

European sustainable development policy (1972-2005): fostering a two-dimensional integration for more effective institutions

Working Paper (1) - This version: 04 June 2006

Reviewing in progress – comments appreciated

Authors: Frédéric Morand and Marco Barzman

Eco Innovation (www.eco-innovation.net)

frederic.morand@eco-innovation.net, marco.barzman@eco-innovation.net

Suggested quotation: Morand Frédéric and Marco Barzman 2006; *European sustainable development policy (1972-2005): fostering a two-dimensional integration for more effective institutions*; IDARI working paper, Eco Innovation (www.eco-innovation.net) / Humboldt University of Berlin, RTD project QLRT-2002-02718, 34 p.

Integrated Development of Agricultural and Rural Institutions

Research and Technological Development project (IDARI, QLRT-2002-02718)

funded under the European Union's 5th Framework Programme ¹

(Quality of Life and the Management of Living Resources, Key Action 5)

¹ Discussions within the IDARI project have been useful in developing some ideas contained in this paper and we wish to thank their organisers and participants.

Content

Abstract	3
1. Introduction. How to make sustainable development policy more effective?	4
<i>The drive to integrate development has taken a front-seat position</i>	4
<i>Emphasising cross-societal integration: preliminary definitions</i>	5
<i>Integration is difficult</i>	7
2. From cross-sectoral to cross-societal integration	8
2.1 Environmental concerns take on an increasingly central role in EU policy	8
<i>The long road towards the integration of environmental concerns</i>	8
<i>Environmental integration is made more explicit, first in agriculture</i>	9
<i>Environmental integration is consolidated in all policy sectors in the 1990s</i>	10
<i>The Cardiff process and the Lisbon strategy mainstream environmental integration</i>	11
<i>Subsequent policy developments: RDR, 6th EAP, CAP reform, Lisbon II, ETAP</i>	11
2.2 Implementation and stakeholder involvement increasingly become part of the political agenda	13
<i>1980s: the decentralisation thrust</i>	13
<i>The 1992 CAP reform builds cross-sectoral bridges: farmers talk to environmentalists</i>	13
<i>The 'governance turn' in European policy-making</i>	14
<i>Research and international organisations usher in participatory concepts and initiatives</i>	16
3. Implementing the integration principle remains a double challenge	17
3.1 The definition of policy rules tends to remain sectoral	17
<i>Compartmentalisation between administrative units prevails</i>	18
<i>Political will and conceptual clarity are lacking</i>	19
3.2 Getting across governance levels is a challenge to policy integration	20
<i>Compliance failures and missed targets</i>	20
<i>Coordination across governance levels is poor</i>	21
4. Conclusion. Integrating institutions across sectors and across governance levels	22
<i>Environmental integration is firmly established as a political principle: a necessary step</i>	22
<i>Integration is far from embedded in personal behaviour</i>	23
<i>A hypothesis for sustainable development</i>	24
<i>Learning matters to vertical integration</i>	25
<i>Revisiting eco-innovation as a governance tool for sustainable development</i>	26
References	29

Abstract

At the creation of the European Community in 1957, little attention was paid to environmental concerns. It's only in 1997, after decades of debate, that the 'Integration Principle' became formally engraved in European treaties. This principle, requiring all policies to take environmental concerns into account, represents a major landmark in the institutionalisation of environmental policy. Yet the effects of this integration appear unclear. So does its meaning. Does the Integration Principle ensure an effective impact of sustainable development institutions in Europe? We aim to answer this question by casting light on the origin and significance of the Integration Principle. We recapitulate the policy events leading to the formal integration of environmental concerns within EU policy since the 1970s. We highlight its gradual extension from a horizontal (cross-sectoral) to a vertical (cross-societal) dimension and stress the challenges posed by the necessary cross-societal integration of sustainable development policy. As a step toward answering the above question, our hypothesis is that the effectiveness of an institution depends on its integration not only across policy or economic sectors but also across governance levels. We derive implications with regard to the importance of learning to eco-innovation.

Suggested JEL classes: D70, E61, K32 (K30), N40, N50, O19, Q18, Q20

Suggested Keywords: Eco-innovation, Institutions, Integrated development, Learning, Policy effectiveness, Sustainable development policy.

Integrate: *to form, coordinate, or blend into a functioning or unified whole (unite)*
(Merriam-Webster Dictionary)

1. Introduction. How to make sustainable development policy more effective?

Since its inception over three decades ago, 'sustainable development' has been in its very essence integrative. Recurrent concerns about the effectiveness of sustainable development policy have recently prompted a semantic extension of this integration. After a short outline of this evolution we introduce preliminary concepts in order to formulate the main question addressed in this paper.

The drive to integrate development has taken a front-seat position

Integrated development has gained a normative status among researchers and policy-makers alike. Different rationales can underpin the drive to integrate: integration can have a geopolitical origin, such as through EU enlargement. Integration can aim at strengthening a particular sector such as the dairy or organic food sector. It can also be cross-sectoral in nature, such as in McSharry's 1992 agri-environmental policy².

The integration of conflicting dimensions of development, such as its economic and environmental pillars, has been gathering political momentum. This concern is clearly spelled out in the Brundtland Report, which was instrumental in placing sustainable development on the policy-making radar screen. This document lists 'merging environment and economics in decision making' among the critical objectives of sustainable development [World Commission on Environment and Development 1987: 49]. In 1995 the World Summit on Social Development [United Nations 1995] achieved global consensus on what constitutes sustainable development, bringing together the so-called "three E's" - environment, economy and equity. The World Summit on Sustainable Development (Johannesburg, 2002) further built on these three pillars, as did the Lisbon strategy after the 2001 Gothenburg

² see below p. 13.

summit³. Today there is hardly a policy document written without reference to integrated development and sustainable development.

Emphasising cross-societal integration: preliminary definitions

Integrated development is traditionally understood in a horizontal (cross-sectoral) sense, whereby policies pertaining to distinct sectors, areas, or issues, are made compatible. Beyond horizontal integration, a new emphasis on governance makes explicit a more vertical dimension of integration, referring to coordination across multiple governance levels. In its White Paper on European Governance, the Commission defines governance as ‘means, rules, processes and behaviour that affect the way in which powers are exercised at the European level, particularly as regards openness, participation, accountability, effectiveness and coherence’ [CEC 2001b: 11]. Governance operates at distinct social levels, and the coherence between those levels does affect governance effectiveness. For Wallace and Wallace [1996: 30] one of the most important criteria for measuring policy effectiveness is that ‘the policy may change behaviour by relevant actors’ [quoted in Grant et al. 2000: 3].

Making a court decision, passing a law, are ‘actions’. Policy-makers are also actors. What differentiate their action from that of ‘relevant actors’? Understanding the co-evolution between policy and behaviour requires a concept of governance capable of distinguishing several levels of behaviour. The concept of institution⁴ enables this distinction when we define it broadly, as what could be the smallest common denominator to most existing definitions of institution: regularity. Institutions are regularities in human behaviour.

Institutions are visible within very diverse situations ranging from the collective to the personal and from the formal to the informal realms. Consider ‘Stopping at a red light’ as an example of an institution existing at various governance levels. It is formalised in the Driving Code and is customarily observed at the personal level through personal behaviour (see Fig. 1). It is also instructed in driving manuals.

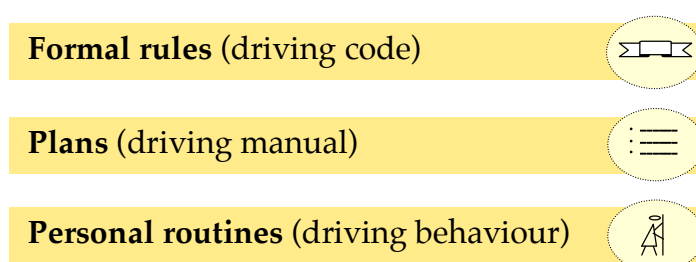
³ see below p. 10.

⁴ The literature offers various definitions of institutions, many of which differ in their way of delineating what is and what is not an institution, depending on whether the object of analysis is formal, legal, constitutive, normative, public, etc. Morand [2006] discusses these definitions in greater details.

Institutions take on a variety of forms such as rules, plans, strategies, habits and behaviours. Drawing on Thévenot [2001, 2005] we can represent this diversity by distinguishing three main levels (see Fig. 1). The first level is where formal rules originate. We consider ‘rules’ in the sense of Black’s regulative rules [1962: 109 ff, quoted in Ostrom 2005: 16], i.e. as something ‘laid down by an authority’. Furthermore we include in this definition what Black (Ibid.) doesn’t: what he calls ‘precepts’ (maxims, norms) and ‘principles’ (physical laws). These rules are formal because they follow some ‘established form, custom, or rule’ (Merriam-Webster Dictionary).

