Proposals

- Even greater prominence should be given in the environmental objectives system to environmental action under way in established frameworks within government agencies, local authorities and the business sector.
- Follow-up and evaluation should form the foundation of the environmental objectives system.
- Building on that foundation, strategies and proposals for measures should be developed by a Commission and by the government agencies involved in the system, on the basis of specific requests by the Government.
- Independent, targeted evaluation of policy instruments and agencies' environmental efforts should be introduced into the system.

Ongoing environmental efforts within established frameworks, by stakeholders both within and beyond central government, have and always will have a decisive impact on the prospects of achieving the environmental objectives (see 6.2 for further discussion).

Monitoring the state of the environment has long been an important responsibility of government agencies, with the Environmental Objectives Council playing a coordinating role. The task of developing proposals for new policy instruments and measures has gradually become a part of the agency-based environmental objectives system. However, there is no permanent platform for or strategic management of that process.

In the view of the Inquiry, implementation of policy decisions, follow-up and evaluation are tasks for government agencies. To obtain more detailed analysis on which to base proposals for priorities or new policy instruments, initiatives by the Government are often required. Such initiatives may be taken in many different ways: within the Government Offices, by the appointment of committees or through commissions to government agencies.

The Inquiry proposes that regular monitoring of the state of the environment and evaluation of the prospects of meeting the objectives through action already decided on should be undertaken separately from the development of strategies and accompanying impact-assessed proposals for measures. It believes that strategy development should take its starting point in follow-up of the objectives. But, unlike follow-up, the task of developing strategies will be facilitated by a clear remit based on political priorities. Separating the two processes, in time and in organisational terms, will enable conditions to be created both for high-quality follow-up and evaluation and for more effective development of measures.

In addition, an effective environmental objectives system requires independent, targeted evaluation of the environmental efforts of government agencies and the economic cost-effectiveness of policy instruments.

5 Follow-up and evaluation of the environmental objectives and associated reporting

Proposals

- The Swedish Environmental Protection Agency should take over the Environmental Objectives Council's role of coordinating follow-up of the environmental objectives and should be given a stronger coordinating role in the provision of environmental and other basic data for follow-up.
- The Swedish Environmental Protection Agency, the Swedish Consumer Agency and Statistics Sweden should follow and, where relevant, participate in the work in progress within the EU to develop data on and estimates of the global environmental impacts of consumption.
- An annual review of progress towards the environmental quality objectives should be reported to the Government, which can subsequently give an annual briefing to the Riksdag. This follow-up should be web-based and should be presented on the Environmental Objectives Portal.
- An in-depth evaluation of the environmental quality objectives should be undertaken once per parliamentary term, i.e. every four years. An overall report should be prepared by the Environmental Protection Agency in consultation with the other agencies concerned. This report should be submitted to the Government as a basis for reporting to the Riksdag.

- It is proposed that the next in-depth evaluation should be presented during the first quarter of 2014, i.e. towards the end of the next parliamentary term.

5.1 Quality-assured and accessible environmental information

To be able to assess progress towards the environmental quality objectives, access to quality-assured data is essential. The review undertaken by the Inquiry shows that follow-up of the objectives works comparatively well. A constant effort is in progress to produce data and assure their quality. For several of the environmental quality objectives, however, there are gaps in the data available.

Many initiatives are under way to assure the quality of environmental data and make them more accessible. The European Commission, for example, is developing a system known as SEIS (Shared Environmental Information System), which is intended to link existing data gathering efforts and information flows in this field across the EU.

Environmental monitoring, i.e. surveys and measurements designed to regularly track the state of the outdoor environment, cannot deliver all the environmental data required to follow up progress towards the environmental quality objectives. Data consequently need to be obtained from other sources as well. Key sources of relevant information are lead agencies and agencies with special sectoral responsibility, official statistics, including environmental accounts, international reporting and research findings. The Inquiry believes that coordination of data provision in the environmental field needs to be strengthened.

Statistics Sweden (SCB) has submitted proposals to the Inquiry for the development of a coherent statistical system relating to the environment. Environmental monitoring and follow-up of the environmental objectives generate large volumes of data. The stakeholders that manage these data present statistics and environmental information in different ways. A system of environmental statistics could help to coordinate the information available and provide a basis for improvements and proposals to develop statistics and descriptions of correlations. It could also help ensure

a greater focus on possible simplifications in the submission of data. The Inquiry believes that such a system could be appropriate. As part of its coordinating responsibility for data provision and follow-up of the environmental objectives, the Environmental Protection Agency could in due course propose how such a coherent system of environmental statistics might best be developed. The system should interact with the systems of economic and social statistics being developed at Statistics Sweden.

