

# **White Paper on ICLEI's Footprint**

A Background Paper on ICLEI's Sustainability Management Instruments – *ecoBUDGET* and Triple Bottom Line, and Ecological Footprint to foster discussion on the potential ICLEI's Footprint Initiative.

February 2006

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# ICLEI's Footprint Initiative

## Eco-efficiency for Equity and Sustainability

Sustainable development is the process of enhancing all people's well being within the ecological capacity of one planet, Earth. On a global scale, however, humanity is already using ecological resources over 20 per cent faster than those resources can be renewed. In other times, our Footprint – either individually or collectively – is larger than what is sustainable.

The global effort for sustainability will be determined at the local government level, where urban design may influence over 70 per cent of people's Ecological Footprint. ICLEI Members and their communities have expressed concern about this global 'overshoot' in their Local Agenda 21 processes. Currently, existing technology makes it possible for large-Footprint cities to reduce this demand on nature by a factor of four.

Since urban infrastructure is long lasting and influences resource needs for decades to come, the urban policy and infrastructure decisions made today will determine a city's future. Two questions emerge:

1. Which cities are building infrastructure and implementing policies that condemn themselves to long-term resource inefficiency? Conversely, which cities are preparing themselves by laying the groundwork today for their city's resource-efficient, secure, and more competitive future?
2. Are we, local governments united in ICLEI, achieving "tangible improvements in global sustainability", according to ICLEI's mission? Are we reducing humanity's Footprint by increasing eco-efficiency? Are we reducing it fast enough? And are we inviting enough cities into ICLEI in order to be the global force we want to be?

In response to these questions, ICLEI members agreed to develop worldwide consciousness and a sense of responsibility regarding the need to use natural resources in an eco-efficient manner. This led to the mandate for an Eco-efficient cities strategy in the current Strategic Plan 2004 – 2009 (the 'Athens Plan'). The idea was that eco-efficiency may serve as the umbrella for applying ICLEI's sustainability management instruments, which have been developed for unwavering implementation of local sustainable development. Sustainability can only be achieved within the limits of our natural resources!

ICLEI's Sustainability Management Program in cooperation with Global Footprint Network is, therefore, proposing that ICLEI launch the ICLEI's Footprint Initiative. The purpose of this Initiative is to communicate more effectively the global and local resource challenge through the tracking of ICLEI Members' Ecological Footprints. At the end of

the day, these will amount to the cumulative ICLEI Footprint. The Footprint will allow Members to monitor demand on Earth's resources and keep track of progress towards eco-efficiency.

London, UK recently calculated its Footprint, and Mayor Ken Livingstone had this to say: "For the first time we have an overall picture of London's metabolism, how resources are used and where action might be taken to increase our efficiency and become more sustainable."

The long-standing and successful experiences with management instruments developed by ICLEI together with Member cities will serve as mechanisms for unwavering implementation of sustainability-related policies within cities to manage their resources eco-efficiently and thus, reduce their Ecological Footprint.

Ecological Footprint, *ecoBUDGET* and Triple Bottom Line are instruments that are used by local governments worldwide to analyze and manage sustainability challenges in the urban context with a focus on the environment. The ICLEI Footprint Initiative aims to use the Ecological Footprint to present environmental achievements of Members. ICLEI's instruments (in particular *ecoBUDGET* and Triple Bottom Line) shall be used as mechanisms for conscious and responsible management aimed at reducing the Footprint. The potential of combining the Ecological Footprint with ICLEI's instruments opens up new opportunities for local government, for instance:

- it allows for the establishment of (global) comparability and benchmarks;
- it links local efforts toward sustainability with global aspects;
- it maintains flexibility to monitor specific issues of local priorities; and
- it integrates both aspects into a coherent sustainability-oriented management framework with politically agreed targets.

The Footprint Initiative would consist of two elements:

1. ICLEI Members would introduce the Ecological Footprint as a tool to track resource demand, while at the same time showing and communicating collective Footprint savings both to their citizens and to a global community. The Ecological Footprint of a local government will help to answer questions such as:
  - Are we, ICLEI and its Members, making a significant enough contribution to sustainability?
  - Are we reducing humanity's Footprint?
  - Are we reducing it fast enough?
2. City administrators and local politicians would use Ecological Footprint in line with ICLEI tools (*ecoBUDGET* and/or Triple Bottom Line) to advance their sustainability initiatives more effectively.
  - Are we ambitious enough?
  - Is our management of natural resources efficient?
  - Which activity was efficient and effective, and which was not?

- Where are we, compared to others and compared to global limits?
- What can we learn from others?