One source of formal rules is the legislature and the judiciary. Parliaments, courts of justice and other organisations such as the Commission and the Council at the European level, propose, adopt and/or transpose the law. Legal and judicial law can originate at various administrative scales (European, regional, local). A second source of rules calls for conformity. ‘Beyond this organised, precise pressure exerted by the law, there is another that arises from morals’ [Durkheim 1893 (1984): 162]. Formal rules originating from outside the legislature and the judiciary, ‘although not sanctioned, either directly or indirectly, by any legal code, are none the less mandatory’ (Ibid.). This second source refers to a range of legitimating realms such as science, aesthetics, religion, tradition and market competition⁵.

Fig. 1. Institutions can appear at distinct governance levels



The next two institutional levels are where formal rules are made operational. Planning constitutes a second level. Individual plans of action correspond to Black’s ‘rule’ in the sense of ‘instruction’ (Ibid.). They are what Ostrom [2005: 17] calls ‘strategies’, and Thévenot [2005: 40 ff] ‘plans’ or ‘situated actions’. Plans are intentional and strategic. They typically originate in a wide range of realms including

⁵ This plurality is further discussed in Morand [2006].

development agencies, extension, planners, professional chambers and other organisations responsible for translating rules into operational and strategic instructions such as development plans, training scheme, tax incentives, market-based instruments, etc.

The third level is where persons behave according to routines. We adopt on a preliminary basis the definition given by Gersick and Hackman [1990: 69], where routines are the repeated exhibition of 'a functionally similar pattern of behaviour in a given stimulus situation without explicitly selecting it over alternative ways of behaving'. Anyone engaged in a personal behaviour is likely to follow routines. Routines are traditionally seen as informal, local, and of secondary importance (at best) to policy-making, although they both are ubiquitous [Hodgson 1997] and enable the performance of even highly complex tasks (landing an aircraft, playing a difficult solo concerto). Routines are characterised by tacitness and the absence of choice, which is why they are the least formal regularities possible. They may represent a limit case of institution.

Integration is difficult

Some policy initiatives share the pattern of the 'Stopping at the red light' regularity: for example 'Using the euro in 2002 in the euro-zone', and 'Using an official language in courtrooms'. Others, such as 'Integrating environmental protection requirements into the definition and implementation of Community policies'⁶, are harder to observe at the lower governance levels.

Achieving behaviour change in the particular area of the environment is difficult. According to Ludwig Kramer, a senior EC lawyer speaking in the early 1990s: 'hardly any other area of law is known for such discrepancy between regulations and actual practice, as is EC Environmental Law' [quoted in Duncan 2000: 1]. The challenge for the EU is indeed sizeable: there are approximately 200 pieces of EC environmental legislation currently in force, including more than 140 directives [CEC 2004a: 25]. Although integration of environmental concerns has become a major drive in policy-making, the effects of this integration effort are unclear. Does the Integration Principle ensure an effective impact of sustainable development institutions in Europe?

⁶ See below p. 10 ff.

To answer this question we recapitulate the policy events leading to the formal integration of environmental concerns within EU policy since the 1970s and its recent extension from an exclusively cross-sectoral focus to a cross-societal dimension (§ 2). We highlight the challenges posed by the necessary cross-societal integration of sustainable development policy (§ 3). As a step toward answering the above question, our hypothesis is that the effectiveness of policies depends on their integration not only across policy or economic sectors but also across governance levels.

2. From cross-sectoral to cross-societal integration

The integration of environmental issues into policy-making is a process that has been unfolding over more than three decades. The emphasis placed on implementation issues is more recent.

2.1 Environmental concerns take on an increasingly central role in EU policy

Environmental concerns, absent from the Rome Treaty and throughout the first decade following the creation of the European Community, have gradually been raised to the status of third pillar in the Lisbon agenda in 2001. It is instructive to take a look back at this evolution.⁷

The long road towards the integration of environmental concerns

Reference to the environment emerges among European policy circles in the 1970s, echoing a number of environmental alerts such as Carson's [1962] and Meadows' [Meadows et al. 1972] influential best-sellers. At the Paris Summit of July 1972 in particular, European Heads of State and Government mention the 'non-material values' reconciling development and the environment in Europe and set off the Community environmental policy [CEC 1972: 9 ff].

Carlo Scarascia-Mugnozza, the first Commissioner for the environment is appointed in 1973. In the 1973-76 interval the First Action Programme in the area of European environment policy is launched. This programme and its sequels support regulatory

⁷ For more details on the progressive integration of the environment into EU law, see e.g., Dhondt [2003] or CEC [2004g]. For simplicity's sake, the line followed here is chronological.

development, starting with nature conservation, noise, and waste policies. In its assessment of the 2nd Environmental Action Programme, the European Commission stresses the need for 'greater consistency between the exigencies of environmental policy and those of other policies' [CEC 1980: 8].

Environmental integration is made more explicit, first in agriculture

Isolated, yet significant landmarks take place in the 1980s and the early 1990s in the farm sector:

- A law passed in France in July 1980 (loi d'orientation agricole du 4 juillet 1980) confers official recognition to organic agriculture labels and standards.
- the Green Paper on the Perspectives of CAP [CEC 1985] makes explicit one of the first official agri-environmental concerns at the European level. The Green Paper seeks to bring supply and demand into balance, to introduce new ways of reducing production in problem sectors and, generally, to analyse alternative solutions for the future of the CAP.
- the Council Regulation (EEC) No. 797/85 on improving the efficiency of agricultural structures, pushes further the initiatives introduced by structural Directives of the 1970s. It intends to promote the 'permanent conservation of the natural resources of agriculture' (Article 1), and allows Member States to support environmentally sensitive areas and the maintenance or adoption of environmentally-friendly farming practices. However this Regulation does not provide financial support for those practices [Pezaros 2001: 10-11].

The McSharry reform of 1992 introduces agri-environment in the CAP. Regulation 2078/92, in particular, calls for the implementation of agri-environmental aid schemes across Member States. It aims to encourage 'agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside' [Council of the European Union 1992]. For the first time after three decades of commodity production-linked support policy, agri-environmental services are publicly rewarded. The preamble of Regulation 2078/92 contains the first explicit reference to the integration principle encapsulated in a formal regulation or directive [Dhondt 2003: 484]. The agri-environmental measures however are implemented on a voluntary basis.

Environmental integration is consolidated in all policy sectors in the 1990s

In February 1993, the 5th Environmental Action Programme insists on the necessary integration of the environmental dimension in all major policy areas. It specifies that environmental protection can only be achieved by involving those policy areas causing environmental deterioration. In 1996, the Conference on Rural Development in Cork establishes a 10-point program that calls for an integrated approach, diversification, and sustainability. The Cork Declaration urges Europe's policy-makers to place 'sustainable rural development at the top of the EU policy agenda, and makes it the fundamental principle underpinning all rural policy' [The European Conference on Rural Development 1996, Point 1].

In 1997, the Treaty of Amsterdam seeks to provide stronger guarantees than given by the Single Act and the EU Treaty⁸ by inserting explicit commitments to the principle of sustainable development. In particular, the promotion of sustainable development is established as a Community objective in the Article 2 of the Treaty [European Council 2002 (1957)], and the Article 6 of the consolidated EC Treaty (ex Art. 130r) is devoted to the 'Integration Principle' (see Box 1).

Box 1. Article 6 EC formulates the 'Integration Principle'

Art. 6 of the Treaty of the European Community, consolidated in Amsterdam in 1997, stipulates that

'Environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities referred to in Article 3, in particular with a view to promoting sustainable development' [European Council 2002 (1957)].

Art. 6 EC is reproduced identically as Article III-4 in the draft Treaty establishing a European Constitution [European Convention 2003], among the general clauses.

⁸ The 1992 EU Treaty, known as the Treaty of the European Union [European Council 2002 (1992)], or Treaty of Maastricht, mentions the 'principle of sustainable development' once, in rather general terms.

The Cardiff process and the Lisbon strategy mainstream environmental integration

Following the insertion of a new integration clause in the Amsterdam Treaty, the European Council requests the Commission to submit a strategy for promoting sustainable development. In June 1998 at the subsequent Cardiff European meeting, this strategy develops into the 'Cardiff Process', which aimed at tackling the 'current pattern of economic development [which] too often entails conflicts between development and environment' [CEC 1998: 5].