5.2 Environmental Protection Agency to coordinate follow-up and data provision

The Inquiry considers there to be a need to establish a broad-based coordinating function for the provision of data relevant to the environmental objectives. The environmental information in question should also comprise official statistics, including environmental accounts, international reporting and geographical data.

It is proposed that the Environmental Protection Agency should take over the Environmental Objectives Council's role of coordinating follow-up of the environmental objectives and should be given a stronger national coordinating role in the provision of data. This role should include:

- coordinating basic data for follow-up of the environmental objectives, i.e. updating indicators and coordinating the annual review of progress and the in-depth evaluations of the environmental quality objectives;
- formulating policy-relevant issues relating to data provision for environmental information purposes, including questions of confidentiality and the costs of data;
- establishing what needs exist in terms of developing environmental data, with a particular focus on follow-up of the environmental quality objectives at the regional and local as well as the national level;
- studying how environmental information should be stored, documented and made accessible, e.g. in the form of databases and web applications, including hosting of the Environmental Objectives Portal;

- taking the need for environmental information into account in the context of international reporting under directives and conventions;
- acting as an information channel in international contexts with regard to data provision and environmental information.

As hitherto, the basic data for follow-up and evaluation of the environmental quality objectives should be supplied by lead agencies, agencies with special sectoral responsibility and county administrative boards, and where necessary, by other organisations. The responsible authorities need to be agreed on forecasts and criteria for assessing progress towards the objectives, and on the overall problems to be addressed. Assessments should therefore be made on a basis of consultation between the agencies concerned.

To this end, the Environmental Protection Agency could be assisted by a group similar to the Environmental Objectives Council's Progress Review Group. Its members should include public agencies and organisations holding environmental information relevant to follow-up of the objectives. In particular, lead and sectoral agencies, together with Statistics Sweden, the National Land Survey and the Swedish Meteorological and Hydrological Institute (SMHI), need to be involved. Such a group should also include representatives of stakeholders outside central government, i.e. businesses, local authorities and NGOs.

The Inquiry's proposals largely agree with the proposals to strengthen environmental monitoring that were put forward by the Environmental Protection Agency Inquiry in its report *Myndighet för miljön – en granskning av Naturvårdsverket* ('Agency for the Environment – A Review of the Swedish Environmental Protection Agency', SOU 2008:62), but they go somewhat further. The proposals set out here relate to data provision in a broader perspective, going beyond the data collected under the environmental monitoring programme. The resources required for this strengthening of the Environmental Protection Agency's role are described in the Inquiry's analysis of the consequences of its proposals.

5.3 Follow-up, evaluation and reporting

5.3.1 Annual review of progress

The Environmental Protection Agency should present an annual review of progress towards the environmental quality objectives to the Government, which can subsequently give an annual briefing to the Riksdag. Reporting should be web-based and should be presented on the Environmental Objectives Portal in the form of updated verbal assessments and indicators. This means that the *de Facto* report series can be discontinued, as both a printed and a web-based product.

5.3.2 In-depth evaluation – a problem and gap analysis

The in-depth evaluation should be an overall assessment of trends in the environment in relation to the environmental quality objectives. It should be carried out once per parliamentary term, and should provide background analysis for the Government and for a broad public debate, *inter alia* in advance of elections to the Riksdag. The next evaluation of this type should therefore be submitted during the first quarter of 2014, i.e. towards the end of the next parliamentary term. The Government should present in-depth evaluations to the Riksdag.

The evaluation undertaken should include an analysis of the prospects of achieving the environmental quality objectives. As part of this analysis, potential synergies and goal conflicts need to be considered. An appraisal of areas in which additional action is required should also be included.

5.3.3 Indicators as a basis for comparisons

The indicators used within the environmental objectives system are constantly being developed as the provision of data improves. The revised basis for assessing progress towards the objectives is not expected to entail greater demands in terms of data provision. At the same time, when indicators to follow up the objectives are chosen, there could be a greater focus on indicators reflecting changes in society, balancing those tracking the state of the environment. In several contexts, for example in the 2008 in-depth

evaluation, there have been calls to develop indicators that can be used to compare environmental efforts between countries, regions and municipalities. One example of a set of indicators that could allow such comparisons (*Miljöindikatorer för omställning och råddighet över miljö kvalitetsmålen* – ‘Environmental indicators for transition and national control in relation to the environmental quality objectives’) has been developed by Statistics Sweden at the request of the Inquiry, in association with the Environmental Objectives Council.

5.4 Transboundary environmental impacts

The environmental objectives system is concerned with monitoring the state of the Swedish environment. Sweden’s environment is affected by transboundary emissions and activities in other countries, while production and consumption in Sweden affect the environments of other nations.