The plan for the development of the ICLEI Footprint Initiative is as follows:

1. ICLEI's global membership launch an initiative for the integrated management of environmental resources with global resource- consciousness, by which members commit themselves to introduce *ecoBUDGET* in their municipalities with Ecological Footprint as common key indicator. The goal set by ICLEI's members at the occasion of the Cape Town Congress would be that in three years time all member local governments would have calculated their Footprints and start introducing an eco-efficiency strategy using ICLEI's management instruments as distinct set of tools to manage their natural resources. The ultimate goal is that all ICLEI members would have calculated their Footprint as part of their sustainability management and presents their Footprint at each World Congress.
2. In the year 2006, at least four pilot local governments with different conditions agree to participate in a pilot project to introduce Ecological Footprint as part of an integrated management approach. The four local governments participating will face different challenges in regard to their environmental management issues, resource base, wealth, climate, size, transportation system, etc. Ideally, the four local governments would represent local governments from:
  - industrialized, OECD countries;
  - a developing country with a fast growing economy;
  - a developing country with a small economic base yet fast growing population; and
  - a country of an economy in transition.

An initial Footprint calculation would establish the baseline for eco-efficient management as part of an integrated management approach based on ICLEI's instruments *ecoBUDGET* and Triple Bottom Line. This pilot will serve as a feedback loop for ICLEI and Global Footprint Network to optimize the management approach. This activity is accompanied by a number of local initiatives to increase public consciousness and to identify and realize Footprint saving projects. In result, a concept integrating Footprint and ICLEI's management instruments (in particular *ecoBUDGET* and Triple Bottom Line) will be available. ICLEI will call for pilot cities willing to participate in the eco-efficient cities initiative to test the ICLEI Footprint tool-set.

3. The pilot phase will be extended to other local governments during 2007, when results from the first phase are available, when funding is secured and when the means to standardize the ICLEI Footprint Initiative are established.
4. All ICLEI Members will have introduced Footprint accounting during 2008. This accounting will take place in a standardized, simplified and cost-efficient way. The Initiative aims at comparability and bench-marking but not necessarily

complete accuracy. ICLEI Members will be able to report their successes in achieving sustainability in a common currency, the Ecological Footprint. The ultimate goal is the presentation of ICLEI's tangible improvements of global sustainability conditions.

5. All ICLEI Members will present their Footprint at the occasion of the ICLEI World Congress 2009. This will lead to the implementation of an eco-efficiency management process based on ICLEI's management instruments.
6. Every third year from then on, ICLEI Members will present their Footprint prior to each ICLEI World Congress to aggregate the ICLEI Footprint.

# 1.1 Ecological Footprint

## Advancing Sustainability

The Ecological Footprint serves as a powerful lever for fostering sustainability by providing a common language and a clearly defined – and scientifically valid – way of measuring human demand on a planet with limited resources.

The Ecological Footprint is a resource management tool that measures how much land and water area a human population requires to produce the resources it consumes and to absorb its wastes with currently-available technologies. The Ecological Footprint for the world as a whole is the product of population times per capita consumption, and reflects both the level of consumption and the efficiency with which resources are turned into consumption products.

Today, humanity's Ecological Footprint is over 23 per cent larger than what the planet can regenerate. In other words, it now takes more than one year and two months for the Earth to regenerate what we use in a single year. We maintain this overshoot by liquidating the planet's ecological resources; demands exceed what nature can continually supply. Overshoot is a vastly underestimated threat and one that is not adequately addressed.

By measuring the Ecological Footprint of a local government (or an individual, or government, or all of humanity), we can assess our overshoot, which helps us to manage our ecological assets more carefully. Ecological Footprints enable local governments and its citizens to take collective and personal actions in support of sustainability.

## 1.2 CASE SUMMARY: SONOMA COUNTY, CALIFORNIA, USA

### **Program Name**

Ecological Footprint Project

### **Municipal Profile**

**Population:** .5 million

**Project Budget:** Sonoma County Ecological Footprint Project - \$25,000 USD  
Climate Protection Campaign – about \$50,000 USD for each of the first four years

**Land Area:** information not available

**Economic Activities:** health care, tourism, high tech industry, and agriculture

**Environmental Expertise:** sustainability, Ecological Footprint, and climate protection

**Municipal Website:** [www.sonoma-county.org](http://www.sonoma-county.org)

### **Issue Addressed**

Environmental Sustainability

### **Program Goals**

The goal of the Ecological Footprint Project was to get the local governments and wider public interested in the sustainability challenge, and more specifically, to make planetary limits relevant to local policy debates. The chosen process was to build an engagement process with elected officials and the public around the assessment of Sonoma County's Ecological Footprint. Hence, this project was not only focused on calculations, but also listening to concerns and then disseminating results from the project as widely as possible as a context for exploring possible future action for advancing Sonoma County's sustainability.