The Commission's strategy highlights key guidelines including the identification of priority actions and systematic monitoring of the environmental integration⁹. In 2001 the Gothenburg European Council adopts the Commission's Sustainable Development Strategy, which calls for further development, and rapid implementation, of environmental integration [CEC 2001a]. The Gothenburg Council also adds a third, environmental pillar to the Lisbon Strategy, which further consolidates the Integration Principle, and strengthens the review process to which environmental policy is subjected¹⁰.

Subsequent policy developments: RDR, 6th EAP, CAP reform, Lisbon II, ETAP

Subsequent policy developments add substance to environmental integration. The Agenda 2000 reforms, agreed upon in March 1999, result in a new Rural Development Regulation (RDR), the 'second pillar' of the CAP and the basis for the pre-accession instrument SAPARD¹¹. The objective of RDR is to introduce a sustainable and integrated rural development policy governed by a single legal instrument to ensure better coherence between rural development and the prices and market policy of the common agricultural policy. It makes integration of rural development in other policy areas mandatory [Council of the European Union 1999]¹².

The Commission's 6th Environment Action Programme enters into force in 2002 [European Parliament and Council of the European Union 2002]. This programme is

⁹ Focussing on nine policy sectors: energy, transport, agriculture, industry, internal market, development, fisheries, general affairs and economic and financial affairs. Since 2003 the whole Cardiff process is reviewed annually (e.g., see CEC [2004d]).

¹⁰ The first review of this environmental pillar is carried out in 2003 [CEC 2004a].

¹¹ Special Accession Programme for Agriculture and Rural Development. SAPARD offers applicant countries a menu of measures eligible for funding.

¹² Brought further, among others, by Council Regulation 1698/2005.

meant to make the goals of the European Sustainable Development Strategy operational. It reiterates the need to integrate environmental considerations into other policies, and fosters cross-cutting strategies that require joint action from a wide array of policy sectors. Its priority issues are climate change, nature and biodiversity, resource management, and environment and health.

Commissioner Fischler's 2003 CAP reform is adopted in June 2003 and enters into force in January 2005. Although important aspects, such as decoupling aid from production, do not go without controversy¹³, the reform does condition all agricultural payments (Single Farm Payment) on compliance with environmental, food safety and animal welfare standards.

In its mid-term assessment of the Lisbon strategy, the Kok Report calls for reinforcing the integration of environmental considerations, and making it 'part of Europe's competitive advantage' [CEC 2004b: 35]. Reacting to the Kok Report, President Barroso in his communication to the Spring European Council points out that the Lisbon strategy fully endorses the Integration principle, since the strategy can make Europe 'a beacon of economic, social and environmental progress to the rest of the world' [CEC 2005: 3].

A strategy privileged by the Kok Report is the promotion of eco-efficient innovations, or eco-innovations (Ibid: 36). Environmentally-friendly technologies represent a concrete example of the integration of environmental concerns in economic development policy. The Commission's services for Research and for Environment jointly delivered the Action Plan for Environmental Technologies in 2004 (ETAP, see CEC [2004f]). The plan (Ibid: 3) seeks to (i) remove the obstacles so as to tap the full potential of environmental technologies for protecting the environment while contributing to competitiveness and economic growth; (ii) ensure that over the coming years the EU takes a leading role in developing and applying environmental technologies; and (iii) mobilise all stakeholders in support of these objectives.

In conclusion, persistent efforts have been devoted to the integration of environmental concerns into European law since the 1970s. Starting from a context devoid of any legal references to the environment, these efforts have resulted in a

¹³ For an overview of the reactions to the 2003 reform, see, e.g., Environment News Service [2003].

policy framework in which environmental integration is legally binding and applicable to all sectors. Eco-efficient innovation (eco-innovation) appears to offer a concept for integrating environmental concerns into other sectors of activity.

2.2 Implementation and stakeholder involvement increasingly become part of the political agenda

Besides cross-sectoral integration, aimed at mainstreaming environmental considerations across all sectors of activities, a more cross-societal process of integration is unfolding. Beyond democracy through elected representatives, direct engagement of citizens and 'civil society' organisations in the preparation and implementation of decisions emerges in the 1980s. Citizens are increasingly involved in the policy-making process at various levels.

1980s: the decentralisation thrust

The 1980s and 1990s witness an acceleration of the decentralisation and devolution process, from the creation of the French administrative regions (1981-1983) up to the entry into exercise of the Scottish Parliament, the National Assembly for Wales, and the Northern Ireland Assembly in 1999. The Assembly of European Regions (AER), a political organisation of the regions of Europe and the speaker for their interests at European and international level, is created in 1985¹⁴; the Congress of Local and Regional Authorities in Europe (CLRAE) in 1993; the Committee of the Regions of the European Union (CoR) in 1994. At the turn of the century all countries have some level of decentralised control by the public.

The 1992 CAP reform builds cross-sectoral bridges: farmers talk to environmentalists

Implementation of Regulation 2078/92 (McSharry CAP reform), although designed mainly to promote environmentally-sound agriculture, does also initiate a dialogue between farming and environmental sectors. Through the institution of local consultative committees, it contributes to making the CAP more decentralised and participatory in addition to making it more multi-sectoral. This happens in Member

¹⁴ Its vocation is to bring together the regions of Europe, currently represented by its 250 member regions from 26 European countries and 12 interregional organisations. (<http://www.are-regions-europe.org/GB/A1/A1.html>).

States such as France that have translated Regulation 2078/92 in Local Operations applied to delimited zones, according to terms of reference that are locally defined (covering biotope conservation, landscape maintenance, pollution reduction, prevention of land abandonment and environmental risks).

Table 1. French Local Operations are co-ordinated in pluralist Steering Committees

Type of member	Extension	Government	Farmers	Local authorities	Environmentalists	Misc. ¹⁵
% in SC	25	26	19	13	11	6

Source: [CNASEA 1997]

At the local level, each measure is prepared by farmers, environmentalists, local authorities and local governmental representatives participating in a Steering Committee (SC, see Table 1). The SC is responsible for the terms of reference laid down in agri-environmental contracts. Local Operations, in spite of their limited marginal scope, are instrumental in initiating a dialogue between farming and environmental sectors, not only at the administrative levels but also with economic actors and civil society.

The 'governance turn' in European policy-making

Since the 1990s, initiatives in favour of better governance are multiplying. The Leader initiative, experimented since 1989, relies on bottom up approaches and public-private partnerships. It contributes to innovation, employment and growth in rural areas by promoting locally-defined strategies (see Box 2).

IMPEL reflects an official concern about implementation. In 1992, the creation of the informal Network on Implementation and Enforcement of Environmental Law (IMPEL) echoes official concerns about the mismatch between environmental legislation and environmental quality¹⁶. IMPEL's representatives from all Member States aim to 'level the playing field' and enhance the quality of enforcement of

¹⁵ Fishermen, hunters, tourism operators, etc.

¹⁶ Study of EU environmental agencies commissioned by the Dutch Presidency of the EU in 1991, quoted in Duncan [2000: 1].

European environmental law. The Commission recognises and supports the IMPEL network, of which it is a member.

Box 2. Leader has become a model of participatory development

LEADER¹⁷ is a Community Initiative for rural development relying on: organisation of a local partnership, development and implementation of local action plans, a multi-sectoral approach and a systematic search for links between actions, co-financing, networking between the respective rural areas facilitated by a LEADER European Observatory.

LEADER is today mainstreamed in all European rural policies as LEADER + in 2000-2006, and as the 4th Axis of the proposed European Agricultural Fund for Rural Development for 2007-2013 [Europa 2005]. It is also used as a reference for successful rural development in other continents (see e.g., Warner [1999]).

The 5th Environmental Action Programme (1993-2000) is very explicit in its desire to break with centralised approaches to policy-making and policy implementation. It clearly states that 'only by replacing the command-and-control approach with shared responsibility between the various actors, e.g., governments, industry and the public, can commitment to agreed measures be achieved'.¹⁸

Subsidiarity promotes local decision-making. The subsidiarity principle stipulates that the Union not take action (except in the areas which fall within its exclusive competence) unless it is more effective than action taken at national, regional or local level. It promotes decision-making at the lowest level that is effective, be it local, regional or national. In short, subsidiarity, at least in theory, anchors decision-making as close as possible to the citizen. In 1996, the Conference on Rural Development in Cork emphasises the diversity of the Union's rural areas and includes subsidiarity as one of its 10-point programme. It emphasises participation and a 'bottom up approach which harnesses the creativity and solidarity of rural communities' [The European Conference on Rural Development 1996, Point 5].

¹⁷ *Liaison entre actions de développement rural*, or 'Links between actions for the development of the rural economy'.

¹⁸ (<http://europa.eu.int/comm/environment/actionpr.htm>).