Work is currently under way within the EU to make visible the global environmental impacts of consumption and to develop data on and estimates of those impacts, for example in the framework of the EU’s Integrated Product Policy, the EU’s Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan, the European Environment Agency’s work on a resources strategy, the EIPOD (Environmental Impacts of Trade) research project and the EU’s Resources and Energy Analysis Programme (REAP). The Inquiry proposes that the Swedish Environmental Protection Agency, the Swedish Consumer Agency and Statistics Sweden, in consultation, should follow and, where relevant, participate in this work, as a basis for a discussion of how the global environmental impacts of Swedish consumption of goods and services could be measured in the framework of the country’s environmental objectives system. Other relevant stakeholders, including other public authorities, organisations and businesses, should have the opportunity to comment on the proposals arrived at. The Inquiry is of the view that participating in and following the work in progress in this area forms part of:

- the special responsibility for environmental action which the Consumer Agency has within its sphere of activity;
- Statistics Sweden’s responsibility for the national accounts;

- the coordinating responsibility for follow-up of the environmental objectives which the Inquiry proposes that the Environmental Protection Agency be given.

The Inquiry has also considered how greater visibility could be given to the international dimensions of Sweden's environmental quality objectives. When the objectives are followed up and evaluated, international factors affecting the prospects of attaining them should be described. The Inquiry has asked Statistics Sweden to investigate whether there are any indicators reflecting these international dimensions. The following table presents the indicators which that agency has identified. It should be possible to use them in the follow-up process, to illustrate Sweden's international dependence and how it is changing.

Environmental quality objective	Indicator
Reduced Climate Impact	Per capita greenhouse gas emissions by country, tonnes.
Clean Air	Countries' shares of total concentrations of sulphur dioxide, nitrogen dioxide, ozone and particles, for example, for the countries that contribute to loadings in Sweden.
Natural Acidification Only	Countries' shares of total deposition of sulphur dioxide and nitrogen oxides, for the countries that contribute to loadings in Sweden.
A Safe Radiation Environment	Number of nuclear safety incidents in countries that contribute to loadings in Sweden.
Zero Eutrophication	Countries' shares of total inputs of nitrogen and phosphorus compounds to the Baltic Sea. If possible, per capita and per hectare.
A Balanced Marine Environment, Flourishing Coastal Areas and Archipelagos	Countries' shares of total fish catches in the Baltic Sea.
For the other objectives, it is difficult to give examples of indicators.	

6 More effective environmental action

Measures to achieve the environmental objectives are undertaken at different levels. Effective action by the government agencies concerned is required, together with cooperation with local authorities and the business sector.

An effective environmental policy calls for new or revised policy instruments. These are dependent on political decisions, and often also on negotiations within the EU and internationally. Decisions on policy instruments may require a political balance to be struck between different environmental objectives and with other interests in society. Furthermore, environmental policy involves substantial commitments and investments by stakeholders, both within and beyond central government. Continuity, a long-term view and broad political consensus are therefore needed. In this context, a body with a clear political mandate, to draw up carefully analysed and impact-assessed proposals that take different perspectives into account, could be of significant value.

Intensified action for a better environment, then, is about developing, on the one hand, strategies that include new or revised policy instruments and the background analysis required for work within the EU and internationally, and on the other, national efforts to elaborate measures in the framework of existing mandates.

6.1 Strategy development

6.1.1 A Parliamentary Commission

Proposals

- To make the development of measures within the environmental objectives system more effective, a Parliamentary Commission should be established with the principal task of advising the Government and, at its request, developing strategies.
- The members of and experts to the Environmental Objectives Council should act in an advisory capacity to the Commission.
- The Commission should organise working groups to prepare the background analysis for its proposals. These groups can include representatives of government agencies, the business sector, NGOs, the regional and local levels, and the research community.
- The government agencies involved in the environmental objectives system will play an important part in the work of the Commission, for example by submitting background analysis. As before, these agencies will of course be able, under their existing mandates or at the request of the Government, to develop strategies and submit proposals.
- The Commission should have a Secretariat with a staff of around eight person-years, which will among other things serve as a secretariat to the working groups.

The Inquiry believes there to be an urgent need to make more effective the process of proposing new and developing existing measures and policy instruments to achieve the environmental objectives. To this end, it has considered a number of alternatives.

