

Sustainability in CEE

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present and future
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methods to manage multi-
stakeholder dialogue



Emperor's New Clothes?



Triple Bottom Line

- Assessment of Sustainable Development

Economic Trends

- Innovation
- Intellectual Capital
- Accountability & Reputation
- Empowerment of consumers

Environmental Trends

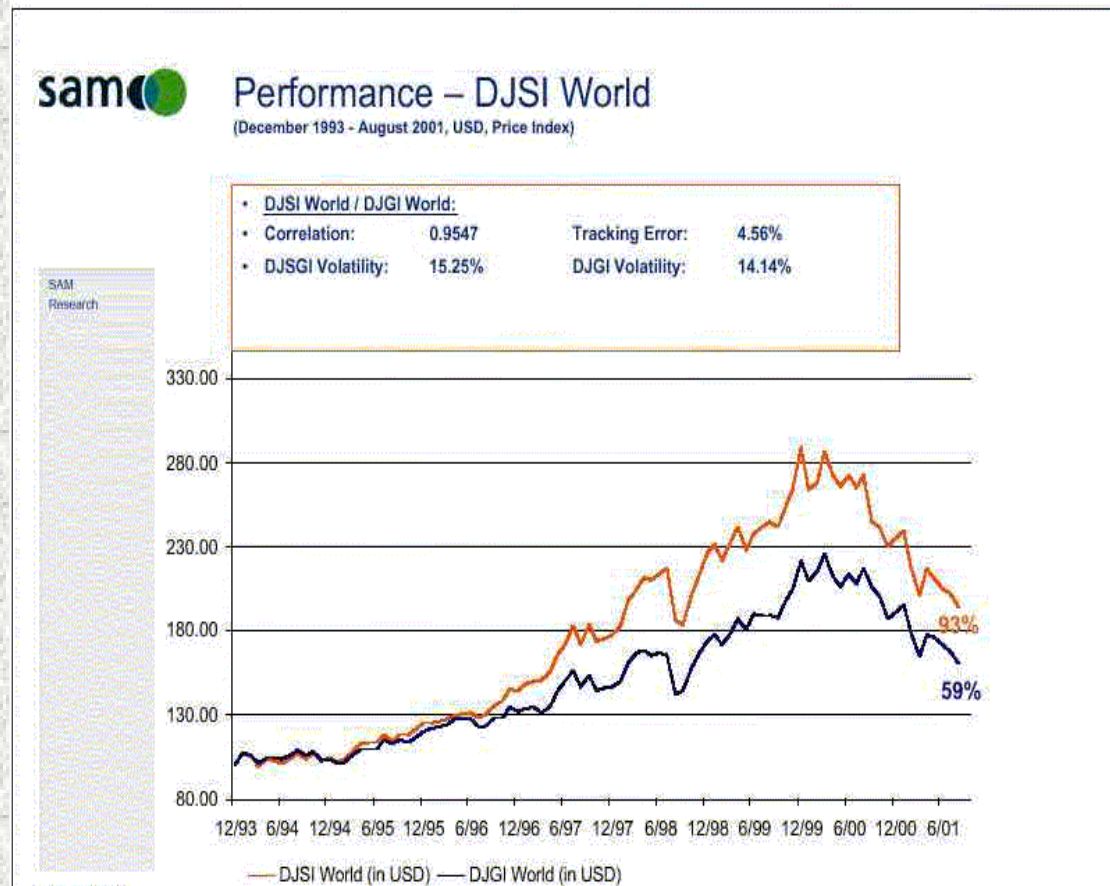
- Ecological Risk Awareness
- Dematerialization
- Global Warming
- Scarcity of Natural Resources

Social Trends

- Human Rights
- Life-long Learning
- Ageing population
- New Lifestyles

Shareholders' Value

- Dow Jones General Index
- Compared w/ Sustainable Businesses
- Sustainability adds to shareholders' value