In June 1998 the 4th Ministerial Conference in the 'Environment for Europe' process (Aarhus, Denmark) adopts the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters. The Aarhus Convention, as it is called, asserts that 'sustainable development can be achieved only through the involvement of all stakeholders'. It fosters government accountability, public participation, transparency and responsiveness as key factors of environmental protection.

The Rural Development Regulation presses for a greater vertical integration of governance structures [Council of the European Union 1999].

The 6th Environmental Action Programme (2001-2010) recognises that successful implementation of its environmental agenda requires participatory strategies. Besides cross-sectoral integration of environmental concerns per se, another cross-cutting objective laid out for environmental policy in the Programme consist of cross-societal approaches to implementation and information management [European Parliament and Council of the European Union 2002]. The programme puts forward a variety of novel tools such as thematic priorities, extensive deliberation and consultation processes¹⁹, enhanced use of the IMPEL network, or improving the knowledge base through the introduction of a new priority within the EU's 6th RTD Framework Programme.

Research and international organisations usher in participatory concepts and initiatives

Such an emphasis on the cross-societal integration of governance levels is also strongly developing among research and international development organisations. Generally, the growing literature referring to the importance of local knowledge²⁰ and social capital²¹ can be interpreted as a significant shift away from top-down traditions in the international development world. In the public sector of most OECD countries, this trend finds an expression in the managerial concepts of client focus and responsiveness [OECD 1996a].

The World Bank participates in the conceptual debate around governance and participation. The Comprehensive Development Paradigm, for example, contrasts

¹⁹ From even the design of the Programme itself, see e.g., REC [2000, 2001].

²⁰ E.g., OECD [1996b], Ison and Russel [1999], Hagedorn [2002], Malone and Yohe [2002], Gertler [2003], Finger and Schuler [2004].

²¹ E.g., Ostrom [2000], Flap [2003], Ostrom and Ahn [2003].

with traditional approaches of development limited to purely economic and resource allocation issues. It addresses, through an encouragement of 'truly participative processes (such as voice, openness, transparency..., government by discussion)', the issues of resource creation and 'changes in mindsets' [Stiglitz 1999: 3-4]. Significant debates directly or indirectly triggered by the World Bank are further exploring this paradigm (see e.g., Meier and Stiglitz [2001], Ellerman [2005]).

In summary, after three decades of Common policy-making, integration has become a principle engraved in the EC Treaty. Efforts are being made to apply this principle to the design of new policies. The horizontal, cross-sectoral integration is being complemented, most significantly since the late 1990s, by the increasing emphasis put on a more vertical type of integration, fostering cross-society participation. In spite of the wide consensus in favour of both types of integration, there are still considerable obstacles ahead.

3. Implementing the integration principle remains a double challenge

Negotiations between states and/or between political groups result in new or modified laws, designed to change individual practices. For the latter change to occur however, stakeholders and citizens must experience some degree of ownership in the new law. Recent assessments by official European Commission bodies and other experts found that generating a feeling of ownership of such changes, even among EC policy-makers, remains a major challenge today. Let's address this challenge from the double point of view of cross-sectoral and cross-societal integration.

3.1 The definition of policy rules tends to remain sectoral

Some of the major barriers to cross-sectoral integration lie in the compartmentalisation of policy-making, the lack of a political will to integrate, and the misunderstanding of the rationale behind the integration principle.

Compartmentalisation between administrative units prevails

The Cardiff process, aiming at generating coherence between economic and environmental policies²², generates mixed results. In a recent assessment the Commission warns that ‘the Cardiff process has failed to deliver fully on expectations’ [CEC 2004d: 31]. Reflecting on three years of the Lisbon strategy, the Commission recognises in another document the difficulties lying ahead: ‘Full integration of the environmental dimension into the Lisbon strategy’ remains a ‘main challenge for European environmental policy’ [CEC 2004a: 5].

European and national administrations are still significantly hampered by a strong tradition of addressing issues in isolation from one another. This is manifest for example in many RDR-supported programmes²³ in which the focus continues to be placed on agriculture, whereas, as many recognise, the situation requires a pluralist approach [Dwyer et al. 2003: vii]. This situation was identified as a major stumbling block by the Governance Working Group of the Commission [CEC 2001c: 27].

Retrospective insight over the first decade after the McSharry reform indicates that the use of agri-environmental measures is not associated with cost-effective and reliable attainment of environmental objectives [OECD 2004]. As a major reason for this the OECD document mentions policy measures that are ‘are pulling in opposite directions’ (Ibid: 7). Regulatory barriers such as environmentally harmful subsidies or taxation typically originate in the lack of cross-sectoral coherence, as one of the first international and interdisciplinary events devoted to taking stock of environmentally harmful subsidies, stressed recently [OECD 2003]. These barriers hamper the efforts of decision-makers and investors and can result in situations unfavourable to innovators, including eco-innovators. The Common Agricultural Policy historically produced countless such barriers and it remains unclear whether the trend has been reversed. Indeed, only recently has the link been acknowledged between subsidies and barriers to sustainable development. Reforming those subsidies has become an urgent priority in many countries but considerable measurement issues are likely to make political decision difficult.

Sometimes coupled with the taxation system, the lack of integrated approaches is also apparent in the financial sector. Longer payback times from some eco-innovative

²² See above p. 10.

²³ Rural Development Regulation, see p. 11.

investments can be responsible for limited access to finance and greater risks for investors, which are not always traditionally taken into account by policy-makers.

Political will and conceptual clarity are lacking

In the conclusion of her analysis of the implementation of the Integration Principle in the European sectors of agriculture, transport, and energy, Nele Dhondt questions the usefulness of the Integration Principle in a context where political will is lacking [Dhondt 2003: 483]. Political will is necessary in particular for reducing environmentally-harmful subsidies, a move that vested interests and organised lobbies are making difficult. For example, in the Marais Poitevin (West France) subsidies to tillage crops were significantly higher than agri-environmental contracts during the 1990s, in overlapping zones. This strongly contributed to the disappearance of the wet meadows that the agri-environmental measures aimed to protect [Morand 1999]. As stressed by the EEA, removing subsidies can prove a daunting task even when they have been proven harmful [EEA 2003: 59].

Political will is further hampered by a persistent confusion surrounding the meaning of 'integration'. At various levels, actors often remain trapped in a short-sighted, conservative and compartmentalised definition of integration, according to which 'respecting the environment' automatically *engenders* conflicts and high costs. It can be argued that this confusion plays unfavourably to sustainable development, which precisely aims to prevent socio-economic costs resulting from the lack of environmental care. The need for reconciling perspectives in a win-win strategy is at the root of the Cardiff process, which introduced sustainable development as 'a concept too often perceived as purely environmental, but which brings together concerns for social and economic development alongside protection of the environment' [CEC 1998: 5].

As a consequence of this confusion and a cause of its persistence, transposed policies tend to remain polarized between, on the one side, environmental 'protection' (e.g., the agri-environmental policy and some national translations of the Habitats, Birds, and Nitrates Directives) or, on the other side, economic 'development' (e.g., energy and transport policies in many European countries). The Commission gave recurrent warnings against this confusion in its policy evaluations, such as in its 2003 environmental policy review [CEC 2004a: 5].

3.2 Getting across governance levels is a challenge to policy integration

Even when ‘sustainability-friendly’ laws and regulations are passed, the whole issue of their implementation is left open. The Cardiff process, itself far from being achieved, needs further complementation, because it primarily addresses policy at the European level [IEEP 2001: 29]. Yet, as expressed repeatedly in official reports regarding the state of the environment at the European level, the political message doesn’t get across governance levels, and this hampers the involvement of national and sub-national authorities, agencies, advisory councils NGOs and citizens.

Compliance failures and missed targets

Failures to comply with the integration principle are common at national levels. Regarding the achievements of the Strategy for Sustainable Development, the European Economic and Social Committee delivers a rather critical opinion, pointing to ‘inadequate efforts’ and the ‘major challenges’ Europe continues to face [EESC 2004: 2]. As noted by the European Environmental Agency (EEA), even if most Member States have established national sustainable development strategies (NSDSs), these strategies are made ‘weak’ by their ‘frequently soft nature and the lack of vision and pathways for delivering on the objectives’ [EEA 2005: 7]. The EEA further complains of ‘little evidence of NSDSs being implemented’ (Ibid).

Typically, over a third of all complaints and infringement cases concerning instances of non compliance with Community law investigated by the Commission are filed in the environment sector alone²⁴ [CEC 2004c: 7]. And the trend is not encouraging, as the Commission, in its annual survey of environmental policy implementation (Ibid.) mentions the ‘growing difficulties’ met in the implementation of EC environmental legislation. Overall, for Margot Wallström²⁵, the failure of Member States to comply with European environmental law is (negatively) ‘striking’ (Ibid: 2).