The Inquiry proposes the establishment of a permanent Commission, made up of representatives of the Riksdag parties. Its precise composition will of course be decided by the Government. The principal task of the Commission should be to advise the Government on how implementation of the environmental objectives is to be pursued, on the basis of requests from the

Government. In the Inquiry's view, the Commission could handle environmental problems that are of particular concern in that assets of substantial value are at stake. It could also address environmental issues involving conflicts with other interests in society, which consequently require difficult political balances to be struck, or issues that are especially complex and involve great uncertainty. In addition, the Commission could concern itself with matters that are to be the subject of international negotiations or a government bill in Sweden.

The crucial difference between the current agency-based environmental objectives system and a Parliamentary Commission is that the two approaches offer differing scope for ongoing political discussion and consideration of possible alternative courses of action. A Commission reporting to the Government could engage in a continuous discussion with the Riksdag and the Government Offices. Since substantial economic assets are affected, a long-term approach and broad political consensus are of value. A parliamentary-based Commission could also encourage debate on environmental issues and on the balances that sometimes need to be struck with other interests in society in order to meet the environmental objectives. Proximity to political decision-making could motivate stakeholders outside central government to become more involved, which could result in more carefully analysed proposals.

The Government can of course, as before, entrust government agencies with the task of developing strategies, where this is judged appropriate. The agencies within the environmental objectives system will also play an important part in the work of the Commission, for example by submitting background analysis at its request. Naturally, they will in addition be able to present proposals on their own initiative, within their current mandates. What is more, agencies will have a clearer responsibility, in their spheres of activity and under existing mandates, to introduce measures to promote progress towards the environmental objectives. (See 6.2.1 for further discussion.)

According to many of those consulted by the Inquiry, the forum for cooperation between agency heads which the Environmental Objectives Council has provided has furthered efforts to secure a better environment. This is believed to be partly because environmental issues have been given greater weight within the agencies concerned, thanks to the involvement of their senior

executives. Participation by representatives of local authorities, the business sector and NGOs in the Council's work has also been considered beneficial. The Inquiry therefore proposes that this representation of directors-general of the relevant agencies and experts from different organisations be maintained by appointing these individuals as experts to the Commission.

The Inquiry proposes that the Commission should organise its work around temporary working groups. Their role will be to provide the Commission with basic analysis for decision-making, setting out alternative courses of action, that will enable the Commission to promote debate and give advice to the Government on the alternatives available. The composition of the groups will depend on the problems to be solved, but should reflect a broad range of stakeholders, including representatives of lead and sectoral agencies, the business sector, NGOs, the regional and local levels, and the research community. The Secretariat of the Commission should assist these working groups, providing secretariat and other support.

6.1.2 Drawing up strategies

Proposals

- The three action strategies should be dropped from the environmental objectives system. They should be replaced with strategies that are developed on the basis of political priorities.
- Strategies should be directed to achieving one or more of the environmental quality objectives on a timescale of one generation, and should contain clear milestone targets, proposals for policy instruments and, where necessary, background analysis for negotiations within the EU and internationally.
- The National Institute of Economic Research should be commissioned to coordinate a cross-agency platform, with links to researchers, to develop the use of economic analyses in the elaboration of strategies.

Flexible strategies

The environmental objectives system currently includes a fixed structure of action strategies, namely the Strategies for *More Efficient Energy Use and Transport* (EET), *Non-Toxic, Resource-Saving Environmental Life Cycles* (GRK) and *Management of Land, Water and the Built Environment* (HUM).

The work commissioned for the 2008 in-depth evaluation resulted in almost a thousand proposals for measures, which had to be sorted and prioritised on a cross-agency basis in the framework of the strategies. Although the development of these strategies has improved cooperation between agencies, the working groups responsible for the process noted themselves that they had difficulty setting priorities, handling goal conflicts, finding synergies and achieving sufficient depth in their analysis of the drivers behind the problems. An unclear political mandate and a tight time frame were given as reasons for this. Other shortcomings were that the demarcations between the strategies partly concealed conflicts, and that dialogue with stakeholders outside central government was limited.

Against this background, the Inquiry proposes that the fixed structure of three strategies (EET, GRK and HUM) should be dropped from the system, in favour of strategies that are developed on the basis of political priorities.

Such strategies can be requested from the Commission and from the relevant agencies at points in time suited to the Government's planning. Spreading specific assignments of this kind over time will provide greater scope to develop more carefully prepared proposals than under the existing system.

When strategies are drawn up at the request of the Government, the political mandate will be clear, and there will also be enhanced scope to strike a balance both between different environmental objectives and with other interests in society. Transparency will increase, and conditions for participation by stakeholders outside central government will be improved.

