



BASQUE COUNTRY ENVIRONMENTAL FRAMEWORK PROGRAMME 2030

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GOBIERNO VASCO



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TRANSFORMING OUR SOCIETY IN TERMS OF SUSTAINABILITY

50th anniversary of the designation of the 5th June as World Environment Day at the United Nations Conference on Human Environment, in Stockholm. Half a century ago, at that conference in 1972, the motto was “One Land.” Today, 50 years later, this motto is still fully in force: our planet is our only home and we have the responsibility to defend it, knowing that its resources are finite.

The year 2030 is an intermediate milestone in that essential transition towards another model; a new paradigm that should enable the Basque Country to reach climate neutrality and become a resilient territory by 2050. By then, we will have already shown significant progress.

With this aim, and with the Green Pact of the Basque Country as a hinge, in April 2022 we began the design of the compass that will mark the Basque sustainability policies until 2030: **the Fifth Environmental**

Framework Programme. This work has been performed through a participatory process in which agents and experts from all areas of the Basque society have created synergies, shared ideas and knowledge, and have proposed various transformative projects that will lead us to be a more sustainable territory at the end of the decade.

A strategic roadmap to fulfil the commitment we made in the 2020-2024 Government Programme.

The Basque environmental policy is bearing fruit. However, new challenges remain and new challenges are arriving that must continue to be addressed with a fair and sustainable development model promoted by the Basque Government with the Basque Green Pact, which aims to balance economic, social and environmental aspects, with industry and technology as main levers.



Arantxa Tapia

Minister for Economic Development, Sustainability and Environment
Basque Government

The Basque environmental policy is bearing fruit. However, new challenges remain and new challenges are arriving that must continue to be addressed with a fair and sustainable development model promoted by the Basque Government with the Basque Green Pact, which aims to balance economic, social and environmental aspects, with industry and technology as main levers.

The transformational projects that we have defined with this new Programme as a response to these challenges are ambitious and, in many cases, pioneering, both in Spain and in Europe. In order for these projects to become realities that bring us closer to a

new sustainability scenario, it is essential the public-private collaboration, in order to guarantee co-leadership and the addition of capacities, to generate trust areas and to be able to facilitate the exchange of technical and human resources; and, above all, to involve the ensemble of Basque citizens, who must be the real main character of the transition towards a new model of a more sustainable society.

Now it's the time to take action and put them into operation. In order to accomplish this successfully, we need to reinforce some of the values we have as society and that have allowed us to achieve our current levels of prosperity and social cohesion; values such as effort, ambition, innovation, transparency, collaboration and generosity; values that will, undoubtedly, allow us to ensure that the Basque Country becomes more sustainable by 2030 and to be a benchmark in Europe regarding leadership in the commitment to the future of our planet.

“Even the most tragic episodes in our history have reminded us of the dangers of losing control over our past and our future. Surviving in life imprisonment and thinking that things cannot change, that there can be no better way to act and, even worse, that everything will always remain the same, is a mistake. To stand still is to go backwards”

European Union President Ursula Von der Leyen.

Closing ceremony of the conference on the future of Europe (9 May 2022).

“It is the time to ensure progress and prosperity for the next generations. The moment demands from the institutions collaboration, cooperation and, above all, action. The moment demands synergy between the Administration and the society”

Lehendakari Iñigo Urkullu.

Conference “Next Generation the Basque Country” (25 May 2022).

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1

INTRODUCTION. OBJECTIVE, SCOPE AND STRUCTURE OF THE BASQUE COUNTRY ENVIRONMENTAL FRAMEWORK PROGRAMME 2030

In spite of the unquestionable progress made in the environmental indicators of the Basque Country in the past years, the truth is that, from an environmental point of view, the Basque Country is deep into a global scenario that places us in a situation of environmental urgency. This was stated by the Basque Government on 30 July 2019 and the Basque Parliament on 26 September 2019 in its climate emergency statements, placing the issue of sustainability as a central purpose of the country.

For this reason, the elaboration of the Fifth Basque Country Environmental Framework Programme 2030 (hereinafter EFP 2030) is, if possible, more important compared to previous environmental plans. The time for solemn declarations is over and now it is the time for action. From **a decisive action from a country commitment** and also from the individual commitment.

To this end, the EFP 2030 identifies the priority challenges that must be addressed between now and 2030 and establishes transformative projects that must be implemented to give a proper response to these challenges. To this it must added that the exit from the health, geopolitical and economic-financial crises, must be based on **a firm commitment to digitalization, decarbonization and dematerialization**, essential to achieve a new model of sustainable development.

All this within a shared construction process in which the institutions are even more obliged than ever to work together and to encourage the involvement and collaboration of the ensemble of society, both in the business and social field and in that of their scientific-technological agents. As indicated in the Eighth General Programme of Action of the European Union 2030 on environment, the ecological transition must take place within the context of a welfare economy in which growth is regenerative and leads to a systemic change; which recognizes that the welfare and prosperity of our

societies depend on a stable climate, a healthy environment and prosperous ecosystems; and which provides a safe action space within the limits of the planet.

The main novelty of EFP 2030 regarding previous programmes lies in its own conception. On this occasion, EFP does not focus on the definition of a package of environmental objectives, since these are already perfectly defined and are deployed in specific roadmaps within the framework of the Basque Green Pact and the set of sector environmental plans in force.

It does not make sense, therefore, that the EFP 2030 to be just another plan or an umbrella strategy for other plans. Rather, its main value lies in being a great reflection exercise and strategic definition that (1) establishes the main lines of action that should feed sector planning, and (2) contributes to its effective implementation through a series of impetus levers. A reflection exercise that takes into account the lessons learned in previous LDCs, European strategic planning and the main elements of the current situation and trends related to sustainability.

The EFP 2030 is shaped as the strategic catalyst for the ecological transition of the Basque Country.

The strategic guidelines of the EFP 2030 are grouped into 6 major priority challenges that have been established for the Basque environmental policy and the own vision defined for the 2030 scenario, and, in addition, are perfectly integrated both in the 8th European Programme on which they are inspired, as well as in the different Basque sector planning and regulations which they feed.

For its part, the impulse levers characteristics of this LDC 2030 are embodied in a series of transformative projects. These projects, like the whole of EFP 2030, are the result of a deep participatory work process. They are also projects that add key elements such as ambition, innovation and collaboration into their DNA, conceived as living projects in terms of their content and development.

Effective involvement and collaboration between different actors are almost as important as the defined projects themselves. Above all, maybe because the most relevant lesson we have been able to learn in recent times is the need to coexist with structural situations -such as the environmental emergency- and with conjunctural situations -such as the COVID-19 pandemic-, and to have to provide joint but perfectly coordinated responses to both types of realities.

Having in mind all these considerations, the document of the Environmental Framework Programme of the Basque Country 2030 develops the following contents:

- A summary of the work process followed for the preparation of this LDC 2030.
- An analysis of the context at international level, in which the keys to sustainability are identified as a major global challenge and the

European leadership in the global response to this challenge, and a landing of this context to the Basque reality, including an analysis of the trajectory and current state of the environment in the Basque Country and a summary of the results of the assessment of the previous EFP.

- The definition of the Basque Country's commitment to sustainability in the 2030 scenario as a response to the priority challenges identified for the Basque Country in 2030.
- The specification of the Basque Country's response to these challenges within the form of transformative projects.
- The definition of the governance and monitoring model of this new LDC. A model that should help us ensure that the defined strategy becomes a transformative action.

The contents of the EFP 2030 are completed as an annex with the link to the document of State and Perspectives of the Environment in the Basque Country 2020 (already available to the public before), the final assessment report of the 4th Environmental Framework Programme 2020, as well as the current context analysis, and the description of the involvement process followed for the elaboration of the EFP 2030.

2

ELABORATION PROCESS OF THE BASQUE COUNTRY ENVIRONMENTAL FRAMEWORK PROGRAMME 2030

To understand properly the work process that has been defined and implemented to elaborate this 2030 EFP, it is essential to take into account that **Law 10/2021, of 9 December, on Environmental Administration of the Basque Country**, establishes in its article 10 that “the environmental policy of the Basque Country will be specified in an Environmental Framework Programme that will include a diagnosis on environmental situation, strategic lines and commitments to perform in order to improve its quality during its period of validity, as well as the priorities for action and the objectives to be achieved”.