Poor compliance can have serious consequences, in the area of public health for example. A report jointly published by the EEA and the United Nations Environmental Programme claims that monitoring of chemicals sold in Europe is not satisfactory, making the protection of human health very challenging [EEA 1999: 5].

²⁴ The general public and non-governmental organisations filed those complaints. Questions and petitions from the European Parliament also brought cases of suspected non-compliance to the attention of the Commission.

²⁵ From 1999 to 2004 Margot Wallström was European Commissioner for the Environment. In 2004 she became Vice-President of the European Commission.

In certain cases such as air pollution in urban areas, standards set by health authorities are simply violated [EEA 2003: 35].

To many respects, the Lisbon strategy, for its particular blend of economic, social and environmental ambitions, is considered the right agenda for the EU's [CORDIS 2004]. However, because of implementation gaps such as those exemplified above, the authors of the Kok Report express their fear that the Lisbon strategy will see (...) 'many of its targets seriously missed' [CEC 2004b: 11].

Coordination across governance levels is poor

The importance of cross-societal governance to the transition toward sustainable development is a theme common to many official concerns. For the EEA, for example, sustainable development 'requires action at all levels, local, regional, national and international' [EEA 2003: 8]. The lack of cross-societal commitment has perhaps reached its most evident point in the implementation of the Lisbon strategy, tainted by 'the absence of national involvement' [CEC 2004b: 40]. Indeed, five years after the Lisbon summit, national action plans still remain to be drawn. Overall, the Kok Report stresses the general incoherence of, and the lack of cross-societal involvement in, the Lisbon strategy. Stakeholders are not sufficiently associated with change, and a 'closer cooperation between the various stakeholders is needed' (Ibid: 40). This requires a shift in communication and dialogue, since 'transparency about the progress achieved is the key to involving those stakeholders' (Ibid.). Today the public does not understand properly 'the challenges facing Europe, why policies are developing as they are and the importance of acting together' (Ibid: 43).

In summary, implementing cross-cutting objectives as requested by the Integration Principle is difficult on a horizontal level, where traditionally compartmentalised decision-making, lack of political will and misunderstanding have been identified as important obstacles to integration. The definition of policy rules tends to remain sectoral, making them potentially conflicting. But engaging in multi-level governance, on a more vertical perspective, is also proving a challenging task. Changing practices according to agreed principles relies on behavioural change. Innovations instrumental to the sustainability transition exist or are within reach, but more needs to be done to encourage their development and adoption.

4. Conclusion. Integrating institutions across sectors and across governance levels

This overview of key European policy trends helps understand the double nature of environmental integration in a sustainable development perspective. The integration of environmental considerations, often presented as a cross-sectoral endeavour, also implies a more vertical or cross-societal dimension. Integration of environmental considerations across policy areas, a widely agreed upon principle, translates poorly into daily behaviour. Principles that are agreed upon are useful and needed, but they are incomplete: this conclusion leads us to submit a hypothesis concerning the effectiveness of institutions and learning.

Environmental integration is firmly established as a political principle: a necessary step

Three decades after its emergence as a European policy issue, the rhetoric of integrating environmental concerns is now well in the process of being mainstreamed across policy sectors. The integration principle (cross-sectoral integration of environmental concerns) is increasingly formalised within European Treaties. Since the Gothenburg European Council of 2001 the Integration Principle is part of the Lisbon strategy.

Considering the evolution of the debate on sustainable development since the 1970s (see Section 2 above), this achievement is in itself worth reflecting upon. Three decades ago environmentalists were politically economically and socially marginalised. Today their central claim – sustainable development – is engraved in European treaties.

In periods when euro-scepticism is particularly vocal, it is easy to forget that this regulatory legacy is a reflection of Europe's pioneering policy-making capacity. Indeed, few non-European countries, if any, can claim that they have achieved green principles that match those of the European Union. In many places outside Europe, the environmental debate is either historically restricted (e.g., Mexico²⁶, Russia²⁷), in its infancy (the South American Community of Nations²⁸) or extraordinarily

²⁶ On Mexican environmentally-friendly farmers, see e.g., Environmental News Service [2000a].

²⁷ On the fate of Russian environmental activists, see e.g., Environmental News Service [1999a, 1999b, 2000b].

²⁸ The South American Community of Nations comprises the countries of the Andean Community, Mercosur, Chile, Suriname and Guyana since Dec. 2004. On the regulatory challenges it faces, see e.g., Alia2 [2004], and Lipietz [2004, 2005].

conflicting and polarised (Brazil²⁹, the USA)³⁰. It is likely that policy-makers in most other continents are not able to refer to such a widely accepted integration principle for designing and advocating sustainable development policies.

Europeans can legitimately find a reason of satisfaction in that EU law has acknowledged the inescapable necessity of integrating environmental concerns into all policy areas. Environmental groups and leaders, moreover, are not deprived from freedom of speech in Europe. Europeans are arguably privileged in that respect, since other citizens outside Europe are not always able to refer to such fundamental principles, or even to simply express their environmental concerns.

Integration is far from embedded in personal behaviour

The Art. 6 EC, the Lisbon strategy and the 6th European Environmental Action Plan now represent major policy instruments for environmentally-friendly development. However green principles, even when codified in European law, do not automatically transpose into action in the field. As such, they don't appear to ensure an effective impact of sustainable development institutions in Europe. Far from it: assessments of the Cardiff and Lisbon processes point to significant difficulties in complying with the Integration Principle. Two main types of challenges seem to remain in the way.

First, horizontal integration remains difficult. We have reviewed (p. 17 ff) some of the obstacles to this horizontal integration: political compartmentalisation, lack of political will, and misunderstanding of the meaning of integration. Moreover, achieving integrative benchmarks and standards will require significant intellectual and financial investments [see, e.g., CEC 2004e].

Benefits of principles, no matter how green they are, will remain limited as long as they don't get across governance levels. Here lies the second challenge of integration: horizontal integration is not sufficient for guaranteeing 'green' acts. The best principles mean little as long as they are not put into operation. How are principles translated into acts? How are rules made operational and effective? To answer such

²⁹ On missionaries advocating sound management of the Amazon, see e.g., BBC News [2005], Portal Amazônia [2005].

³⁰ Consider for example the US policy in terms of consumer information on GM food [Environment News Service 2005b] or mercury emission control [Environment News Service 2005a].

questions we need to look beyond the principles and not overlook which stakeholders do or do not hear them, how they perceive formal rules, respond to them and adapt them in their daily acts.

A hypothesis for sustainable development

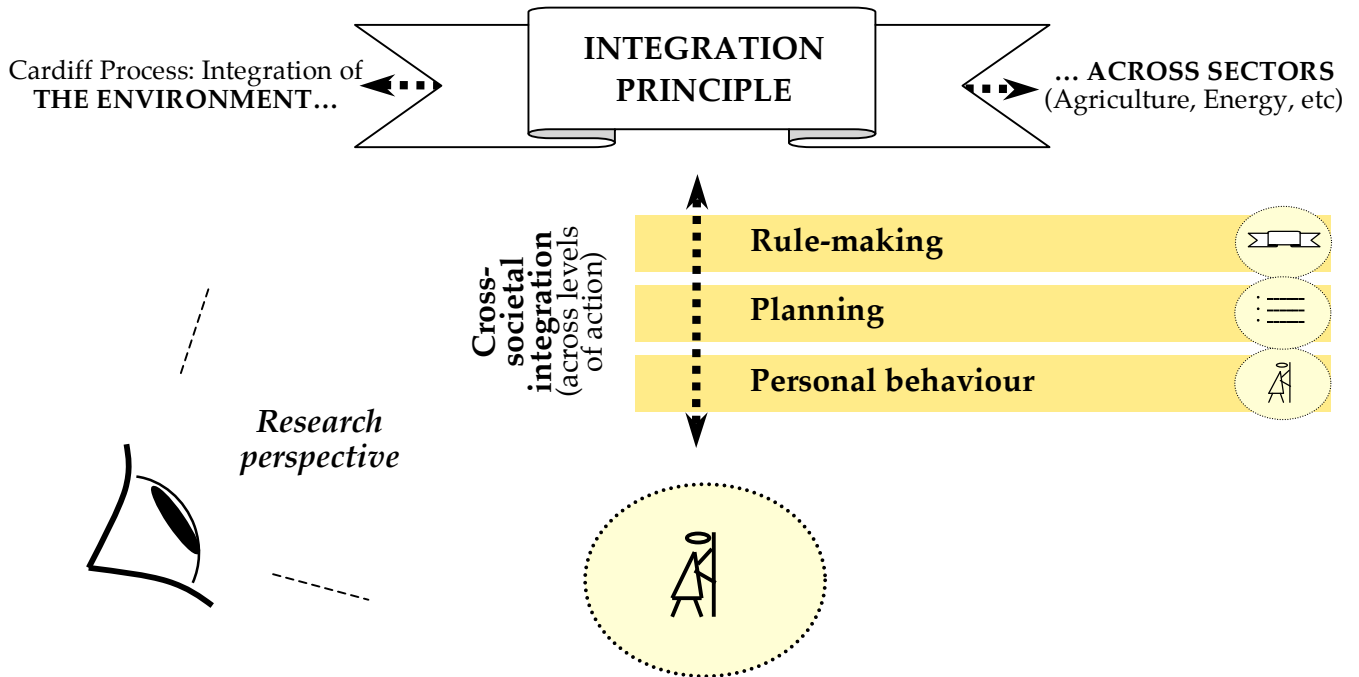
This review shows that if the Integration Principle has become a major landmark in the institutionalisation of sustainable development policies, possibly unrivalled so far in other geopolitical blocks, its effect and the meaning people attach to it appear less than clear. Institutions expected to promote sustainable development remain incomplete and ineffective as long as they are not integrated across governance levels. Drawing on the above, we introduce the hypothesis of the two-dimensional integration necessary to the effectiveness of an institution (see Fig. 2):