Goals and means

Strategies should be directed to meeting one or more of the environmental quality objectives on a timescale of one generation,

and should contain clear milestone targets, proposals for policy instruments and, where necessary, background analysis for negotiations within the EU and internationally. Milestone targets are steps along the way, i.e. they should reflect crucial changes. They should state what is to be achieved, but not how the necessary changes are to be accomplished, as this can often be done in different ways. Milestone targets have the dimensions of a *result*, i.e. what is to be achieved, and a *point in time*, i.e. when it is to be achieved. What constitutes an appropriate balance between available time and the result to be obtained is a political question, as it depends on what measures and instruments are used to secure the result. The level of ambition of milestone targets must reflect the resources that can be used over a given time frame. An ambitious target requires larger resources, the sooner it is to be met, and vice versa.

To improve the quality of the advice on which political decisions are based, the working groups of the Commission should present impact-assessed briefings, setting out, for example, alternative levels of ambition for milestone targets, together with the policy instruments needed to meet them. Where necessary, background analysis for EU and international levels should be prepared. Economic impact assessments and analyses of the consequences for central government revenue and expenditure will thus form part of the material submitted to the Commission. Development and implementation of measures primarily entail costs to the wider economy. To the extent that proposals increase government spending, they must always include funding proposals. Where an assignment entrusted to the Commission covers several expenditure areas within the central government budget, proposals for funding can of course refer to all of the areas concerned.

Economic impact assessments – a part of strategy development

Impact assessments within the environmental objectives system have steadily improved over time. The use of economic analyses in efforts to secure a better environment should continue to be developed.

The areas in which the Inquiry has identified a need for development are methodologies for several of the steps involved in impact assessments, unambiguous use of concepts, and transparent

methods and approaches to facilitate comparisons between different proposals. In addition, tools need to be developed to weigh up how much effort can reasonably be put into a specific impact assessment in a given context, and some model development is required.

The Inquiry proposes that the National Institute of Economic Research should be commissioned to coordinate a cross-agency platform, with links to researchers, to develop on an ongoing basis the use of economic analyses in the elaboration of strategies. The Institute has no formal responsibility for implementing environmental policy, but is already involved in several ways in the environmental objectives system, through various assignments entrusted to it, and is generally well qualified for the task. The platform will need a base of expertise in environmental economics and will draw on experts in natural sciences and other disciplines to address specific issues.

6.2 Environmental action within frameworks set by the Government and the Riksdag

Within the environmental objectives system there are national and regional lead agencies for the objectives and agencies with sectoral responsibility for environmental action. In addition, local authorities, the business sector, bodies for regional self-government and cooperation, and NGOs have a crucial role to play in achieving the environmental quality objectives.

6.2.1 National agencies within the environmental objectives system

Proposals

- The government agencies involved in the environmental objectives system should be given a clearer responsibility in their standing instructions to promote progress towards the environmental quality objectives.
- The concept of ‘special sectoral responsibility for environmental action’ should replace ‘special sectoral responsibility for action to achieve the environmental objectives’, and

identical wordings should be included in the standing instructions of the agencies concerned.

- The Swedish Rail Administration, the National Board of Housing, Building and Planning, the Swedish Energy Agency, the Swedish Board of Fisheries, the Swedish Armed Forces, the Swedish Board of Agriculture, the Swedish Consumer Agency, the National Food Administration, the Medical Products Agency, the Swedish Civil Contingencies Agency, the National Heritage Board, the Swedish International Development Cooperation Agency (Sida), the Swedish Maritime Administration, the Swedish Forest Agency, the National Board of Health and Welfare, the National Agency for Education, the Swedish Agency for Economic and Regional Growth, the Swedish Transport Agency and the Swedish Road Administration should have a special sectoral responsibility for environmental action.
- The special sectoral responsibility for environmental action of the National Board of Housing, Building and Planning should be extended to include land use planning. The sectoral responsibility of the National Heritage Board should be developed to include cultural heritage issues such as preventive conservation, and the National Board of Health and Welfare should once again be given a special sectoral responsibility for environmental action.
- A reporting responsibility should be written into the sectoral agencies' standing instructions.

The Inquiry proposes giving the agencies concerned a clearer responsibility in their standing instructions to promote progress towards the environmental objectives. Each agency should take action both in the framework of its own operations, and by bringing together, supporting and giving a lead to stakeholders in its sphere of activity. An agency's sphere of activity is described by the governance documents defining its responsibilities.

Agencies should continue to report on their follow-up and assessments, but now to the Environmental Protection Agency. They should also, on request, provide background analysis to the Parliamentary Commission.

The Inquiry proposes that clearer and identical terms of reference should be included in the standing instructions of lead agencies and sectoral agencies, respectively, to ensure that efforts to safeguard the environment are made a priority.

Lead agencies for individual environmental objectives

The Inquiry does not propose any changes in the division of responsibility for individual environmental objectives among government agencies.