The EFP must observe different formal elements for its elaboration and processing, but it is equally important to be built from the involvement, and that this vocation of open construction is also transferred to its implementation; because, if in any public policy alignment and collaboration are fundamental, in the case of sustainability policy the reality of its mainstreaming makes it essential to have the active involvement and collaborative work of all relevant actors.

This principle has been applied from the outset to the elaboration of the LDC 2030. A process in which, through various phases, a wide range of actors have participated (see Annex – Participation process for the elaboration of the EFP 2030). For the first time, and given the innovative nature of this LDC 2030, public and private actors have been involved in its conception, operating not only in the environmental field, but in all the sector areas necessary for this document to be truly trans-

formative from a comprehensive perspective, in which sustainability is at the center of a new development model for the Basque Country.

The process has begun with a first strategic nature phase in which all the necessary context elements have been studied for the specification of this LDC 2030: international and European context, Basque Green Pact, Basque strategies, plans and sector programmes regarding environmental sustainability, State of the Environment in the Basque Country 2020 and assessment of the 4th LDC 2020.

Based in all this information, an internal reflection has been developed within the Department for Economic Development, Sustainability and Environment of the Basque Government, which has resulted in the elaboration of a proposal for conforming elements of the Vision 2030 and the Priority Challenges in terms of sustainability. This is the proposal used for the co-creation process with a broad set of agents from different areas of the Basque society who, through various dynamics (including group workshops and interviews with experts), have made a proposal and first characterization of the transformative projects of the EFP 2030.

At a later stage, the proposal for transformative projects has been completed and verified by a representation of the different expert agents involved in its implementation, for its final configuration and presentation to the Governing Council, resulting in the formal approval of the EFP document 2030.

7th Environment Action Plan of the European Union



Sector Strategies

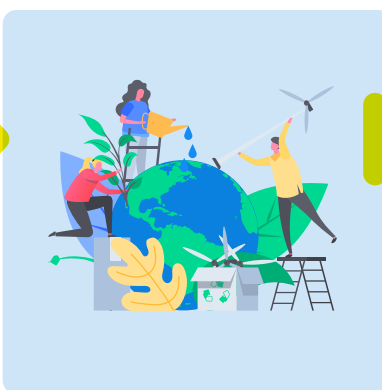
- Energy transition and Climate
- Circular Economy and Bio-economy
- Biodiversity
- Soil
- Zero pollution



State of the Environment in the Basque Country 2020

- Where are we regarding the environment?
- What are the future environmental perspectives?
- How does our environmental policy work?

6 Environmental Challenges of the Basque Country 2030



Strategic Guidelines for Environmental Challenges

Expert group for each field



Transformative Projects



Participation and contrast process



Final Assessment IV Environmental Framework Programme

Summary of the elaboration process of the Environmental Framework Programme Basque Country 2030

3

THE CONTEXT: SUSTAINABILITY AT THE CENTRE OF INTERNATIONAL, EUROPEAN AND BASQUE POLICIES

As established by the **United Nations Agenda 2030** and its 17 Sustainable Development Goals, the global challenge of this century is to achieve worldwide a development that balances social, economic and environmental factors.

The environmental crisis at international level also has a direct impact on Basque reality. Climate change, pollution and biodiversity loss are environmental challenges with important effects for our development model. The effects of climate change are easily and increasingly noticeable. At the same time, there are other elements such as pollution, which are less visible, but equally harmful, and which also particularly affect the most vulnerable sectors of the population. Environmental quality is one of the backbones of a sustainable and inclusive development model, therefore a priority attention to this vector will only improve our resilience before major global challenges.

From the European level, the response to these challenges has been in process for more than 40 years. The European Union's successive Environmental Action Programmes have provided an environmental and climate policy context that has contributed to maintain the focus on environmental objectives and to integrate the environment into other areas of European policy, becoming a world leader not only in the adoption of environmental commitments, but also in the achievement of specific strategic objectives such as in the reduction of CO₂ emissions.

The eighth **General Programme of Action of the European Union on Environment until 2030** raises the need to accelerate the ecological transition towards a climate-neutral, sustainable, non-toxic, resource-efficient, renewable energy-based, resilient, competitive and circular economy in a fair, equitable and inclusive manner, as well as the need to protect, restore and improve the state of the environment, stopping and reversing the loss of biodiversity. To this end, it comprises 6 priority thematic objectives and up to 34 favourable conditions for the achievement of these objectives and establishes a monitoring framework.

The achievement of the objectives of the Eighth European Environmental Programme is based on the application of the **European Green Deal** which, since its presentation in December 2019, is the European Union's response to environmental and climate challenges we face at global level. It is a roadmap to make a sustainable European Union's economy, to transform challenges into opportunities in all areas of climate and environmental action, and to make this transition fair and inclusive for all European citizens. It proposes actions to promote the efficient use of resources by moving to a clean and circular economy, to stop climate change, reverse biodiversity loss and reduce pollution. It covers all sectors of the economy, particularly on transport, energy, agriculture, industry and building.

In line with the evolution of the European policy, the **Basque Country** also has an extensive and relevant path in responding to global and local environmental challenges, with a level of ambition and increasing commitment over time.

This long journey has been shaped through the generation and implementation of legislative and planning instruments, and also the daily management of services and programmes, as well as through organizational decision-making with a view to improving the effectiveness of these instruments.

Along this long path we can differentiate two major stages according to the starting situation and the type of instruments used. A first stage, whose beginning is in the eighties, in which the essential purpose was to "extinguish the fires" of the great environmental problems arising from an industrial policy in which the sustainability dimension was practically non-existent. And a second stage that has developed essentially in the first two decades of the 21st century, in which the Basque Administrations have been adding the required planning tools to ensure respect for our environment, along with incentives to ensure that public and private organizations have progressively included the environmental dimension within their strategies.

During the last years, and especially since 2015 with the incorporation of the concept of sustainability, this progress has been accelerated in an important way, developing and integrating this concept in different sector policies and instruments, and through the active involvement of the Basque Country in international initiatives and programmes.

With the creation in 2020 of the General Secretariat for Social Transition and the 2030 Agenda, the Basque Government accepted as its own the priorities and objectives of sustainable development of the United Nations 2030 Agenda and a year later developed the **Basque Programme of priorities of the 2030 Agenda** with the aim of contributing to weave a culture of social contract of collaboration, a team culture. A social contract of ethical substratum, understood as a widely shared projection of principles, values and challenges useful to the objective of overcoming the current crisis context with a more cohesive and fair society.

In parallel to this great transversal strategic commitment towards sustainability in all its features, and following the example of the European Union, in 2021 the Basque Government also proposed its own roadmap to achieve a more environmentally sustainable future, **the Basque Country Green Pact**. This roadmap includes the objectives of reducing emissions and generating renewable energy, but is not limited to these areas, since it was born as a proposal for a new economic model with industry and technology as main levers, so that science, technology, circular economy, industry, energy transition or the food chain itself are aligned with the same purpose: fair and sustainable development.

The commitment of the Basque Green Pact in environmental issues has been materializing to date in a very complete corpus of strategic and interrelated **sector environmental planning** focused on the different environmental vectors and their specific challenges.

The development of this wide range of plans and strategies, as well as the Basque Green Pact itself, marks the final stage of implementation of the previous EFP, the designated **Environmental Framework Programme of the CAPV 2020** (4th EFP). The 4th LDC was approved in December 2014 and it considered 6 strategic objectives, 75 priority actions and 6 key cross-sectional projects.

Once its validity period concluded, the assessment of the 4th EFP confirmed its strategic importance to achieve a coordinated progress on the most important environmental issues in the Basque Country, as well as on other elements related to the governance of environmental vectors and in increasing the recognition that environmental protection is not only compatible, but necessary, for an economic development that generates employment and prosperity. We, therefore, reach the end of the path of the 4th EFP with a photograph that shows a clear and evident improvement of the state of the environment in the Basque Country, where economic growth and the main environmental indicators have been substantially decoupled, but where there are still clear areas for improvement that need to be addressed with greater intensity and new optics, such as the risks of climate change or the state of ecosystems.