(H1) The effectiveness of an institution depends on its integration across both sectors (horizontal) and governance levels (vertical).

(H1) could appear trivial: a rule works if it is followed. However, we have not yet reached a stage where the vertical integration of policy is routinely taken into account by policy-makers. The midterm assessment of the Lisbon strategy³¹ bears this out clearly. This hypothesis therefore still needs to be looked at. The following observations it inspires with regard to learning may also help advance our understanding of what is at stake in vertical integration.

³¹ See above p. 21.

Fig. 2. By hypothesis, the effectiveness of an institution requires its two-dimensional integration



Reform towards horizontal integration has already come a long way through the Cardiff process. Much remains to be done for translating environmentally-friendly principles into behaviours, ownership and compliance. Our research aims to address this challenge, through an investigation of how institutional levels co-evolve³².

We hypothesise that vertical integration (across governance levels) is important to the effectiveness of institutions. Indeed, effective institutions, such as stopping at the red light or using the euro (see Fig. 1 p. 6), co-exist at all governance levels without significant conflicts. The same cannot be said of European sustainable development policies.

Learning matters to vertical integration

If, as stated by H1, vertical integration implies the translation of a given institution across governance levels, it is tempting to submit that the translation process requires learning³³. In other words the translation of a formal rule into consistent plans and

³² As developed elsewhere [Morand 2006] this model is compatible with a wide range of rule-making institutions (from local to supra-national), because of the existence of nested hierarchies.

³³ This discussion of learning is developed in Morand [2006].

behaviours, that is, its effectiveness, could depend on the quality of the learning process during each switch of level. This importance of learning is reflected in the recent emphasis placed on communication and participation since the start of the 'governance turn' in European policy-making³⁴. Through the articulation of levels of institutions and the filling of the implementation gap, learning and cross-societal integration may mutually enhance each other. We associate vertical integration with learning in a second hypothesis:

(H2) Learning is associated with vertical integration and thus with the effectiveness of institutions.

Revisiting eco-innovation as a governance tool for sustainable development

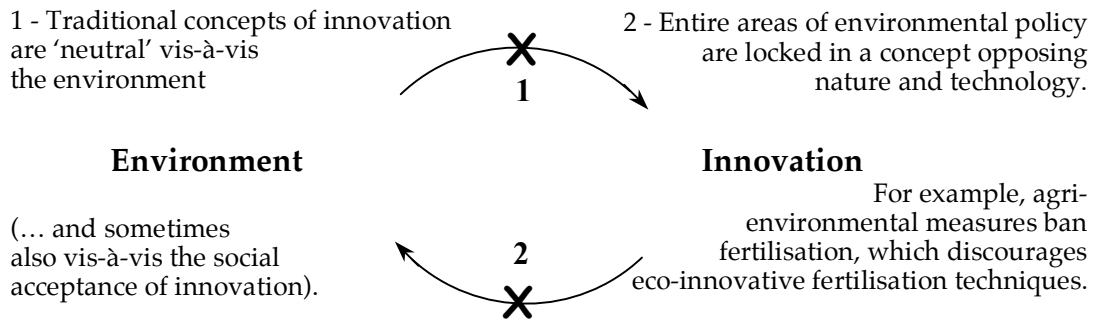
In the light of what precedes, revisiting the concept of **eco-innovation** is fruitful, particularly with regard to the integration of the environment in innovation policy, and the social acceptance of environmental technologies.

Firstly, the emphasis recently put on environmental technologies and eco-innovations (see above p. 11) is an indicator of progress with regards to the horizontal dimension of integration. **Eco-innovation**, indeed, emerges as a general concept for integrating the environment to the economy, i.e., for integrating environmental concerns across sectors.

This evolution is particularly welcome when one considers the **persistent gap between innovation and environment issues** (see Fig. 3). First, a considerable part of environmental policy is not innovation-friendly. This is the case in agri-environmental policy and in much of nature conservation policy (see p. 19 ff). Second, innovation, raised at the top of the political agenda by the Lisbon strategy (see p. 11), traditionally remains 'neutral' vis-à-vis environmental concerns, and fails to consider the 'direction and content of progress' [Rennings 2000: 322]. This neutrality finds an expression in popular definitions of innovation where entrepreneurs are focussed on 'productivity enhancing processes', 'cost advantages' and rent-seeking [see e.g., Eurostat 2004: 10-11], with little consideration for broader social or environmental standards, norms or ethics.

³⁴ See above p. 14.

Fig. 3. The conceptual gap between innovation and the environment is persistent



Such 'neutral' definitions are perhaps not the most helpful for conceiving environmentally- and socially-friendly innovation policy. It may be argued that the literature underlying those definitions³⁵, because it pays little attention to sustainability issues and the pluralist assessment of innovation, conveys a **short term and technico-commercial view** that does not seem to fully meet the requirements of the Integration Principle.

Secondly the later view, known as the 'technological bias' [Rennings 2000: 323], is worth mentioning also because it omits another essential aspect of the sustainability equation: the social dimension.

For Peter James, author of one of the very few definitions in this field, eco-innovations are 'new products and processes which provide customer and business value but significantly decrease environmental impacts' [James 1997: p. 53]. In light of what precedes, we argue that James' definition should be complemented: eco-innovations, if they are to be effective institutions, should also bring greater social and cultural acceptance. This 'social pillar' that we add to James's definition is necessary because it determines learning and the effectiveness of eco-innovative institutions. Drawing on (H1) and (H2), we derive that effective institutions of eco-innovation require vertical integration:

³⁵ For example – and with due respect –, Schumpeter [1911 (1983)].

(H3) The effectiveness of eco-innovation policy requires vertical integration

Eco-innovation has a social component. This approach gives eco-innovations a status that is more than a new type of commodity, or a new sector, even though environmental technology and eco-innovation are associated with the emergence of new economic activities or even branches (e.g., waste treatment, recycling, etc). This approach considers eco-innovation in terms of *usage* rather than merely in terms of *product*. The social pillar associated with eco-innovation introduces a governance component that makes eco-innovation a more integrated tool for sustainable development. It is fortunate that ETAP reflects this dimension in its third objective³⁶, even if mainstreaming it appears a challenge likely to require considerable effort in education and monitoring.

A major difficulty associated with cross-societal integration lies in the diversity in learning abilities and commitments across countries, regions and personalities. To one Nitrates Directive at the European level correspond countless different local plans, strategies, and behaviours. This heterogeneity makes cross-societal integration challenging even in the older Member States. The challenge is particularly significant among new Members States, whose experience with the *acquis communautaire* is far more uneven and still fresh. This difficulty makes institutional integration research all the more relevant.

The above hypotheses open some perspectives for decision-making and learning in the enlarged Europe's sustainable development policy. Which specific policies are best integrated horizontally and vertically, and in which institutional settings? On what learning processes do they rely? What 'plans' are best integrated to both 'rules' and 'personal behaviours'? Before the methodological and empirical test of these hypotheses, further discussion of the concept of institutional level, or 'governance level', is required. Indeed, matching institutional levels introduces the need for *conceptual integration*. A contribution to such an integrative framework is given in the next paper of the series *Integrating Institutions* [Morand 2006].