The success of the Footprint project was the stepping stone for an aggressive Footprint reduction initiative in the form of a Climate Protection Campaign. This campaign reached all the cities of Sonoma County, with all the cities committed to reducing their greenhouse gas (ghg) emissions. The mission of the Climate Protection Campaign is “to create a positive future for our children and all life by inspiring action in response to the climate crisis. We advance practical, science-based solutions for significant ghg reductions.”



## **Program Abstract**

To inform, inspire, and engage the community, Sustainable Sonoma County embarked on two seminal initiatives in 2001. The first was the Ecological Footprint Project that included four parts:

- 1) calculate the County's per capita Footprint;
- 2) have two focus groups – scientists and community leaders review the results;
- 3) write a report of the results; and
- 4) hold a workshop for the community about the results. This was done in close collaboration with county administrators, but was funded independently.

The second initiative was to reduce the County's Footprint. This initiative took advantage of ICLEI's Cities for Climate Protection, initiated by the Sonoma County-based non-profit, the Climate Protection Campaign.

Results of the Climate Protection Campaign included setting five national precedents:

- all cities and the County joined Cities for Climate Protection and pledged by resolutions to reduce their ghg emissions;
- all mayors signed the U.S. Mayors Climate Protection Agreement;
- all cities and the County calculated emissions from their municipal operations;
- all cities and the County set a target to reduce emissions from their municipal operations; and
- all cities and the County set a target to reduce emissions community-wide – 25 per cent below 1990 levels by the year 2015. This is the boldest community target in the U.S.

Overall, the Sonoma County community became aware of sustainability – how to measure it and how unsustainable humanity actually is - through the Ecological Footprint Project. The Project also engaged many sectors such as local elected officials, scientists, academics, community leaders, and the community at large through the extensive media coverage the project received.

Other local governments can duplicate both initiatives. Rather, the principle of engaging with the entire community and having potential disagreements and controversies be part of the project (and energize it), as opposed to keeping controversies out of the official project with the consequence that these controversies eventually stop the project from the outside, is a universal principle of an effective public engagement process.

## **Financing**

The Ecological Footprint Project was funded by the U.S. EPA (\$10,000 USD) and Sustainable Sonoma County (\$15,000 USD largely in kind)

The Climate Protection Campaign is funded through a variety of sources, primarily government and individual donors.

## **Staff**

The initiatives were staffed primarily by community activists who mostly volunteered their time and received only partial compensation. In both initiatives, they worked closely with elected officials and administrators. Analysis of the Footprint was contracted out to a research institute.

## **Lessons Learned**

Good tools and measures coupled with trusted, dedicated champions who employ a carefully-honed strategy can turn a big vision into bold action.

Early on, the carrier of the Footprint project realized that the Footprint story could be quite controversial. Rather than getting mired in controversy, the project used controversy and debate as an engine to advance the Footprint idea in Sonoma County. This was done by inviting controversy into the focus groups, and reporting on that controversy in the final report. This made the final report not only more interesting, but helped get more local media coverage. The wide popularity of the Footprint project and its effective communication and engagement strategy made it possible to bring the nine cities to commit to significant reductions in ghg emissions.

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## 1.3 Case Summary: Mexico City, Mexico

### **Program Name**

Ecological Footprint of Mexico City

### **Municipal Profile**

**Population:** approx. 12 million (depending on boundaries, and source of information)

**Project Budget:** \$7,000 USD

**Land Area:** 1,547 square kilometres

**Economic Activities:** services (national, federal, and local government), industries, business, commerce (formal and informal), tourism, education, and health care

**Environmental Expertise:** air pollution and water

**Municipal Website:** [www.sma.df.gob.mx/huellaecologica](http://www.sma.df.gob.mx/huellaecologica)

### **Issue Addressed**

Sustainability as a management concept

### **Program Goals**

The long-term goal of this initiative is to establish the Ecological Footprint as a planning tool for Mexico City. This tool should not only help advance Mexico City's sustainability but help the city plan for promoting a resource-efficient infrastructure that keeps Mexico City prepared for future resource shortages.

The goal of the first phase of this project is to build academic and popular interest in using the Ecological Footprint as a planning tool for Mexico City. This initiative is designed to support a number of City programs: Local Agenda 21; the Climate Action Program; the City's statistical office; the City's environmental education programs; the soil conservation initiative; and environmental decision-making in general.

This goal of the first phase of this project is achieved through a number of steps:

- production of an informational brochure on the Ecological Footprint of Mexico City, and the organization of conferences and discussion forums;
- development of materials and data bases needed for calculating the Ecological Footprint;
- development of a website on these materials; and
- building of a personal Footprint calculator using local data.