In this context, the EFP 2030 is considered as platform for a new stage. A new stage with a new ambition leap in which the concept of sustainability must be definitively integrated into the ensemble of public policies and the strategies and dynamics of companies and Basque society. A stage that is also decisive, both due to the magnitude and urgency of the challenge that we must address as society. A stage in which the principles of responsibility, collaboration and commitment to effective action in favour of sustainability must be the pillars of a social contract that must increasingly incorporate the environmental dimension.

4

THE BASQUE COUNTRY'S COMMITMENT TO THE 2030 SCENARIO: VISION, PRIORITY CHALLENGES AND TRANSFORMATIVE PROJECTS

The precedents described above have become a solid basis for the Basque Country to ensure sustainability in all governmental, corporate and social sectors and layers. The Environmental Framework Programmes of past periods have clearly charted the course for their administrative entities to create transformative capacities with a sophisticated and effective environmental governance model; their alignment with the European Green Pact through the Basque Green Pact defines new frontiers in which technology, industry, energy and its main value chains converge to generate a functional circular economy and make the Basque Country a fairer and sustainable country.

Looking ahead to 2030 and based on these foundations, a vision, six priority challenges and a battery of transformative projects have been defined:

- A vision describing the image of the Basque Country to which we aspire in the 2030 time horizon.
- Six strategic challenges must be taken into account during the definition and implementation of the set of environmental planning and instruments as guidelines to be able to achieve the Basque Country vision 2030.
- A set of transformative projects that will have the effect of tractor levers that drive, strengthen and consolidate this implementation.

THE VISION

The Basque Country's strengthened commitment to sustainability is conceived as a long-term strategy (2050) with a sufficiently transformative vision to 2030. The Basque Country's environmental vision 2030 is defined as:

The Basque Country, a European region that has achieved a significant progress in terms of sustainability in 2030, which places it on the path to achieving even more ambitious and transformative objectives in 2050, which has already allowed it to position itself at the European forefront.

This advance means achieving the coordinated and orderly development of 4 major assets:

- Basque Green Pact. The environment as a strategic priority and incorporation of the environmental dimension into sector policies. An own model for a fair and sustainable economic development completed in its definition and sufficiently applied.
- A committed and tractor Public Administration, with a reinforced role of dynamization and with the capacity to lead the design and implementation of multi-generational transformer projects.
- Basque companies that have moved towards a decarbonised production and with an adequate use of materials and that have managed to make sustainability a strategic instrument of competitiveness.
- An advanced and open model of environmental governance as an essential element to achieve solid commitments and an alignment of the whole of the Basque society with the relevant challenges.

THE STRATEGIC CHALLENGES

In order to achieve this vision of the Basque Country 2030, six major priority challenges have been identified based on the common principles of participatory, transparent and collaborative governance, gender perspective, and training, generation and open knowledge dissemination.

Challenge 1: POLICIES MAINSTREAMING. Comprehensive approach to environmental plans and objectives for 2030, interdependence and linkage with non-environmental areas.

Challenge 2: HEALTH AND ENVIRONMENT. Incorporation into the Basque environmental policy of new vectors that constitute clear health risks, deepening the importance of environmental health.

Challenge 3: COMPETITIVE SUSTAINABILITY. Transformation of the productive system, reorientation of innovation in terms of sustainability and configuration of competitive economic sectors with a high environmental commitment.

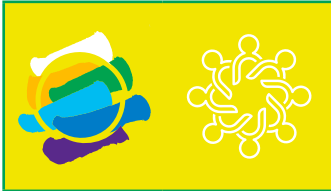
Challenge 4: CONSCIOUS CONSUMPTION MODEL. Consumption model with sustainability criteria, ensuring its interrelation with the production model.

Challenge 5: SUSTAINABLE FINANCING. Expansion of investments and reorientation of the Basque financial sector to support sustainable companies and projects.

Challenge 6: ADVANCED MONITORING AND MANAGEMENT. Decision making based on solid indicators, monitoring the evolution of environmental variables and the fulfilment of the objectives in a participatory and transparent manner.



Priority challenges for the Basque Country 2030



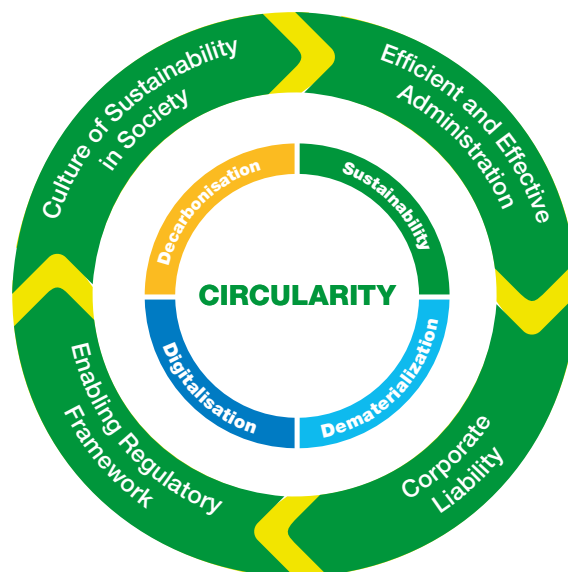
CHALLENGE 1: POLICY MAINSTREAMING

The sustainability within the European Green Deal brings a new dimension to the competitiveness of European economies, across all economic sectors. In this regard, it requires the development of proper coordination and conflict management mechanisms so that vertical and horizontal actions are aligned and are translated into maximum social well-being with the efficient use of resources, the adoption of policies and instruments that encourage even more decisively green and innovative public purchase, the creation of employment in the social and environmental fields or proximity consumption, among others.

It is necessary to evolve from environmental policy to sustainability policy. Europe recognizes that the magnitude of environmental challenges and the implications of the latest global trends imply the need for fundamental and urgent changes in our societies and economies, with significant consequences for the way in which we live. Persistent problems, systemic solutions and the need for different responses, with climate and biodiversity as priorities to be taken into account, together with decarbonisation and dematerialisation of economy. Diagnostics and analyses point

to similar environmental problems for Europe and for the Basque country. **The approach and resolution of environmental challenges inevitably implies the need to address several dimensions of sustainability, an efficient and effective public administration, a regulatory framework that encourages social policies and green financing, and corporate and social culture and responsibility for the vision of sustainability.**

Can our prosperity system remain within local and global ecological boundaries? The new challenges differ from those established in the 1970s and 1980s, when environmental problems were specific and could be solved with specific instruments. The complex and systemic nature of current environmental sustainability challenges requires a different policy and strategic response. Sustainability is now the guiding principle for ambitious and coherent policies and actions across society as a whole. Making transformative change possible demands all areas and levels of government to collaborate and to take advantage of the ambition, creativity and power of citizens, businesses and communities.



Action axes for circularity



CHALLENGE 2: HEALTH AND ENVIRONMENT

As stated in Goal 3 of the 2030 Agenda for the Sustainable Development, **a healthy environment is vital to ensure a healthy life and to promote well-being for all people** at all ages. In particular, it aims to achieve a substantial reduction in deaths and diseases arising from exposure to chemicals and pollution of air, water and soil, recognising that **environmental improvements lead to better health**. To achieve this goal, environmental public health programmes must assess about potential health problems attributed to environmental factors, including physical, chemical, biological, and social factors; as well as to develop inclusive and equitable public policies to protect all people.

THE CONSEQUENCES OF ENVIRONMENTAL RISK FACTORS ON OUR HEALTH

- The Signals Report of the European Environment Agency 2020 “Towards Zero Pollution in Europe” highlights how “In Europe, environmental risk factors still account for 1.4 million deaths per year and these deaths are largely avoidable. More than a third of deaths can be attributed to pollution, which is the most important environmental risk factor for our health. Another large part of the damage caused by pollution is due to hazardous chemicals.”

The Basque Country has made significant progress in the improvement of its environmental quality in the past recent years. The transposition of European

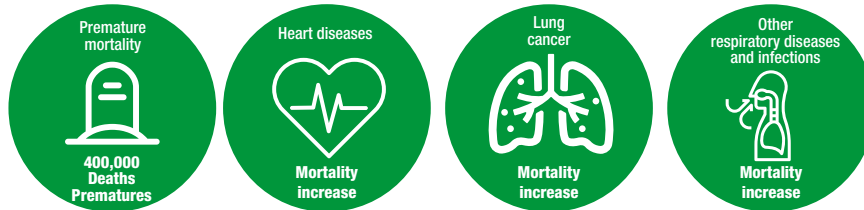
policies to the Basque territory has allowed us to obtain beneficial results in the quality of our environment. For its part, it is essential to take into account the **relationship between environmental factors and health**, an approach that has taken on greater relevance in the last decade within the health policy of the Basque Country. This work of prevention of health risks and monitoring performed has allowed to progress in the control of the risks associated with the emissions of polluting substances, water quality or chemicals, among others.