³⁶ The EU's Environmental Technology Action Plan [CEC 2004f], see above p.11.

References

- ALIA2, 2004;** *South American Community of Nations created: its must be filled with meaningful content*; Agencia Latinoamericana de Información y Análisis 2, Caracas (Venezuela), 27 December, <http://www.alia2.net/article3339.html> (accessed May 2005).
- BBC News, 2005;** *Brazil farmers bury activist nun* (16 Feb.), <http://news.bbc.co.uk/1/hi/world/americas/4266959.stm>.
- Black Max, 1962;** *Models and Metaphors*, Cornell University Press: Ithaca.
- Carson Rachel, 1962;** *Silent Spring*, Houghton Mifflin Company: New York, 297 p.
- CEC, 1972;** *Meetings of the Heads of State of Government. Paris, 19-21 Oct. 1972. The First Summit Conference of the Enlarged Community*; Bulletin of the European Communities (10), 21 p.
- CEC, 1980;** *Progress made in connection with the Environment Action Programme and assessment of the work done to implement it*; Communication from the Commission to the Council, (30 May), Commission of European Communities.
- CEC, 1985;** *Perspectives for the Common Agricultural Policy - Green Paper*, COM (85) 333 (15 July), Commission of the European Communities, (<http://aei.pitt.edu/archive/00000931/>); Brussels, 103 p.
- CEC, 1998;** *Partnership for Integration. A Strategy for integrating Environment into European Union Policies*; Commission Communication to the Cardiff European Council, (June), Commission of European Communities, 10 p.
- CEC, 2001a;** *A Sustainable Europe for a Better World: A European Union Strategy for Sustainable Development (Commission's proposal to the Gothenburg European Council)*, COM(2002)264 final (15 May), Commission of the European Communities, 17 p.
- CEC, 2001b;** *European Governance. A White Paper*, (25 July), Commission of the European Communities; Brussels, 35 p.
- CEC, 2001c;** *White Paper on Governance. Policies for an enlarged Union (Report of Group 6)*, (26 June), Commission of the European Communities; Brussels, 38 p.
- CEC, 2004a;** *2003 Environment Policy Review. Consolidating the environmental pillar of sustainable development*; Communication from the Commission to the Council and the European Parliament, COM(2003) 745 final (2 Feb.), Commission of European Communities; Brussels, 60 p.
- CEC, 2004b;** *Facing the challenge. The Lisbon strategy for growth and employment (Kok Report)*, (1 Nov.), Commission of European Communities; Luxembourg, 51 p.
- CEC, 2004c;** *Fifth Annual Survey on the implementation and enforcement of Community environmental law 2003*; Commission staff working paper, SEC(2004) 1025 (27 July), Commission of the European Communities; Brussels, 43 p.
- CEC, 2004d;** *Integrating environmental considerations into other policy areas - a stocktaking of the Cardiff process*; Commission working document, COM(2004) 394 final (01 June), Commission of the European Communities; Brussels, 38 p.

- CEC, 2004e**; *Integration of Environmental Aspects into European Standardisation*; Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee, COM(2004)130 final (25 Feb.), Commission of the European Communities; Brussels, 18 p.
- CEC, 2004f**; *Stimulating Technologies for Sustainable Development: An Environmental Technologies Action Plan for the European Union*. Communication from the Commission to the Council and the European Parliament, COM(2004) 38 final (28 January), Commission of the European Communities; Brussels, 49 p.
- CEC, 2004g**; *The Amsterdam Treaty: A Comprehensive Guide. The Union and the citizens / Environment*, <http://europa.eu.int/scadplus/printversion/en/lvb/a15000.htm> (accessed 12 Feb. 2004).
- CEC, 2005**; *Working together for growth and jobs. A new start for the Lisbon Strategy*; Communication from President Barroso to the Spring European Council, COM (2005) 24 (02 Feb.), Commission of the European Communities, (www.eu.int/growthandjobs/pdf/COM2005_024_en.pdf); Brussels, 32 p.
- CNASEA, 1997**; *Les mesures agri-environnementales mises en oeuvre en France au titre du règlement européen 2078/92*; Communication to the SFER Conference 'Les mesures agri-environnementales. Premiers bilans des expériences européennes. Une perspective pluridisciplinaire', Paris (France) (3-4 Nov.), Société Française d'Economie Rurale, 38 p.
- CORDIS, 2004**; *Despite poor progress, Lisbon agenda needed more now than ever, concludes Kok report*; Cordis RTD-News, 114 (5 Nov.), 2 p.
- Council of the European Union, 1992**; *Council Regulation 2078/92 of 30 June 1992 on Agricultural Production Methods Compatible with the Requirements of the Protection of the Environment and the Maintenance of the Countryside*; Official Journal of the European Communities (L215) 85:90.
- Council of the European Union, 1999**; *Council Regulation (EC) No 1257/1999 (17 May 1999) on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations*; Official Journal of the European Communities (L 160) 80:102.
- Dhondt Nele, 2003**; *Integration of Environmental Protection into other EC Policies; Legal Theory and Practice*; The Avocetta Series, Europa Law Publishing: Groningen (The Netherlands), xviii + 532 p.
- Duncan Allan G., 2000**; *The History of IMPEL, the European network for the implementation and enforcement of environmental law*; IMPEL 2000 Conference on Compliance and Enforcement, Congress Centre Villach (Corinthia, Austria) (11-13 Oct.), 9 p.
- Durkheim Émile, 1893 (1984)**; *The Division of Labour in Society*; Theoretical Traditions in the Social Sciences, Giddens A., MacMillan: Basingstoke (UK), lix + 353 p.
- Dwyer Janet, David Baldock, Guy Beaufoy, Harriet Bennett, Philip Lowe and Neil Ward, 2003**; *Europe's Rural Futures – The Nature of Rural Development II. Rural Development in an Enlarging European Union*, (Aug.), WWF, The Land Use Policy Group, The Countryside Agency,

- Countryside Council for Wales, English Nature, Environment Agency, Scottish Natural Heritage, Institute for European Environmental Policy, The Centre for Rural Economy, Leeds University, IDRISI, 146 p.
- EEA, 1999;** *Chemicals in the European Environment: Low Doses, High Stakes?*, European Environmental Agency, UNEP, 35 p.
- EEA, 2003;** *Europe's environment: the third assessment*, European Environmental Agency, Office for Official Publications of the European Communities: Luxembourg, 344 p.
- EEA, 2005;** *Environmental policy integration in Europe. State of play and an evaluation framework*, 2/2005 European Environmental Agency; Copenhagen (DK), 69 p.
- EESC, 2004;** *Assessing the EU sustainable development strategy - exploratory opinion*; Opinion of the EESC, NAT/229 - CESE 661/2004 (28 April), European Economic and Social Committee, (<http://www.esc.eu.int>); Brussels, 30 p.
- Ellerman David P., 2005;** *Helpking People Help Themselves: From the World Bank to an Alternative Philosophy of Development Assistance; Evolving Values for a Capitalist World Series*, Goodwin N., University of Michigan Press, 360 p.
- Environment News Service, 1999a;** *Moscow Police Threaten Anti-Nuclear Activist* (17 Sept.), 4 p., <http://www.ens-newswire.com>.
- Environment News Service, 1999b;** *Nikitin Acquitted* (31 December), 4 p., <http://www.ens-newswire.com>.
- Environment News Service, 2000a;** *Goldman Prize Awarded Early to Jailed Mexican Farmer-Ecologist* (5 April), 4 p., <http://www.ens-newswire.com>.
- Environment News Service, 2000b;** *Russia's Highest Court Clears Nikitin of Treason* (13 Sept.), 4 p., <http://www.ens-newswire.com>.
- Environment News Service, 2003;** *European Farm Policy Reform Slashes Subsidies* (30 June), <http://www.ens-newswire.com>.
- Environment News Service, 2005a;** *States, Green Groups File Suit to Block Bush Mercury Rule* (18 May), 4 p., <http://www.ens-newswire.com>.
- Environment News Service, 2005b;** *U.S. Seeks to Remove Biotech Food Labeling From Codex Agenda* (16 May), 5 p., <http://www.ens-newswire.com>.
- Europa, 2005;** *Rural development in the EU*; Press release, Memo/05/215 (21 June), Commission of the European Communities, (<http://www.europa.eu.int>), 3 p.
- European Convention, 2003;** *Draft Treaty establishing a Constitution for Europe*; submitted to the European Council in Rome, CONV 850/03 (18 July); Brussels, 265 p.
- European Council, 2002 (1957);** *Consolidated version of the Treaty establishing the European Community*; Official Journal of the European Communities, 24 Dec., 152 p.
- European Council, 2002 (1992);** *Consolidated version of the Treaty on European Union*; Official Journal of the European Communities, 24 Dec., 47 p.
- European Parliament and Council of the European Union, 2002;** *Decision No 1600/2002/EC laying down the Sixth Community Environment Action Programme*; Official Journal of the European Communities (L 242, 10.9.2002), 22 July, 15 p.