## **Program Abstract**

**Consultative process.** The consultative process of this project culminated in eight meetings over 2005 and included the following groups: representatives from government institutions, academic institutions, local leaders and beneficiaries of the project. The process also received input from Global Footprint Network (U.S.A.), the Department of Local Agenda 21 from Munich (Germany), and the geography department from the Universidad de Murcia (Spain).

The informational brochure on the Footprint initiative was distributed to NGOs, the private sector, educational institutions and branches of government. Action steps were identified, including ideas on how to use the results. Also a strategy was laid out to discuss method, possible applications and longer term strategies on how to use this tool. A website was also established at <http://www.sma.df.gob.mx/huellaecologica/>

**Activities.** The workplan for 2006 includes the following:

- further distribution of brochure, including at the 4th World Water Forum 2006;
- workshops and presentations on the Ecological Footprint of Mexico City.
- calculation of Mexico City's Ecological Footprint; and
- development of proposals to attract financial support for the Ecological Footprint Project.

**Contextual elements.** One of the most important reasons for the emerging interest is that the city government had prepared a Local Agenda 21 document containing a climate action strategy. In this way, the Footprint project – with a strong focus on greenhouse gas emissions – builds synergy with other programs already underway. Further, there is a new culture of policy accountability, looking at quantitative measures relevant to quality of life. Beforehand, local governments showed little interest in such measures; they may have seen initiatives such as the Ecological Footprint as an intrusion.

The fact that there are people in Mexico with experience with the Ecological Footprint, plus the presence of institutions able to lead such projects and convene interested parties, were significant factors in getting the Government of Mexico City involved.

## **Financing**

The first stage of this project was mainly financed through private donations from citizens and organizations that saw the relevance of the Ecological Footprint for Mexico City. The initiative then received support from the Friedrich Ebert Stiftung – mainly for the publication of the initial brochure. Currently the project is looking for funding to continue the project.

## **Staff**

The project is supported by two people from the areas of environmental education, one person from ecological economics, and two technical support people. There is a steering group that may be expanded from its current configuration of three persons. Providing

input are Mexican educational institutions, city departments, and independent consultants. In general, the staff of this project is mainly volunteers participating in their spare time.

### **Lessons Learned**

The biggest challenge so far has been the political timeframes and election cycles that are not sensitive to longer-term issues. For instance in Mexico City, local government cycles are merely three years. Further, with sustainability and environmental concerns being at the margin of local policy interest, it has been difficult to secure financial support for the initiative. Hence it only moved forward due to non-governmental funding sources such as private individuals and international foundations.

In spite of that, the project was able to develop a steering group with local, national and international institutions and representatives of the local administration, educational organizations and individuals. This has been key to the success of this first phase.

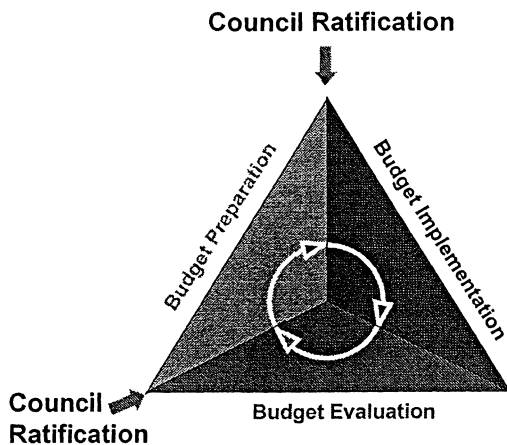
Developing a common language across these various institutions and clarifying the common expectations has been valuable, and there is now a much clearer sense of the possibilities and limitations of the Footprint initiative. Hence, even prior to calculating Mexico City's Footprint, producing the Footprint brochure has moved all contributing organizations forward and generated significant momentum for the Footprint project.

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## 2.1 *eco*BUDGET

Shouldn't natural resources be managed as economically as our artificial resources such as money?



*eco*BUDGET, ICLEI's environmental management system developed and piloted together with ICLEI members since 1995, allows local governments to present tangible achievements of their sustainability-oriented policies to the greater public by examining the use and consumption of these natural resources. Without assigning monetary value to the environment, *eco*BUDGET applies the principles and methodology of financial budgeting to the management of natural resources following the basic management routines in a periodic cycle.

*eco*BUDGET is unique in its requirement that established quantitative long-term and annual targets must be ratified and legitimated by the city council and as a result, can influence the direction of local environment policies. The results and achievements are brought forward to political decision-makers through a report and budget balance to implement targets and measures for the next budget period. Through the use of indicators, *eco*BUDGET regularly informs elected officials, staff and public on how local decisions impact natural resources.

*eco*BUDGET is a highly efficient way to realize and update the Local Agenda 21 action plan. It can easily be integrated with other environmental management and planning instruments. Moreover, it links environmental issues with other sustainability goals, like poverty alleviation and viable local economies, and is a means to implement the Millennium Development Goals.