For all this, in several of the environmental factors for health, the situation in the Basque Country is good. However, there could be some potential hazards related to an **increased exposure** to environmental factors such as air pollution, high levels of noise, emerging pollutants or the heat island effect during high temperatures. These factors contribute to the growing epidemic of non-communicable diseases and mental health problems.

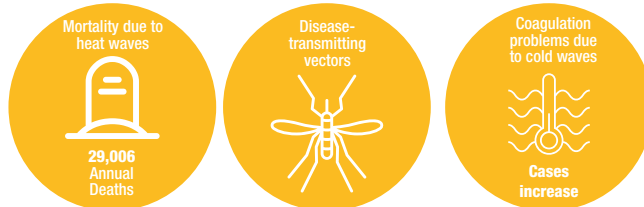
However, there is still significant room for improvement. While the conceptual relationship between health and environment is clear, the scope of that relationship still needs to be integrated as part of the sustainability culture, and the elements to address should be a priority. The support of new technologies is key in the analysis of these interrelationships, such as, for example, the use of big data as statistical support, deepening in our knowledge and thus achieving a multidisciplinary vision.

It is important, therefore, to disseminate this research in a transparent and friendly manner, with maximum independence and scientific rigor, and for public health programmes to promote an environmentally responsible health sector and healthy and resilient communities, translating the findings and conclusions into action plans as far as possible, with a fundamentally operational and inter-institutional character.

AIR QUALITY



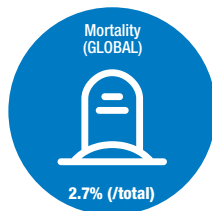
CLIMATE CHANGE



NOISE POLLUTION



CHEMICAL SUBSTANCES



WATER QUALITY



- **Air quality:** 400,000 people die prematurely each year in Europe due to poor air quality; 3,700 of those deaths attributable to asthma are avoidable; mortality attributed to air pollution results in ischemic heart disease, stroke, chronic obstructive pulmonary disease, cancers and respiratory infections.
- **Climate change:** 29,006 deaths annually in Europe associated with heat waves; low temperatures can cause coagulation problems, being one of the reasons why heart attacks and strokes increase after cold waves; climate change has an impact on the spread of diseases that previously only occurred

in warmer or tropical climates and on the impact of disease vectors produced by invasive species.

- **Noise pollution:** The values refer to the estimated number of people suffering from these noise-related impacts annually in Europe.
- **Chemicals:** The WHO estimates that 2.7% annual deaths worldwide are attributed to exposure to chemicals.
- **Water quality:** the main cause of diarrhoea and other contagious diseases is water and, in turn, poor water quality can cause cases of legionellosis.

Diseases with a higher avoidable disease and mortality burden due to environmental risks in the EU





(Source: own elaboration from: EEA SIGNALS 2020: Towards zero pollution in Europe (EEA), 2019; Healthy environment, healthy lives: how the environment influences health and well-being in Europe (EEA), 2019; European Climate and Health Observatory)



CHALLENGE 3: **COMPETITIVE SUSTAINABILITY**

The goals of the 2030 Agenda for Sustainable Development, the Paris Agreement and the European Green Deal call for urgent action over the next 10 years at all levels. Specifically, the main goal of the European Green Deal is to transform the economic growth and well-being model of the European Union into a more sustainable

and competitive one. This new growth strategy for the EU seeks to achieve a more equitable and prosperous society, with a clean, circular, resource efficient, climate neutral and more competitive economy (within the short, medium and long term).

|  FRAME |  KEY FUNCTIONS |  POLITICAL RATIONALITY |  POLICY APPROACHES (EXAMPLES) |
|---|---|---|---|
| <p>Science and technology for growth (since the 1950s decade)</p> | <p>Linear innovation model, driven by R&D</p> | <p>Addressing market failures (companies underinvest in R&D due to the public good nature of innovation)</p> | <p>State funding for R&D; subsidies or tax incentives for business R&D</p> |
| <p>National and sector innovation systems to improve competitiveness (Since the 1980s decade)</p> | <p>Focus on knowledge flows between upstream actors (universities, companies, agencies)</p> | <p>Answering to system failures, for example, improving links between actors, addressing institutional problems (in laws, property rights, regulations)</p> | <p>Promote science centres and science-industry collaboration; education and training; cluster policies</p> |
| <p>Transformative change to address major challenges (Since the 2010s decade)</p> | <p>Encourage radical innovation and new paths; shape the directionality of innovation</p> | <p>Promote the transformation of the system, including slow or reluctant actors</p> | <p>Missions and goals (SDGs, climate objectives), helping new participants, creating transformative coalitions, learning, testing</p> |

Evolution of strategic frameworks in innovation policy

(Source: European Commission 2020, based on Schot and Steinmueller)

This progressive and at the same time irreversible transition towards a sustainable economic system is an essential component of the new European industrial strategy.

The European Green Deal appears as one of the pillars of the economic reconstruction strategy being put into operation by the European Union. Through 11 action areas, it proposes a **revolution in the model of production, distribution and consumption that covers virtually all sectors of the economy.**

This progressive and at the same time irreversible transition towards a sustainable economic system is an essential component of the new European industrial strategy. Therefore, the Green Pact sets itself the goal of having a greener and more competitive industry in Europe. This is embodied in two key initiatives: the circular economy action plan for a cleaner and more competitive Europe, and the new European industrial strategy. With that, Europe seeks to accelerate the transition towards a model of regenerative growth that returns to the planet more than it takes from it, to advance towards the maintenance of its resource consumption within the limits that the planet contains and, to this end, to strive to reduce its environmental footprint and to double its rate of use of circular material in the next decade.

To this end, it strengthens the policy of business promotion and competitiveness, with support instruments such as direct economic support, access to the required financing, information, advice, support, the development of new market instruments and the promotion of collaboration between companies.

Competitive sustainability plays a leading role in all economic sectors, with a special focus on those economic activities that contribute substantially to the objectives of the European Green Pact - those established as such in the delegated acts on EU taxonomy and in their possible updates - but also including the remaining economic activities, with the only caution of ensuring that the supported transforming projects comply with the principle of “not causing a significant damage” to environmental objectives.

Europe seeks to accelerate the transition towards a model of regenerative growth that returns to the planet more than it takes from it, to advance towards the maintenance of its resource consumption within the limits that the planet contains.

The European Green Pact also seeks the promotion of emerging sectors and value chains in the Basque Country such as (1) sustainable and ecological agriculture and the differentiation of local products; (2) the blue economy (products and services related to the resources of the sea and the oceans); and (3) the forestry sector, with a potential for the development of the wood industry and the management of forests and natural resources (bioeconomy).

This model will prioritize research and innovation as essential levers to ensure a sustainable and inclusive recovery, while at the same time, to boost the resilience of productive sectors, the competitiveness of economies and the transformation of socioeconomic systems.



CHALLENGE 4: CONSCIOUS CONSUMPTION MODEL

The most relevant factor underlying environmental challenges, both in Europe and in the Basque Country, is that they are inherently linked to economic activi-

ties and lifestyles, in particular to the social systems that provide needs such as food, housing, energy and mobility.