Sectoral responsibility and agencies with a special sectoral responsibility for environmental action

Sectoral responsibility for the environment has long been a central feature of environmental policy in Sweden. As the Inquiry is of the view that all action to protect and improve the environment constitutes action to achieve the environmental objectives, it proposes that the concept of 'special sectoral responsibility for action to achieve the environmental objectives' be replaced with 'special sectoral responsibility for environmental action'. The Inquiry defines a 'sector' as an agency's normal sphere of activity.

The difference between the general sectoral responsibility for the environment and special sectoral responsibility for environmental action is that the latter also includes reporting for the purposes of follow-up and evaluation, as well as a responsibility to contribute to the development of strategies and proposals within the environmental objectives system. The general sectoral responsibility is not affected by the Inquiry's proposals.

A total of nineteen government agencies should have a special sectoral responsibility for environmental action. These include both agencies responsible for sectors with major impacts on the environment and those that can take preventive action in their own sectors or contribute to solutions in others. As the cross-cutting issues are to be dropped from the environmental objectives system, the sectoral responsibility for environmental action of the National Board of Housing, Building and Planning should be extended to include land use planning. The sectoral responsibility of the National Heritage Board should be developed to include cultural

heritage issues. It is also proposed that the National Board of Health and Welfare should once again be given a sectoral responsibility for environmental action.

6.2.2 Regional responsibility

Proposals

- County administrative boards should be given a clearer responsibility in their standing instructions to promote progress towards the environmental objectives.
- Existing cooperation among county administrative boards on follow-up of the environmental objectives should be broadened to include collaboration on measures.
- In the Ordinance on Regional Growth Efforts, it should be made clear that the environmental quality objectives constitute the environmental dimension of sustainable regional growth, and that coordination should occur with action to achieve the environmental objectives.

Regional lead agencies for the environmental objectives

The regional lead agencies, with their responsibility to ensure that the objectives have an impact in their counties, are key players in securing progress towards the environmental quality objectives. The county administrative boards are regional lead agencies for fifteen of the objectives, while the Swedish Forest Agency has the same role with regard to *Sustainable Forests*.

Regional objectives have often been developed in collaboration with stakeholders in the counties in question. This is of course of great value, as it forms a basis for a sense of involvement. The Inquiry's proposal that decisions on regional environmental objectives should be taken following consultation with bodies for regional self-government or cooperation in the counties concerned (see 3.2.5) could improve consultation with politically representative bodies.

County administrative boards and the Swedish Forest Agency have wide-ranging environmental responsibilities and make important

contributions to meeting the environmental objectives in their day-to-day work as public authorities. This is the case in areas such as nature conservation, cultural heritage, and the exercise of authority under the Environmental Code and other legislation. This ongoing work is of course crucial to regional efforts to achieve the objectives.

If the environmental objectives are to be met, action is also needed in areas where these agencies have limited formal powers. The main tools then available are information and initiatives to transfer knowledge and experience, which can result in measures being taken on a voluntary basis. On the whole, such measures can bring benefits both for the environment and for local authorities and businesses. For resource and other reasons, it is important to concentrate action of this kind in areas that are of particular concern from an environmental point of view, and in which stakeholders see potential benefits in developing their environmental efforts. There are examples of counties that have applied such an approach, which has been appreciated by companies and local councils.

Under their appropriation directions for 2009, county administrative boards are to develop regional action programmes to achieve the environmental quality objectives. However, the Inquiry believes that their responsibility for pursuing measures to that end should be ongoing and that it would therefore be better included in their standing instructions. The Inquiry also takes the view that it should be made clear in those instructions that county administrative boards are both to undertake measures of their own and to take initiatives to encourage environmental action by other regional and local stakeholders.

The Inquiry proposes that existing cooperation among county administrative boards on follow-up of the environmental objectives (the Regional Monitoring System, RUS) should be broadened to include an exchange of experience relating to measures. Cooperation on measures currently takes place primarily between neighbouring counties, and county administrative boards have called for it to occur more widely. With an extended Regional Monitoring System, boards will be in a better position to develop measures on a more systematic basis, and coordination benefits could be achieved. The Swedish Forest Agency, too, should be able to participate in such a system. A broader Regional Monitoring System could also provide a link with efforts to develop measures at the national level.