In conclusion, *eco*BUDGET is a cross-cutting capacity development initiative for local governments towards sustainability. The *eco*BUDGET agency has been established to support implementation in cities worldwide.

## 2.2 CASE SUMMARY: VÄXJÖ, SWEDEN

### **Program Name**

*eco*BUDGET - Europe

### **Municipal Profile**

**Population:** 76,000

**Project Budget:** about \$120,000 USD per year (estimated)

**Land Area:** 1,674 square kilometres

**Economic Activities:** small business, agriculture, forestry, tourism, glass handicrafts, and education institutions

**Environmental Expertise:** climate change protection, environmental management, land use management

**Municipal Website:** [www.vaxjo.se](http://www.vaxjo.se)

### **Issue Addressed**

Environmental budgeting

### **Program Goals**

Through the project European *eco*BUDGET, Växjö officially adopted the *eco*BUDGET system within the management procedures of the administration. The project also involved five other European local authorities - Lewes, Bologna, Ferrara, Amaroussion, and Kalithea - with the assistance of the ICLEI European Secretariat, the Regional Environmental Protection Agency of Emilia-Romagna, and the *eco*BUDGET cities Heidelberg and Dresden.

Within the three-year project, Växjö demonstrated the suitability of *environmental budgeting* as an integrative sustainability-related environmental management system at the local level. It completed a full budget cycle with the set up, implementation, and a balance of an environmental budget, then adopted the system on a regular basis. Focusing the system on all the environmental indicators, it developed the capacity to plan, monitor, report (and thus improve) the use of environmental resources at the local level. At the same time, Växjö profited from networking with other European local governments, contributing to a heightened sense of awareness about the Project.

### **Program Abstract**

Växjö prepared an *eco*BUDGET master budget (the core document of the *eco*BUDGET process) for the first time in 2002, in consultation with the various departments and with the involvement of political parties and external stakeholders. Workshops with other

cities and a field visit from ICLEI experts contributed to the final selection of resources and indicators. The master budget was based on transparent quantitative targets, with all departments involved in selecting the indicators. In March 2003, the city council ratified the master budget through a unanimous vote, thereby making the environmental goals of the administration politically and voluntarily binding. One year later, the budget balance was drafted to demonstrate publicly what targets had been met and identify which targets deviated from the goal. All departments were also involved in implementing the measures and in their evaluation. Since then, the *ecoBUDGET* cycle has run annually. As a result of media, stakeholders and regional authority involvement, there is a high level of participation in *ecoBUDGET*.

Another important feature of Växjö's adoption of *ecoBUDGET* is the parallel and continuous interaction with the financial budget. Both budget cycles follow the same procedures and time schedule, so that management with financial justification of environmental related measures is always possible. Moreover, the measures plan, updated quarterly through a monitoring and accounting mechanism that allows for short-term corrective measures, is linked with the Local Agenda 21 Action Plan.

*ecoBUDGET* is implemented similarly in 11 other European local authorities. The differences between these local authorities – be they cultural, economic, political, or environmental – demonstrated that the *ecoBUDGET* process could be easily duplicated in different countries. The key lesson is that such differences must be taken into account.

### **Financing**

The primary indirect cost is staff time. The only direct external costs is for consultants to design and deliver workshops and training programs, especially in the first years of adoption.

### **Staff**

After the end of the EU funded project (2002-2004) a project coordinator (some hours per week) is involved. The heads of departments and other local experts are involved as well for short periods of time.

### **Lessons Learned**

The municipality of Växjö identified the following main advantages:

- the establishment of a continuous arena for environmental questions;
- the integration of environmental goals with the financial budget;
- the systematization of planning, implementation and follow-up;
- the enhancement of capacity and knowledge;
- the cross-departmental contacts; and
- the flexibility of the system.



The challenges of the system were mostly related to the terminology, and with the integration of other steering documents.

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## 2.3 Case Summary: Tubigon, Philippines

### **Program Name**

*ecoBUDGET* – Asia

### **Municipal Profile**

Population: 40,000

Project Budget: not available

Land Area: 40 square kilometres

Economic Activities: commercial port, fisheries

Environmental Expertise: climate change, sea coastal management, land use management

Municipal Website: [www.bohol.ph/municipality.php?id=46](http://www.bohol.ph/municipality.php?id=46)

### **Issue Addressed**

Environmental budgeting

### **Program Goals**

Through the participation to the project *ecoBUDGET* -ASIA, the municipality of Tubigon considers itself to be the first Asian municipality to declare its environmental quantitative targets and to commit voluntarily to meet them within specific terms in a transparent process.