- Eurostat, 2004;** *Innovation in Europe. Results for the EU, Iceland and Norway. Data 1998-2001*, European Communities; Luxembourg, 295 p.
- Finger J. Michael and Philip Schuler (eds.), 2004;** *Poor People's Knowledge. Promoting Intellectual Property in Developing Countries*, The World Bank and Oxford University Press: Washington, DC, 250 p.
- Flap Henk, 2003;** *No man is an island: the research programme of a social capital theory*; in Lazega E. and O. Favereau (eds.), *Conventions and Structures in Economic Organization: Markets, Networks and Organizations*, Edward Elgar Publishing: Cheltenham, UK - Northampton, MA, USA, 29:59.
- Gersick Connie J. G. and Richard J. Hackman, 1990;** *Habitual Routines in Task-performing Groups*; *Organizational Behavior and Human Decision Processes*, 47, 65:97.
- Gertler Meric S., 2003;** *Tacit knowledge and the economic geography of context, or The undefinable tacitness of being (there)*; *Journal of Economic Geography*, 3, 75-99.
- Grant Wyn, Duncan Matthews and Peter Newell, 2000;** *The Effectiveness of European Union Environmental Policy*, Macmillan Press: Basingstoke and London (UK), 237 p.
- Hagedorn Konrad (ed.), 2002;** *Environmental Co-operation and Institutional Change. Theories and Policies for European Agriculture*, Edward Elgar: Cheltenham (UK), 416 p.
- Hodgson Geoffrey M., 1997;** *The ubiquity of habits and rules*; *Cambridge Journal of Economics*, 21, 663:684.
- IEEP, 2001;** *The effectiveness of EU Council integration and options of carrying forward the 'Cardiff' process*, Institute for European Environmental Policy; London, 66 p.
- Ison Ray and David Russel, 1999;** *Agricultural Extension and Rural Development. Breaking out of Traditions*, Cambridge University Press: Cambridge, 251 p.
- James Peter, 1997;** *The Sustainability Circle: a new tool for product development and design*; *Journal of Sustainable Product Design* (2), 52:57, <http://www.cfsd.org.uk/journal/>.
- Lipietz Alain, 2004;** *Trois fées sur le berceau de la Communauté Sud-Américaine*, (8 December), (http://www.lipietz.net/breve.php3?id_breve=28, accessed in Dec. 2004).
- Lipietz Alain, 2005;** *Report to the Committee on Foreign Affairs and the Committee on Development on the Working Party mission to Venezuela from 8 to 11 February 2004*, PE 356.177/REV. (17 Feb.), European Parliament, Delegation for relations with the countries of the Andean Community; Brussels, 16 p.
- Malone Thomas and Gary H. Yohe, 2002;** *Knowledge partnerships for a sustainable, equitable and stable society*; *Journal of Knowledge Management*, 6 (4).
- Meadows Donella H., Dennis L. Meadows, Jorgen Randers and William Behrens, 1972;** *The Limits to Growth: a Report for the Club of Rome's Project on the Predicament of Mankind*, Universe Books: New York, 205 p.
- Meier G. and J. E. Stiglitz (eds.), 2001;** *Frontiers of Development Economics*, The World Bank and Oxford University Press: Washington and Oxford, 575 p.

- Morand Frédéric, 1999;** *Articuler agriculture, environnement et tourisme: l'analyse des logiques d'acteurs comme outil d'organisation du territoire. Une application de la théorie de la justification [Joining agriculture, environment and tourism: stakeholders' justifications analysis as a tool for regional development (an application of the justification theory)];* doctoral dissertation, Economie des institutions, Ecole des Hautes Etudes en Sciences Sociales (EHESS), Paris, 319 p. + annexes.
- Morand Frédéric, 2006;** *Integrating concepts of institutions: a comparative introduction to Thévenot's conventions (WP2);* IDARI Working Paper, (May), Eco Innovation / Humboldt University of Berlin - RTD project QLRT-2002-02718, (www.eco-innovation.net); Galway (Ireland), 30 p.
- OECD, 1996a;** *Responsive Government. Service Quality Initiatives;* Papers Presented to a Symposium Organised by the Public Management Service of the OECD, Paris (7-8 Nov. 1994), 298 p.
- OECD, 1996b;** *Territorial Development and Human Capital in the Knowledge Economy: Towards a Policy Framework,* Organisation for Economic Co-operation and Development; Paris, 45 p.
- OECD, 2003;** *Environmentally Harmful Subsidies Policy Issues and Challenges;* Proceedings of the OECD Workshop on Environmentally Harmful Subsidies, (7-8 Nov. 2002), Organisation for Economic Co-operation and Development; Paris, 216 p.
- OECD, 2004;** *Agriculture and the Environment: Lessons Learned from a Decade of OECD Work,* (June), Organisation for Economic Co-operation and Development; Paris, 36 p.
- Ostrom Elinor, 2000;** *Social Capital: A Fad or a Fundamental Concept;* in Dasgupta P. and I. Serageldin (eds.), *Social Capital: A Multifaceted Perspective,* The World Bank: Washington D.C, 172:214.
- Ostrom Elinor, 2005;** *Understanding Institutional Diversity,* Princeton University Press: Princeton, 355 p.
- Ostrom Elinor and T. K. Ahn (eds.), 2003;** *Foundations of Social Capital;* Critical Studies in Economics Institutions, Hodgson G. M., Edward Elgar: Cheltenham (UK) and Northampton (USA).
- Pezaros Pavlos D., 2001;** *The Environmental Dimension of the Common Agricultural Policy - An Overview;* Seminar "The CAP and the Environmental Challenge - New Tasks for Public Administrations?" European Institute of Public Administration, Maastricht (NL) (14-15 May), 32 p.
- Portal Amazônia, 2005;** *Land seizures threat the father and the interior of Amazonas: "The same thing could happen that happened with Dorothy Stang"* (accessed Nov.), <http://portalamazonia.globo.com/apresenta-noticias.php?idN=24308&idLingua=2>.
- REC, 2000;** *DG Env. - NGO Dialogue Group. Summary of the Second Meeting,* (17-19 June), Regional Environmental Center for CEE, (<http://www.rec.org>); Brussels, 69 p.
- REC, 2001;** *DG Env. - NGO Dialogue Group. Summary of the Fourth Meeting,* (22-23 April), Regional Environmental Center for CEE Countries, (<http://www.rec.org>); Brussels, 62 p.
- Rennings Klaus, 2000;** *Redefining innovation - eco-innovation research and the contribution from ecological economics;* *Ecological Economics*, 32, 319:332.

- Schumpeter Joseph A., 1911 (1983);** *The Theory of Economic Development: An inquiry into profits, capital, credit, interest and the business cycle*, Transaction Publishers: Piscataway (NJ), 255 p.
- Stiglitz Joseph E., 1999;** *Participation and Development: Perspectives from The Comprehensive Development Paradigm*; Communication, (27 Feb.), World Bank; Seoul, Korea, 31 p.
- The European Conference on Rural Development, 1996;** *The Cork Declaration. A living countryside*, Cork (7-9 November), 3 p.
- Thévenot Laurent, 2001;** *Pragmatic regimes governing the engagement with the world*; in Schatzki T., K. Knorr-Cetina and E. v. Savigny (eds.), *The Practice Turn in Contemporary Theory*, Routledge: London, 56-73.
- Thévenot Laurent, Francois Eymard-Duvernay, Olivier Favereau, André Orléan and Robert Salais, 2005;** *Values, coordination and rationality: the economy of conventions*; in Oleinik A. N. (ed.), *The Institutional Economics of Russia's Transformation*, Ashgate: Aldershot (UK), 21-44.
- United Nations, 1995;** *Report of the World Summit for Social Development (Copenhagen Declaration)*, (6-12 March); Copenhagen (Denmark), 132 p.
- Wallace H and W Wallace (eds.), 1996;** *Policy-Making in the European Union*, Oxford University Press: Oxford (UK).
- Warner Richard, 1999;** *A report on the European Union rural development policy. The LEADER programme - The rural community initiative*, (July); New Norfolk (Tasmania), 68 p.
- World Commission on Environment and Development, 1987;** *Our Common Future*, Oxford Paperbacks: Oxford and New York, 400 p.
-