Sustainable regional growth

Programmes to promote regional growth significantly affect how the state of the environment develops in the counties concerned, and conversely, the transition to a sustainable society can serve as a driver of regional growth. Under the National Strategy for Regional Competitiveness, a premium is to be put on synergies between regional growth and care of the environment and, where opposing interests exist, careful balances are to be struck. Attention to environmental concerns can often be improved. In its *Environmental Performance Review of Sweden 2004*, the OECD recommended Sweden to strengthen the environmental and sustainability aspects of its regional and rural development programmes. The need to integrate environmental concerns into regional development has previously been referred to in environmental objectives bills and by the Environmental Objectives Council.

In the Inquiry's view, it should be stated in the Ordinance on Regional Growth Efforts that the environmental quality objectives constitute the environmental dimension of sustainable regional growth. For comparison, it may be noted that these objectives are now one of the basic considerations in the field of transport planning. The Inquiry also believes that it should be made clear in the Ordinance that coordination should be sought between efforts to promote regional growth and action to achieve the environmental objectives. As currently worded, the Ordinance provides that coordination is to be sought with, among other things, local authorities' comprehensive planning and the Structural Funds programme.

6.2.3 Local authorities, businesses and non-governmental organisations

Assessment

- The environmental efforts of local authorities, bodies for regional self-government and cooperation, businesses and non-governmental organisations are crucial to achieving the environmental objectives.

- Stakeholders will be put in a better position to participate in the environmental objectives system, nationally and regionally.

The environmental efforts of businesses, local authorities, bodies for regional self-government and cooperation, and non-governmental organisations (NGOs) are crucial to meeting the environmental objectives. Stakeholders' statutory environmental responsibilities define a minimum level, but many go far beyond that level. This helps to speed the transition to a sustainable society.

To give a few examples, companies may develop products and services combining new technology with better environmental performance. They may also seek to achieve more sustainable use of resources and take steps to reduce pollution at all stages of production. NGOs promote action for a better environment through public debate, contacts with the media, consultation responses and participation in other forms of consultation, and can also engage in operational activities, such as developing eco-labelling schemes. Local authorities and bodies for regional self-government and cooperation can contribute to progress towards the environmental objectives in their own activities, in their political roles, and through collaboration with businesses, organisations and other stakeholders.

The environmental quality objectives can serve to underpin stakeholders' efforts in the environmental field. Support is also provided by tools such as environmental management systems and life-cycle assessment. Many stakeholders outside central government use the objectives in their own environmental work, and representatives of local authorities, businesses and NGOs welcome the fact that the Riksdag has adopted long-term goals for the environment. At the same time, there have been calls for greater opportunities to be involved in the environmental objectives system.

The Inquiry's assessment is that, overall, the changes proposed will put stakeholders outside central government in a better position to participate in the environmental objectives system, and will create a better basis for a sense of involvement.

Better conditions for involvement and participation

The process of revising the national environmental objectives and developing measures to achieve them operates to a tight schedule, generating a temporary high peak in the workload of the agencies concerned. Shortage of time makes it difficult for agencies to offer other stakeholders opportunities to participate. The suggested new division of labour, with follow-up of progress and development of proposals for measures taking place in different phases, will create better conditions for involving stakeholders outside central government.

It is believed that the environmental objectives will be more motivating if the basis for assessment is changed to make them ambitious, but not impossible to achieve. Businesses, local authorities and other stakeholders have pointed out in several contexts that it is not felt to be constructive when follow-up of the objectives signals that the state of the environment is deteriorating, despite the fact that the action taken has brought about improvements. Better conditions will also be created for a sense of involvement in implementing the environmental objectives by the fact that strategies will be guided by political priorities. Research shows that national political priorities significantly affect which issues are placed high on local policy agendas.

In the existing environmental objectives system, representatives of stakeholders outside central government are attached to the Environmental Objectives Council as experts. In the modified system, they will be able to participate as experts to the Parliamentary Commission. These stakeholders are currently represented in a Progress Review Group, and will have similar opportunities to be involved under the new arrangements.

Local authorities and businesses have called for a more focused and clearly demarcated approach, and for more fully developed impact assessments. The permanent strategies will be replaced by strategies to tackle priority issues. The background analysis for these strategies will be prepared by working groups of the Commission, which can include stakeholders from outside central government. The new way of working is expected to improve the scope for stakeholder involvement.

At the county level, many stakeholders outside central government participate in regional implementation of the environmental objectives and see this as supporting their work, but there

are also calls for opportunities for greater involvement. It is therefore emphasised that county administrative boards should encourage action by regional and local stakeholders to attain the objectives.

As has been indicated, regional and local political support for the environmental objectives will also be strengthened by decisions on new objectives at this level being taken following consultation with bodies for regional self-government or cooperation.

7 Independent, targeted evaluation of action taken

Proposal

- The Swedish Agency for Public Management should carry out targeted evaluations of policy instruments and of the environmental efforts of government agencies.