During city-to-city exchanges, Tubigon will receive training and technical assistance on the *ecoBUDGET* process from the city of Växjö (Sweden) and from ICLEI during all stages of its application until the end of 2007. In turn, Tubigon will provide feedback on the tool's adaptability to regional differences for wider-scale adoption in Asia. Another goal of the project is to determine if *ecoBUDGET* can assist a municipality in dealing with other aspects of sustainability, such as poverty alleviation and supporting viable local economies.

When the project is completed in 2007, Tubigon is planning to adopt *ecoBUDGET* as an ongoing management tool.

### **Program Abstract**

Within the funded project framework, Tubigon will receive two field visits and will take part in five workshops (together with the provincial administration of Bohol). Moreover, the local project team will work on a regular basis together with the provincial administration of Bohol and with the 34 local *barangays* (villages), important elements of Filipino society.

Tubigon prepared the *ecoBUDGET* master budget (the core document of the *ecoBUDGET* process) in 2005, with in-depth consultation within the different departments, and the involvement of representatives from the villages (*barangays*) and representatives from the Province (Bohol). As a result, Tubigon is the first example of *ecoBUDGET* being implemented in close cooperation with other administrative levels. In December 2005, the city council ratified the master budget unanimously, thereby making the environmental goals of the administration politically and voluntarily binding. In 2006, the administration is going to implement the measures that will achieve the identified targets.

With the ratification of the *ecoBUDGET* master budget within the city council, Tubigon is now the first non-European municipality to voluntarily declare its environmental targets for the coming year and subsequent budget cycle. National-level workshops will now be held to consider applying the system in other municipalities in the Philippines.

A very important aspect of the local implementation is the special focus of *ecoBUDGET* on other sustainability aspects like poverty alleviation and support of local viable economies. In particular, all indicators selected have been evaluated according to this perspective. This is very valuable in the development of the *ecoBUDGET* system into a complete sustainability management system.

### **Financing**

*ecoBUDGET* implementation will be partially financed by EU's Programme Asia URBS until 2007. After that date, the costs will only be staff time.

### **Staff**

There is a local project coordinator in Tubigon, who is assisted by a project coordinator based in the Province of Bohol. Local experts, assistants and politicians are involved on an as-needed basis.

### **Lessons Learned**

- During the first year, local staff noticed that their approach to their work and ongoing projects shifted to incorporate the principles of *ecoBUDGET*.
- The *ecoBUDGET* process is easily adaptable to local needs and conditions.
- Local media and stakeholders have been favourably impressed by the project.
- The success of *ecoBUDGET* in Tubigon has spread across the province of Bohol, creating the conditions for further application of *ecoBUDGET* in other places.

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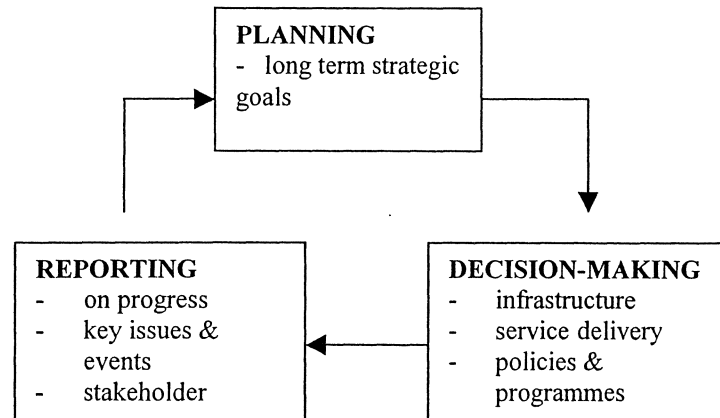
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## 3.1 Triple Bottom Line

Triple bottom line recognizes that in order to make progress on sustainable development goals, we need to consider social, economic and environmental factors simultaneously. Within a local government framework, the integration of these factors is necessary in all decision-making processes, and must be evaluated regularly on their progress. ICLEI Oceania simplifies the implementation of a TBL approach in a cyclical framework that considers planning, decision-making, and reporting, as outlined in the following diagram.



Along with the anticipated social, economic and environmental impacts and benefits, the TBL framework has a number of other benefits including:

- aligning a local government's strategic vision with its decision-making and actions;
- improving governance through the active consideration of stakeholders;
- improving stakeholder relations and dialogue;
- facilitating monitoring, measuring and reporting;
- improving the management of risks and opportunities;
- institutionalizing best practice;
- benchmarking within and between sectors; and
- improving internal communications and helping to retain and attract staff.

ICLEI Oceania has been working with Councils across Australia & New Zealand on the adoption of a TBL approach since 2000, and recently developed a more comprehensive mentoring partnership program for local governments consisting of modules based on the TBL Toolkit. Additionally, ICLEI Oceania launched The Centre for Public Agency Sustainability Reporting to build the capacity of public agencies in reporting their performance against the triple bottom line.