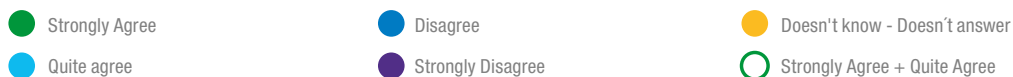
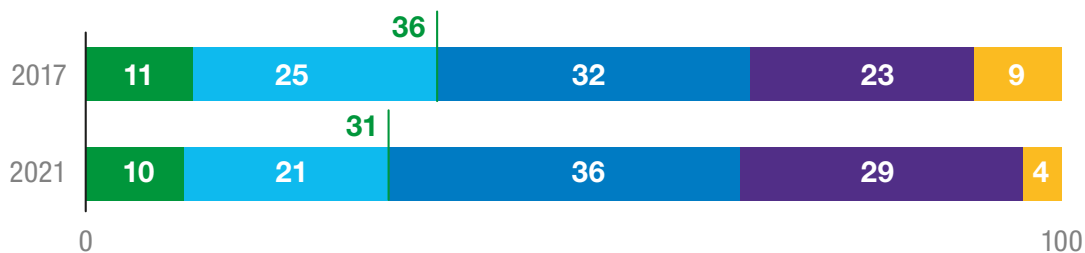
To act against climate change, it is necessary that all of us give up some comforts



To act against climate change, each person needs to reduce their energy consumption



Thanks to science, climate change can be fought without changing our way of life



Degree of agreement of the Basque society regarding possible ways to fight climate change

(Source: Study on climate change and energy transition of the Sociological Prospecting Cabinet of the Basque Government - May 2021)

As a result, resource use and pollution are directly interrelated with income along the value chain, investments, behaviours and ways of life, and with public policies. This interrelationship and feedback entails that certain changes may produce unintended results. For example, the benefits favoured by the technology may be reduced by the “rebound effects” when efficiency improvements generate cost savings that allow an increase in consumption. On the other hand, since production and consumption systems are directly and indirectly linked, addressing environmental problems in one area can produce unintended damages in another (for example, deforestation and the increase in food prices due to the production of biofuels).

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Basque society is highly aware of the seriousness of the environmental urgency and the compelling need to address changes in the consumption model to face it. An awareness that represents a good starting point to address a process that will undoubtedly have a significant impact on our current way of life. The challenge is to take advantage of this level of awareness through measures that empower, support and allow each citizen, regardless of their economic situation, to play an active role in the ecological transition without imposing a specific lifestyle and without any social discrimination.

The European Green Deal sets out a detailed strategy to target this necessary deep and quick change in our habits and behaviour, with the ultimate aim of reducing our environmental footprint. And it does so from different areas of action, such as the “farm-to-table” strategy regarding food, the “renovation wave” regarding buildings or the new proposal for ecodesign regulations for sustainable products, for any other consumer good. These initiatives will promote a better value maintenance, which will prioritize the safest and most durable products, and will keep materials in the business cycle for as long as possible.

To facilitate an optimal social acceptance of these new goods and services, as well as new consumption approaches, consumers need more reliable and higher quality information.

To facilitate an optimal social acceptance of these new goods and services, as well as new consumption approaches, consumers need more reliable and higher quality information on aspects related to the sustainability of the goods and services, without entering into an information overload.

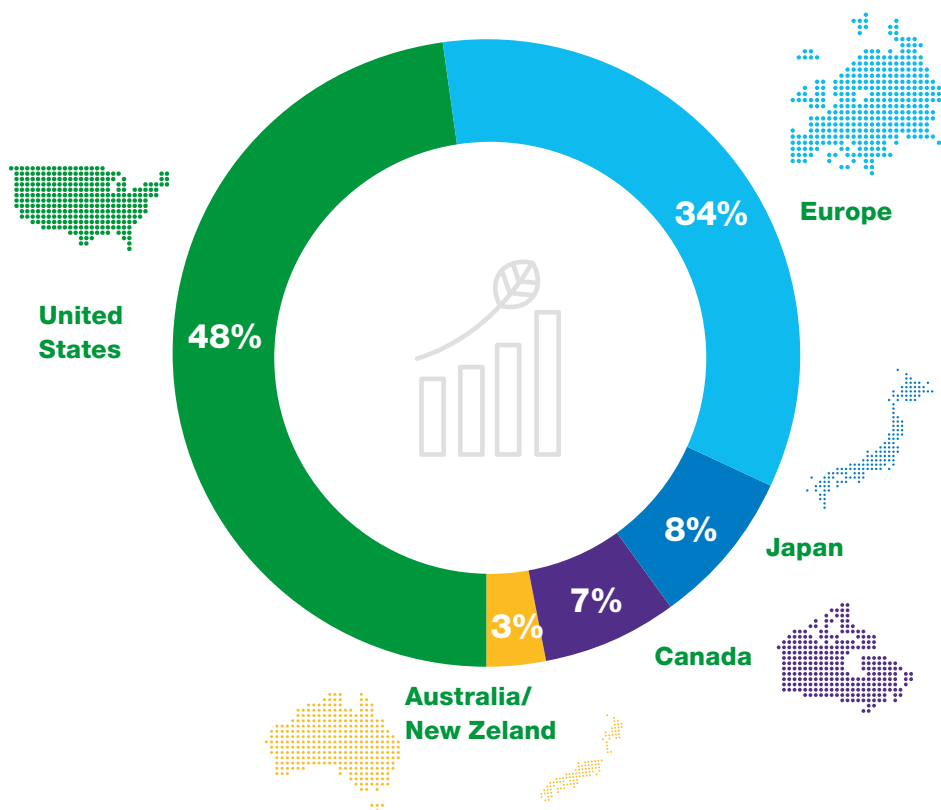
In addition, **it is a priority to perform an intense work of awareness-raising, training and information campaign towards citizens, relying on elements of open governance. Moving from a model focused on citizen awareness to a model of responsibility.** Within this work of raising awareness, training and informing citizens, activities linked to education from the earliest ages play an essential role. Early education helps instill new principles and values regarding responsible consumption in children, and creates a culture of sustainability with successful generational horizons.



CHALLENGE 5: SUSTAINABLE FINANCING

The transformation challenge implied by the European Green Deal will not be performed without a large volume of investment in the various sectors. **This Green Deal is expected to mobilise up to €1 trillion over the next 10 years** through different schemes, mechanisms, tools and financing vehicles. In addition, the EU, as part of its Recovery and Resilience Strategy, is putting in place different mechanisms to mobilise a very significant volume of public and private capital around different priority areas, including up to 14 “industrial ecosystems”. Achieving the required transitions towards sustainability demands effort in investments, but in exchange, the citizenry obtains enormous benefits, both for the damages avoided to nature and society and for the generated economic and social opportunities.

Sustainable financing consists of expanding investments and reorienting the Basque financial sector to give proper support to sustainable companies and projects. This requires optimizing the investment of public funds towards innovative and sustainable initiatives, also providing support to the most vulnerable municipalities and sectors. It also implies making the Basque private financial sector participate in sustainable investment through the implementation of the European Union’s action plan, within an intensification of its commitment to financing investments that, in addition to economic profitability, generate a positive environmental impact, becoming profitable and environmentally efficient investments.



Proportionality 2014-2020 of sustainable investment assets in the world, by region

(Source: Global Sustainable Investment Review 2020, Global Sustainable Investment Alliance)

The development of sustainable competitive advantages based on opportunities that the European Green Deal will generate depends, to a large extent, on the ability to finance investments in new sustainability projects. The Pact itself provides for the development of efficient and dynamic financing ecosystems, oriented to the mobilization of capital resources around sustainable projects, and includes measures to promote sustainable financing markets. The designated “impact investment” (the one carried out with the purpose of generating positive and quantifiable social and environmental impact, as well as financial return) is an area in which Europe wants to recover a leadership that it traditionally had and which in recent years has lost due to being overwhelmed by the very important growth of this reality in regions such as Japan and Australia.

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The critical economic blocks for the promotion of a sustainable reactivation - and, therefore, which will require this impact financing more deeply - are Industry, Energy, Construction, Transport, the Primary Sector, the Environment and R&D&I. This concept of innovative and sustainable financial sector projects a broad perspective in which there will be a growing trend of new financial operators other than the traditional ones and of new forms of relationship between financial demand and offer, with a greater weight of formulas such as mixed public-private financing, collective investment systems and crowdfunding, as well as a greater globalization of financial markets, which demands having projects with a technical-strategic base of excellence and great attractiveness to compete and provide the Basque Country with the necessary funds.

The recovery plans financed by the EU are conditioned on environmental criteria in line with its “taxonomy to facilitate sustainable investments”, seeking to clearly define what is considered a sustainable investment or not, and something similar will happen with the new operational programmes of the European Structural and Investment Funds. All these plans must strengthen economic, social and ecological resilience, and promote systemic and lasting change involving the emergence of new sustainable practices and technologies, their dissemination and involvement in society and the reconfiguration of the established systems.

But sustainable financing cannot remain in the institutional impetus, its alignment with the global trend of dizzying innovation of financial instruments, regulatory frameworks, markets, and generation of new policies, is key. This synergy between local action and international support will allow the Basque Country to have access to a new dimension of financing for sustainability and in turn to promote an environmental and sustainable culture.