To be effective, a system of management by objectives requires independent, targeted evaluation. The stakeholders involved in the environmental objectives system already perform an annual review of progress and, every four years, a broad, in-depth evaluation of the prospects of achieving the objectives. But there is no independent, targeted evaluation of individual actions. A selection of policy instruments and the environmental efforts of different agencies need to be evaluated for the purposes of learning and development.

A targeted evaluation normally entails a description of the present situation, an explanation of causal relationships, and an appraisal of actual against expected outcomes. Sometimes, changes are also proposed. To verify whether the desired result has been achieved, or whether changes can be made to improve efficiency, an evaluation of this kind looks in detail at individual interventions or processes. The in-depth evaluation and follow-up undertaken by the agencies involved in the environmental objectives system can serve as a basis for targeted evaluations.

The Swedish Agency for Public Management currently has no responsibility within the system of environmental objectives and is therefore independent in relation to it. It is well qualified to perform evaluations, and its remit covers all policy areas relevant to the system. In its present work, however, the Agency has no

particular focus on the environment. To be able to undertake targeted evaluations of action taken within the environmental objectives system, it would need some additional expertise in the area of environmental economics. The Agency should be given a series of limited-term assignments by the Government, detailing what evaluations it is to perform. Over time, this will provide a systematic review of policy instruments and agencies' environmental efforts.

8 Consequences of the Inquiry's proposals

The proposed division of roles within the system, between government agencies and the Parliamentary Commission, will provide greater scope for regular follow-up of a high quality and for evaluating the prospects of meeting the objectives, as well as making for more effective environmental action by both government agencies and stakeholders outside central government.

8.1 Central government expenditure

The costs to central government set out below are consequences of the proposals presented by the Inquiry in Chapters 5, 6 and 7.

Parliamentary Commission

The Inquiry believes that the Secretariat of the Parliamentary Commission will need staff resources of around SEK 6 million per year. In addition, research resources of some SEK 2–3 million a year will be required to produce background analysis for the Commission and its working groups.

Swedish Environmental Protection Agency

The Environmental Protection Agency will take over many of the functions hitherto performed by the Secretariat of the Environmental Objectives Council, and will be given a stronger coordinating role in the provision of environmental data and follow-up of the objectives. At the same time, it will be relieved of

its administrative coordinating responsibility for strategy development, which will free up resources within the Agency. With the Agency taking over coordination of follow-up of the environmental objectives, it will be possible to integrate this with its coordinating responsibility for work relating to the European Environment Agency (EEA), which should make for greater efficiency. This will also allow international reporting to be more closely coordinated with the environmental objectives system and to be used to a greater extent for reporting in that context, and vice versa. The Inquiry's assessment is that staff resources corresponding to around four person-years will be needed to coordinate follow-up of the objectives and to discharge the increased responsibility for data provision in the environmental field.

At present, funding from the appropriation for environmental monitoring and related purposes is allocated annually by the Environmental Objectives Council. The Inquiry assumes that corresponding funding will continue to be allocated, by the Environmental Protection Agency, to stakeholders involved in the environmental objectives system.

National Institute of Economic Research

The Inquiry's proposals are in line with an earlier proposal from the Swedish Agency for Public Management to establish an Environmental Economics Council at the National Institute of Economic Research (Statskontoret 2009:3). The Agency for Public Management proposes a strengthening of the Institute's Environmental Economics Unit, but stresses that this must not be at the expense of the work undertaken in environmental economics at the Environmental Protection Agency and Statistics Sweden.

Swedish Agency for Public Management

The Inquiry makes the assessment that the Swedish Agency for Public Management will need an increase of approx. SEK 2 million per year in its administrative appropriation to perform targeted evaluations of action taken within the environmental objectives system.

County administrative boards

County administrative boards are allocated project funding of some SEK 11.5 million a year by the Environmental Objectives Council from the appropriation for environmental monitoring. The Inquiry proposes that this project funding be increased by a further SEK 1.5 million annually to develop the Regional Monitoring System (RUS).

8.2 Funding proposals

The Environmental Protection Agency, the Agency for Public Management and parts of the Commission can be financed partly through the administrative appropriation for the Environmental Objectives Council's Secretariat and partly by a transfer of resources between the Environmental Protection Agency's special purposes and administrative appropriations, in line with an earlier proposal from the Environmental Protection Agency Inquiry (SOU 2008:62). The remaining costs of the Commission can be met out of the committees appropriation. A further SEK 1.5 million per year will be made available for county administrative boards from the environmental monitoring appropriation by phasing out the progress review report *de Facto*.

The Inquiry has also considered other funding arrangements, but has found this combination to be most appropriate.