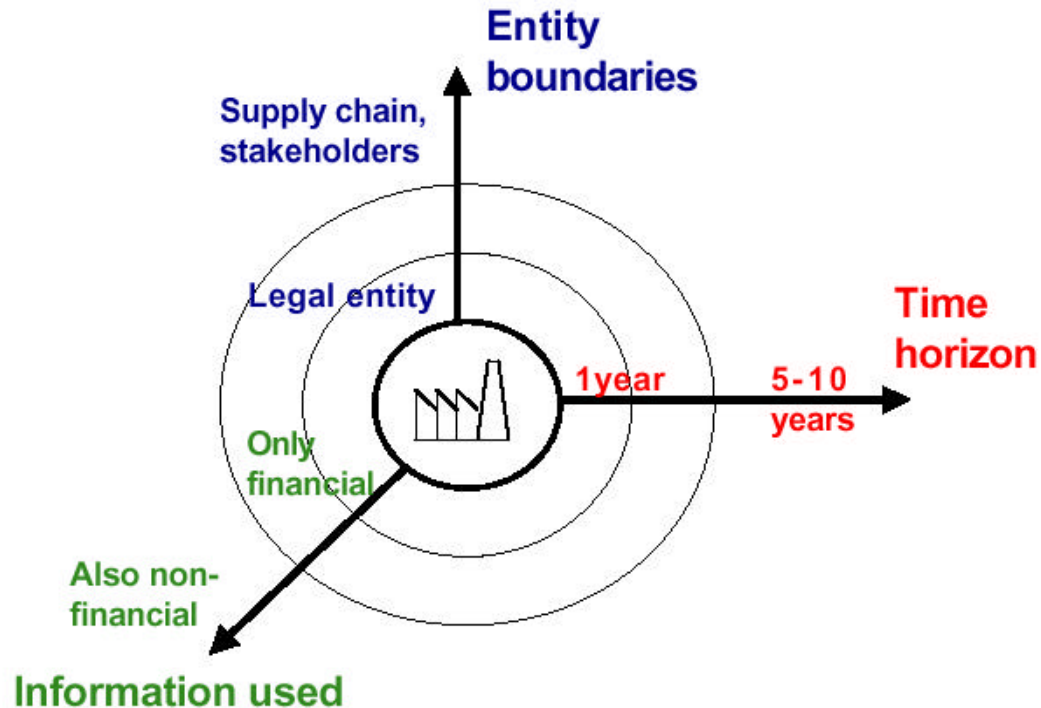


Expanded Criteria



Expanding the boundaries of company assessment

SAM
Research



Business Assessment Criteria

SAM
Research

	Strategy / Management	Products / Industry specific aspects
Economic	<ul style="list-style-type: none">• Strategic planning• Corporate governance• Intellectual capital mgmt.	<ul style="list-style-type: none">• Product focus on sustainability trends• Alliances/partnerships
Environmental	<ul style="list-style-type: none">• Environmental mgmt. Systems• Env. Performance• Sustainability reporting	<ul style="list-style-type: none">• Eco-design of products• Genetic engineering• Animal testing
Social	<ul style="list-style-type: none">• Employee relations• Stakeholder involvement• Human rights policies	<ul style="list-style-type: none">• Social guidelines for suppliers

UK Government Indicators

Goals

- our economy must continue to grow
- reduce both crime and fear of crime
- reduce the need to travel and improve choice in transport
- achieving a better quality of life for everyone

Indicators

total output of the economy (GDP)

level of crime

road traffic

satisfaction with quality of life

Situation in CEE

- Regional differences: CEE is not homogeneous
- Parameters for Interpretation
 - Post-communist agenda: struggle with past
 - EU Accession: effectively sets standards
 - Foreign Direct Investments: standards set?



Initiatives

- Corporate and National
 - Rio +10, WBCSD
 - ABEI
 - IISD: Dashboard
 - WE Forum
- Sustainability Programs and Awards
 - REC: Business, NGO, Cities
 - ÖGUT. Businesses
- National Initiatives
 - Slovakia, Slovenia, Hungary
- Cross-border
 - Tisza River contamination

Issues

- Reliability of measured indicators
- Qualitative indicators needs independent qualified organisations: do they exist?
- Different cultures, same indicators?
- Corruption, an integral part of politics and administration:
 - How then rely on self-reporting?
 - Example environmental inspection

Conclusions and Issues

- Sustainability is Triple Bottom Line
- Econometrics OK for economic trends
 - Well developed
- Social science **-and beyond**
 - necessary for other trends
 - Management of multi-stakeholder
 - Political setting of the dividing line
 - Hermeneutical methods
 - Multi-criteria decision-making
- CEE copies the West
 - but watch out for ambiguous indicators