## 3.2 Melbourne, Australia

### **Program Name**

Triple Bottom Line Approach

### **Municipal Profile**

**Population:** 3.8 million

**Project Budget:** not available

**Land Area:** 7,694 square kilometres

**Economic Activities:** manufacturing, automotive industry, and multinational corporations

**Environmental Expertise:** sustainable growth, climate protection, biodiversity, and waste management

**Municipal Website:** [www.melbourne.vic.gov.au](http://www.melbourne.vic.gov.au)

### **Issue Addressed**

Sustainability assessments in Council Reports

### **Program Goals**

The City of Melbourne saw triple bottom line (TBL) as a means to manage their growth sustainably, by monitoring their performance against their economic, environmental, and social responsibilities.

***Social responsibility*** - making decisions that lead to greater physical, cultural and financial access and equity in service delivery and activities;

***Environmental responsibility*** - not using more resources than required to deliver activities and services; and

***Economic responsibility*** - promoting and maintaining a city's economic development and growth in a sustainable manner.

### **Program Abstract**

The City of Melbourne wanted to incorporate sustainability priorities and TBL indicators into their corporate planning process to set the future direction for council operations, and to guide how policies would be conceptualized into actual programs.

Specific benefits included:

- enabling the corporation of the City of Melbourne to measure and report on its progress against sustainability priority targets;
- allowing for balanced and meaningful public reporting on issues across the municipality;
- improving accountability to the community;

- identifying immediate, short and long-term priorities for moving closer to the goal of sustainability;
- allowing priorities to be set and resource allocation to occur based on more complete consideration of social, environmental and economic effects;
- making more efficient use of resources to maximize economic, environmental and social outcomes;
- direct impacts on the external community i.e. creating sustainable markets by purchasing green products;
- establishing TBL performance trends over time resulting in improvements; and
- engaging City departmental and divisional managers in implementing and enhancing their program areas.

In the City of Melbourne, the triple bottom line approach was integrated into the City's 10-year City Plan, a guiding strategic document split into environmental, economic and social objectives. "A thriving and sustainable city", the City's vision statement, was to be achieved through the triple bottom line approach.

The City of Melbourne chose the formal Council decision-making process – council reports – to assess sustainability goals. The reason for this was because the preparation of Council reports involves all levels of staff, from officers to managers preparing the reports, to the Executive reviewing reports, as well as Council reading the reports and making final decisions.

Melbourne worked with ICLEI to produce a TBL tool that would assist staff in preparing this sustainability assessment. In the simplest term, the TBL tool is a "thinking" tool, which requires users to consider a series of questions related to environmental, economic and social impacts of the recommendation. Users of the tool are required to assess the potential nature, magnitude and likelihood of impacts, triggering users to provide a more detailed response for those impacts determined to be of significance.

Training was conducted with approximately 60 officers who were responsible for routinely writing council reports during November/December 2001, followed by a review of this process in December 2002. The review resulted in the following key changes being made:

- the Sustainability Assessment is no longer an attachment to the council report, but is contained within the body of the report;
- the assessment no longer has environmental, economic and social sub-headings. Rather, the subheadings correspond with City Plan themes; and
- the user friendliness of the tool has been improved by IT and now operates on the City of Melbourne intranet site.

A second series of training was delivered to both staff and executive in early 2003. Feedback from these training sessions indicated that staff were supportive of the process and found the tool useful.

Melbourne has since adapted the tool for Capital Works and Procurement, and is investigating a TBL tool for development of Council policy. As the process of implementation of TBL tools and objectives within the council is a managed, incremental approach, the tools developed are seen as being dynamic. Their application and design are to be continually improved to reflect the growing levels of awareness and knowledge within Council.

### **Financing**

The primary indirect cost was staff time. The only direct external costs were a third party audit of the process, and consultants to design and deliver workshops and training programs.

### **Staff**

Information not available.

### **Lessons Learned**

- Sustainability assessments have resulted in a culture change within the Corporation of the City of Melbourne.
- Sustainability priorities need to be conceptualized on a long-term basis, extending beyond traditional planning periods and beyond election cycles.
- The community needs opportunities to determine the sustainability priorities; this will result in their feeling responsible for finding solutions.
- Ideally, indicators should be a mixture of qualitative and quantitative indicators to ensure a true and comprehensive picture. For example, social well-being is often made up from subjective measurements such as community attitudes as well as factual social conditions and trends.

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### 3.3 HAMILTON, (ON) CANADA

#### **Program Name**

Triple Bottom Line Evaluation Toolkit

#### **Municipal Profile**

**Population:** 490,268 (2001 census)

**Project Budget:** Approximately \$74,000 USD

**Land Area:** 1,112.98 square kilometres

**Economic Activities:** health care, public administration, manufacturing, and education services

**Environmental Expertise:** sustainability planning and management, Local Agenda 21, and climate change mitigation

**Websites:** [www.myhamilton.ca](http://www.myhamilton.ca) and [www.vision2020.hamilton.ca](http://www.vision2020.hamilton.ca)

#### **Issue Addressed**

Integration of sustainability into municipal decision-making processes.

#### **Program Goals**

The short-term program goals were to:

- develop a triple bottom line (TBL) Toolkit to ensure the consideration of sustainability principles in the evaluation of growth options identified for Hamilton's Growth Related Integrated Development Strategy (GRIDS), the City's 30-year growth strategy
- identify other opportunities for the application of a TBL framework to other design and evaluation processes within the City of Hamilton.

The long-term goals was to build the capacity of City of Hamilton staff to conduct integrated analyses of social, economic and environmental factors, in turn allowing TBL thinking into their decision-making process.

#### **Program Abstract**

Since 1992 Hamilton has been committed to a long-standing sustainability program (Vision 2020). This vision was developed within the framework of ICLEI's Local Agenda 21 Planning program.

Every five years the community and the City met to determine how to move forward on Vision 2020. During consultations held in 2003, citizens asked the City to develop an evaluation tool that would ensure the sustainability principles and goals in Vision 2020 were integrated directly into the City's GRIDS growth management strategy – a plan for

the development of the City over the next 30+years. GRIDS will determine where future growth will occur and how the City will provide and finance infrastructure to service this growth.

Key activities in the development and application of a TBL toolkit to evaluate the GRIDS growth options included:

- establishment of a qualified and engaged TBL Team with additional partners and interested stakeholders;
- briefing for Council and senior management to build political support;
- initial development of the TBL tool that would assess how growth options perform against the City's strategic directions and priorities as defined by Vision 2020 and GRIDS "Nine Directions to Guide Development", as well as senior government policies and legislation;
- Development of internal Tool support structures, i.e. staff, resources and data sources; and
- Training on completing the sustainability assessments.

The results were:

- development and application of a TBL toolkit evaluating a set of 30-year growth options that integrates Hamilton's long term sustainable development vision with local and provincial policy, and any regulatory requirements.
- the TBL evaluation process provided staff with an opportunity for positive cross-department communication and organizational learning.
- based on TBL considerations, nine growth options were reduced to five, which were then further evaluated during Phase II of the project to arrive at one preferred option recommended for Council and community consultation.
- City staff were provided with the skills and knowledge necessary to conduct a TBL evaluation of municipal policy. This capacity is now being used in their day to day decision-making.
- by creating and consulting with a community TBL advisory committee and engaging the public in a number of stakeholder meetings, the City of Hamilton raised public awareness of TBL and the City's continual efforts to integrate its sustainability goals into its decision-making processes.
- community consultations also provided opportunities for City to reaffirm the priorities of its citizens.

## **Financing**

The main source of funding was the Green Municipal Funds (GMF), provided by the Government of Canada and administered by the Federation of Canadian Municipalities. Financial support also came from the City of Hamilton.

## **Staff**

The project was managed and technical supported by the Senior Project Manager-Sustainability, Long Range Planning Division, Planning and Economic Development Department of the City of Hamilton and a team of interns.

The project carried out by the non-profit consulting services of ICLEI Canada Office, providing strategic direction, and the ICLEI Oceania Secretariat providing technical advice and staff training.

An inter-departmental, working group of City staff provided direction to the project team in the development of the Toolkit, and a second team of multi-disciplinary senior staff were engaged in the evaluation process.

A community advisory team was assembled and consulted with the project team throughout the process, to ensure the interests of the community were addressed throughout the project.

## **Lessons Learned**

- Early and ongoing inclusion of staff from multiple departments with an interest in the City's long term planning process can generate greater support for the project and widespread vested interest in its success;
- Inter-disciplinary, cross-departmental learning opportunities can enrich strategic planning processes;
- Support from and cooperative planning by all municipal departments is key if long term sustainable development goals will be achieved;
- An online tool which embodies the principles of sustainability can be an effective way of providing impetus for staff to consider sustainability in their decision-making;
- a facilitated decision-making process provides a non-confrontational forum in which staff can share ideas, engage in further learning and even build consensus around previously contentious issues;
- By bringing in staff from other cities who have successfully applied sustainable community planning and related tools in their communities, the project team provided the staff and elected officials of the City of Hamilton with the evidence that helped them to support the TBL principles and understand how they enhance their planning process;
- Demonstrating how the TBL tool ensured that growth decisions were evaluated to achieve sustainable development commitments provided accountability to the community; and
- Opening the Council training sessions to the public increased community support for the project.

**Contact**

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