CHALLENGE 6: ADVANCED MONITORING AND MANAGEMENT

Since the preparation in 2002 of the Basque Environmental Strategy for Sustainable Development 2002-2020, and the marked awareness and support for environmental improvement and protection, the Basque Country has been characterized by the systematic monitoring of the different areas that make

up environmental well-being, which has become one of its main strengths, creating an important body of features that cover different environmental vectors and which are also deployed at territorial level, reaching the municipal level to a large extent.



Measurable monitoring and feedback process

The monitoring and assessment of the actions and impact achieved is an opportunity to calibrate each decision taken, compare the results of similar projects and initiatives both at local and global level, to initiate pilot projects and assess the relative effectiveness of the different design options, and correct what does not work in the early stages of implementation of any initiative.

Monitoring is key to decision-making and trust generation and should include both quantitative and qualitative elements. **The advanced monitoring system must delve into the dimensions of “open data” and “data federation”, becoming the large public repository of information on the performance of the Basque Country in terms of sustainability**, reinforcing its assessment component, in order to identify which policies and programmes are offering better results. To this end, this assessment focuses specifically on dimensions such as impact, effectiveness and efficiency of these policies and programmes, with the collaboration of experts such as academia and other agents of the R&D&I ecosystem, with the aim of defining rigorous assessments whose results offer the Basque society the possibility of becoming a fundamental player in decision-making.

The monitoring system must have a highly participatory component, adding, as well to quantitative information, the opinions and expectations of all relevant actors and in particular of civil society, so that they have didactic, transparent and open information, allowing any interested person to have access to it, to understand it easily, and even to have the chance to interact with the same.

Although positive, the current monitoring is not enough and in particular in the measurement of effectiveness

of the implemented policies, it is essential to make a qualitative leap that allows to rigorously measure the impact achieved through the initiatives and actions; In addition, following the line of work marked from Europe, a monitoring system must be achieved that integrates the optimization of data report, comparability with the rest of Europe and the holistic analysis that enables informed decision-making. **The great thematic breadth of the environmental vectors, together with the territorial heterogeneity of the Basque Country, demand further deepening the scope of this, with the clear need to add additional elements that will make it possible to form an advanced monitoring system that will become a basic instrument of the governance model** referred to in Challenge 1.

The monitoring system must have a highly participatory component, adding, as well to quantitative information, the opinions and expectations of all relevant actors and in particular of civil society, so that they have didactic, transparent and open information, allowing any interested person to have access to it, to understand it easily, and even to have the chance to interact with the same.



THE TRANSFORMATIVE PROJECTS

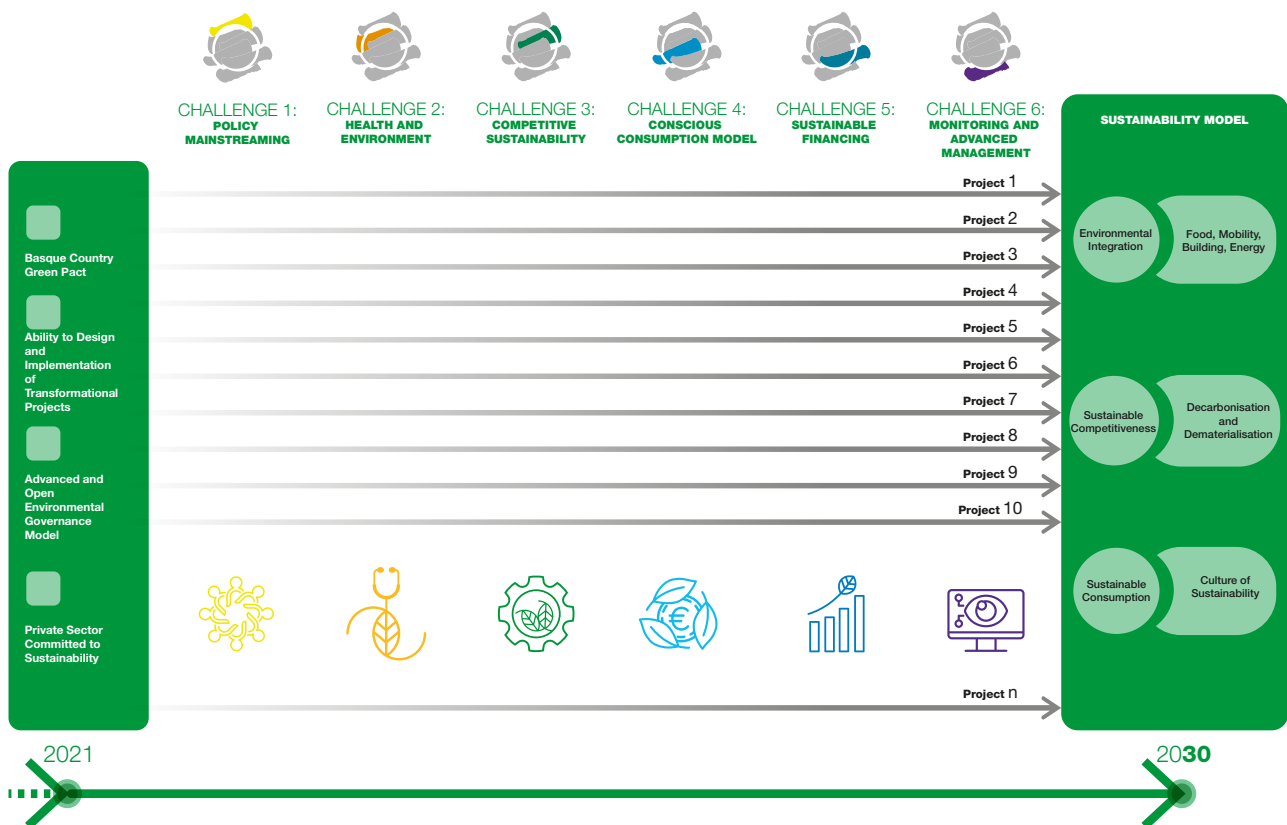
PROJECTS CONCEPTUAL DESIGN

The progress towards the six priority challenges for Basque society regarding environmental matters requires the coordinated effort in the efficient implementation of the Basque Green Pact and the whole of the sector environmental planning that develops it. In addition, the EFP 2030 proposes a battery of strategic levers that drive, reinforce and consolidate this implementation. These are the designated Transformative Projects, a selection of projects that add strategic elements of the six priority challenges in terms of experimentation and application of innovative solutions. The transformative projects are born with a driving vocation, and share both the ambition level and the key of cooperation (auzolana) through the active collaboration of different agents.

Thus, this document proposes a series of Transformative Projects, with an initial level of conceptual definition. The basic sheet of each project includes information on the objective it pursues, what strategic

Challenges its implementation contributes to, what are the key milestones on which to base a detailed roadmap for its development, which entity exercises leadership and which other agents are actively involved in order to achieve the purpose.

The lead agent is the entity responsible for creating and organizing the working group that brings together all the participating agents, to promote and coordinate the implementation of the project, to lead the dynamics of monitoring the project and to report on its progress and results. For their part, the participating agents play an active role in its implementation and form the core of the working group for the development of the project. During the implementation, new actors may be identified and added, should new needs or opportunities be identified. To this end, the initial conceptual description sheet of each project identifies the participating agents in a generic way.

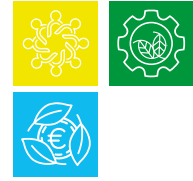


Strategic and sequential logic and way to the 2030 sustainability model

The EFP 2030 Transformative Projects are:

PROJECT 1.

Purchasing centre for sustainable products and services



PROJECT 2.

Sustainable cohesion of the territory



PROJECT 3.

Health and Environment Observatory



PROJECT 4.

Circularity in value chains



PROJECT 5.

Transition of SMEs towards sustainability



PROJECT 6.

Social innovation at the service of sustainability



PROJECT 7.

Citizenship and sustainable consumption



PROJECT 8.

Sustainable finances



PROJECT 1. PURCHASING CENTRE FOR SUSTAINABLE PRODUCTS AND SERVICES

PROJECT OBJECTIVES

The project aims to boost proximity, green and innovative purchase of Basque administrations through a purchasing center, taking a new step in the green and innovative public purchase model, driving and greening the entire supply chain of Basque administrations, foreseeing future environmental regulations.



CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenges 1, 3 and 4

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Perform a strategic comparative surveillance of other experiences of purchasing centers in Europe.
- Perform a diagnosis of the purchasing power of the Public Administration in the Basque Country to identify the most relevant families of products or services in which to intervene. Identify the environmental impact of the purchase made.
- Establish a dialogue with City Halls, Provincial Councils, Basque Government departments and other government entities to know what their main demands, needs and difficulties are regarding the purchase and hiring of products and services.
- Establish a dialogue with suppliers to know their view of the project and establish jointly the assessment criteria of products and services.
- Assess the products of greatest interest for centralization based on possibilities and impact criteria.
- Promote and ensure the existence of a green product offer.
- Conduct a pilot in any specific purchase sector in which there is driving power, in which there are local suppliers and small companies, and in which sustainability criteria of products and services are adequately defined. Share the pilots with different administrations.
- Define a methodology or purchasing system for each type of product or service, and select the features for each one of them.
- Digitize the purchase system, adapting the acquisition periods, the delivery times and, where appropriate, time to market.
- Define annexed services that could be offered, such as specialized advice to the Administrations to help them prepare their specifications, technical training to their purchasing teams, technological risk analysis of sustainable local products, among other areas of expertise.
- Provide the pilot with an evaluation system and relevant and coherent features to estimate the generated impact and to perform an adequate accountability. Ensure effective monitoring of the implementation of green public procurement.
- Develop an awareness-raising process aimed at citizens that values the importance of proximity and green purchasing.

PROJECT LEAD AGENT

- Deputy Ministry of Finance.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Deputy Ministry of Economy and European Funds.
- EUDEL.
- Public sector service providers.

PROJECT 2. SUSTAINABLE COHESION OF THE TERRITORY

PROJECT OBJECTIVES

The project consists of the creation of a collaboration system between public and private entities to maintain and promote multitasking of the territory. The project will involve to:

- Guarantee the ecosystem services of the territory.
- Promote balanced social and territorial development.
- Preserve the landscape diversity of the Basque country.
- Emphasize the importance of the territory as a source of well-being.
- Facing growing threats associated with climate change, decreasing vulnerability and increasing resilience in the face of extreme events.
- Facilitate and significantly progress in the development of Green Infrastructure Strategies.
- Achieve effective inter-institutional coordination.



CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenges 1 and 6

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Identify the different situations in the preservation in each historical territory and in each region, as well as the structure in land ownership.
- Establish criteria for the identification of multifunctional areas that guarantee the capacity of the territory to optimize the provision and maintenance of multiple ecosystem services.
- Correctly define what a compensation system could consist of and what are the multifunctionality criteria to be compensated, using formulas or models to compensate good practices through specific funds, tax formulas, and other technical parameters. Perform strategic monitoring of the operation of the different formulas.
- Provide strategies and give continuity to the promotion work of green infrastructures.
- Develop a participatory process with local institutions and citizens to assess possible pilot projects.
- The compensation should encourage both the maintenance of existing good practices and the elimination of bad practices.
- Develop training processes through practical workshops.

PROJECT LEAD AGENT

- Deputy Ministry of Territorial Planning and Urban Agenda.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Deputy Ministry of Economy and European Funds.
- Udalsarea 2030 (city halls and Provincial Councils)
- Social entities linked to the protection of the territory.
- Basque Universities.

PROJECT 3. HEALTH AND ENVIRONMENT OBSERVATORY

PROJECT OBJECTIVES

The project aims to improve knowledge on the link between health and environment in the Basque Country as a basis for better decision-making, by creating a common area where to centralize and give coherence to all this information and knowledge. The project will allow to:



- Incorporate the One Health and adaptation view to climate change in the health care and in the health system.
- Make visible the benefits of acquiring healthy and environmentally friendly habits and a well-preserved environment on health.
- Improve health of Basque citizens.
- Generate significant savings to the Basque health system within the medium term, in addition to positive economic and social impacts.
- Train health professionals in health and environmental matters.
- Define and implement a cutting-edge and cohesive training offer in health and environmental matters.

CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenges 2 and 6

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Conduct an assessment of the state of the art and a diagnosis of the initial situation. Benchmarking with other countries or regions that already have systematized models for monitoring health and the environment. Contact and synergies with pilot projects that may be developing in the environment.
- Definition of the environmental features of health, both physical and chemical and biological, and of features linked to them (features of exposure to the urban environment, psychosocial features, features of climate-meteorological change, features of exposure to toxic substances, features of factors of biological origin, among others).
- Development and implementation of methodology on health impact features. Take into account the features related to the different ecosystems, from the point of view of one health.
- Generate a stable workspace between health and environment that allows the analysis of results for the design and implementation of preventive environmental health measures.
- To develop investments in research focused on the generation of knowledge.
- Build a plan of training cycles and university training in scientific and technical studies, health sciences and social sciences within the field of health and environment.

PROJECT LEAD AGENT

- Deputy Ministry of Health.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Deputy Ministry of Education.
- Basque Universities.
- Basque Network of Science, Technology and Innovation.
- Udalsarea 2030 (city halls and Provincial Councils).

PROJECT 4. CIRCULARITY IN VALUE CHAINS

PROJECT OBJECTIVES

The project aims to involve companies in the same value chain to develop demonstration projects of digital tools for the capture, sharing and data analysis on the use of raw materials and life cycle, which facilitate decision-making aimed at reducing the environmental footprint. The project will allow to:



- Develop a solution based on an information and communication platform that can be used in other value chains or sectors.
- Encourage collaboration between companies within the same value chain and between them and service providers.
- Generate new knowledge and innovation on circular economy, use and life cycle of materials and energy.
- Identify specific areas of action for the increase of material productivity, the adoption of innovative solutions and technological development.
- Promote the saving of resources and waste reduction.

CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenge 3

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Identify value chains and companies that help drive the project and that are strategic for the Basque economy, and where there is a relevant potential for progress in the circular economy and in the reduction of GHG emissions and environmental footprint. For example, chains related to the primary sector (forest resources, food, etc.), different industrial sectors (cement, steel, metal, construction, etc.) and transport sector.
- Develop a circularity index for circular systems that includes technical (material), economic, social, environmental and regulatory features. These features will allow to measure the capacity to move towards sustainable and systemic models and to perform diagnostics on the maturity/disposition/challenges/capacities of companies/value chains/sectors to address a transition towards more circular productive and logistics processes (similar to what is done to measure the digital maturity of companies and their proximity to technologies that define industry 4.0).
- Define and develop digital tools for the automatic acquisition of pertinent information to ensure traceability of materials upstream and downstream in the value chain, aligned with the new Digital passport of the European Union.
- To define a legal and contractual environment that guarantees confidentiality and integrity of the generated information.
- To develop new aids for investment in this area.
- To carry out training and awareness-raising processes aimed at companies.
- Innovation around blockchain technology for information management between value chain agents, identification of business opportunities, adjustment between supply and demand and development of new service models.
- Identification of synergies and opportunities with other ongoing projects in the Basque Country, and assessment of capacities and needs in other cross-cutting areas such as infrastructures, knowledge, technologies, training programmes, promotion and support for business initiatives. Alignment with other funding programmes in European regions with similar characteristics.

PROJECT LEAD AGENT

- Deputy Ministry of Industry.
- Deputy Ministry of Environmental Sustainability

AGENTS INVOLVED IN THE PROJECT

- Basque Network of Science, Technology and Innovation.
- Business clusters and Chambers of Commerce.

PROJECT 5. TRANSITION OF SMES TOWARDS SUSTAINABILITY

PROJECT OBJECTIVES

The project intends to help the transformation of Basque SMEs to be more sustainable. The project will allow to:

- Help Basque SMEs design a roadmap for their sustainable transformation and estimate their environmental footprint.
- That, applying this roadmap, companies reduce this footprint, improving their competitiveness through sustainability.
- Promote integration of sustainable financing concepts within the field of SMEs.
- Encourage public-private cooperation.



CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenge 3 and 5

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Carry out a diagnosis of the capacity of Basque SMEs in terms of sustainability, analysing their characteristics and specificities.
- Perform a competitive search of existing models for the assessment and monitoring of sustainability in SMEs.
- Develop a model that allows to quantify the contribution of SMEs to sustainability (environmental, social and economic) and that includes an assessment methodology of the environmental impact and the development of specific strategies, compatible with the assessment when accessing financing, as well as the assessment of sustainability in the supply chain.
- Select driving agents so that, with the economic and communicative support of the Basque administrations, facilitate the knowledge of this model and subsequently support companies in the implementation of these sustainability agendas, disseminate the model among them and channel those interested and need accompaniment.
- Include the necessary support for the implementation of sustainability roadmaps with openness and bidirectionality so that SMEs become part of this improvement process, in a collaborative environment between the administration and the private sector in which clear metrics and long-term agreements exist.
- Define the competences and knowledge plan for the transition towards more sustainable activities. Accompany the process with access to necessary knowledge and skills. Provide knowledge and educational infrastructures. Training people in sustainable development. Accreditation of competences. This process will incorporate the concepts and possible future risks arising from the application of the Green Taxonomy Regulation 2020/852.
- Strengthen competitive surveillance systems and the development of knowledge on sustainability and on methodologies which favour training of people.
- Cascade transfer, specifies each vertex of the triangle. Develop a sustainable communication programme.

PROJECT LEAD AGENT

- Deputy Ministry of Industry.
- Deputy Ministry of Environmental Sustainability.

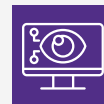
AGENTS INVOLVED IN THE PROJECT

- Main business groups and associations.
- Driving companies of the Basque Ecodesign Center.

PROJECT OBJECTIVES

This project promotes an **advanced social involvement model in terms of sustainability** based on the following processes:

- **Comprehensive information system** (health, social, environmental and economic), **open and transparent** where Big Data allows fair and efficient decision-making. This will allow to define new needs to be monitored and to have reliable, current and easily manageable information through new technologies.
- Development of **advanced models of social deliberation** on environmental sustainability. This will allow to take a new step in the model of citizen involvement making society feel heard, it will also allow to provide citizens with the necessary tools so that they can perform their own data analysis and encourage networking between people and interested entities.
- **Facilitate social co-responsibility**, where children and youth play an essential role in ensuring the future of sustainability. Two lines of work are proposed: (1) Educate in sustainability from the early stages of life, taking into account the specific needs and realities of primary and secondary school students. (2) Integrate different initiatives aimed at raising awareness among young regarding sustainability from multiple perspectives.



CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenge 4 and 6.

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

Comprehensive, open and transparent information system

- Identification, mapping and in-depth analysis of the information/features already available currently in use.
- Analyze the integration of data provided by the European Union Earth Observation Programme (Copernicus).
- Feasibility study of the design and calculation of *ad-hoc* synthetic features.
- Dissemination of the Open Data Environmental portal within Open Data Basque Country. Assessment of the impact of the Portal and the valuation of people, companies and agents.

Social involvement advanced models

- Mapping of working groups and networks that are already carrying out debates on environmental sustainability in the Basque Country.
- Study the lessons learned during the implementation of the “I-lab” commitment of citizen participation in the Basque Country deployed with the 2018-2020 Action Plan of the Open Government Partnership in the Basque Country (Open Government Alliance).
- Joint and coordinated work with the development groups of commitments 3 (*Open Eskola*: development and strengthening of citizenship) and 4 (tool to promote the collection of proposals and adhesions for popular legislative/normative/regulatory initiatives in the Basque Country) of the 2021-2024 Action Plan of the Open Government Partnership in the Basque Country (Open Government Alliance).

Social co-responsibility (childhood and youth)

Childhood

- Study what has been done so far in the field of sustainable consumption within the area of education and non-formal education, as well as good practices in other territories.
- Define an aspirational curriculum model from the point of view of sustainable consumption, for primary and secondary.
- Design a pilot in the field of food.
- Build a support network for the project, which provides knowledge and tools to carry out the curriculum modification and its application. Socialize the project in schools, families, institutions and agents involved.

Youth

- ENVIRONMENTAL ANTI-RUMORS: fight false myths about climate change and sustainable development, providing objective and truthful information about the negative and positive impact of daily practices and consumption habits on our environment.
- ERRONKA GARBIA: initiative focused on integrating environmental measures to minimise negative impacts on the environment in events aimed at young people. It is also proposed to extend it to infrastructures and young areas, with an important focus on its dissemination.
- RECOGNITIONS OF YOUNG PEOPLE: support by the Administration to people, entities or small companies in the youth field that have performed or have an idea of the future to advance in sustainability. Facilitate the emergence of sustainable young projects in universities, incubators, work groups, among others.
- YOUNG SCIENCE: involve young people through volunteering in scientific activities related to sustainability and in close collaboration and coordination with the university.

PROJECT LEAD AGENT

- Lehendakaria. General Secretariat for Social Transition and Agenda 2030.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Deputy Ministry of Institutional Relations.
- Deputy Ministry of Health.
- EGK - Youth Council of the Basque Country.
- Deputy Ministry of Education. Basque universities. VET centres.
- Agents of non-formal education.
- AMPA federations.
- Ararteko.

PROJECT OBJECTIVES



This project seeks to empower Basque citizens in their role as consumers as a lever for changing the products and services they acquire, to achieve a more sustainable production and consumption model in a coordinated manner. The project will allow to:

- Address all areas of consumption, prioritizing those with the greatest impact that urgently need to be transformed.
- Establish a sustainability standard, aligned with European policies, based on transparency and complete information on the life cycle of products and services that serves as a comparative assessment tool.
- Promote the application of this new standard in both supply and demand so that Basque citizens can make use of it in their options both for purchasing and for contracting services.
- Raise awareness among the population of its ability to transform the market, through the power of its purchasing and hiring options, identifying global improvements that can be obtained.
- Take advantage of the complementarity with the Basque strategy against food waste and the Green Purchase and Hiring Programme of the Basque Country 2030.

CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenge 4.

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Establish a joint working table between local supply agents, the distribution sector, consumer organizations and the administration to jointly design priorities and the promotion of sustainable consumption in the Basque Country.
- To jointly design the required tools to transform the current production and consumption patterns towards a more sustainable model, including the design of a standard of information and transparency on the sustainability of products and services, which serves in a simple way for a comparative assessment in purchasing processes.
- Generate incentives and accompanying plans for producers, distributors and commercial establishments so that they can implement the new tools developed, with the aim that they can be available for Basque citizens in their purchase options.
- Develop awareness-raising and training campaigns for Basque citizens to learn about and use the new tools developed.
- Identify with producers and their value chains those actions that could improve the sustainability positioning of their products and services, in a continuous improvement process that allows a greater acceptance by citizens of their products.
- Develop catalogues of products and services with the best levels of environmental performance, as recognition and incentive for the development of new improvements

PROJECT LEAD AGENT

- Deputy Ministry of Agriculture.
- Deputy Ministry of Tourism and Trade.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Consumer associations.
- Main business groups and Associations.
- Business clusters and chambers of commerce.

PROJECT OBJECTIVES

The project seeks to transform our economy so that it is more sustainable, adding the Basque financial system in this process. It will also promote the quick adaptation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments. The project will allow:



- The Basque Country to comply with the obligations already arising from the Regulation and foreseeing those that have not yet been developed.
- To generate knowledge and strategic teams in the Basque Country for the deployment of the Regulation.
- To assess the risks and opportunities presented by the Regulation and carry out the transformation maps for the adaptation.

CHALLENGES TO WHICH THE PROJECT CONTRIBUTES: Challenge 3 and 5.

MILESTONES/STRATEGIC ACTIONS OF THE PROJECT

- Measurement of the level of alignment of the Basque Government's budgets with the Taxonomy (REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT and OF THE COUNCIL and its amendments).
- Diagnose the initial situation in the Basque Country and draft a knowledge map of sustainable finances, above all from the most environmental point of view of the Regulation. Address the performance of Transition Maps by economic sectors.
- Deploy exchange formats with other European regions to share knowledge and experiences.
- Provide training between different agents, especially stressing the push to the business fabric to promote the transformation of the production model.
- Create a working table with listed companies to generate knowledge that can then be transferred to SMEs.

PROJECT LEAD AGENT

- Deputy Ministry of Finance and Budget.
- Deputy Ministry of Environmental Sustainability.

AGENTS INVOLVED IN THE PROJECT

- Main business groups and driving companies, especially those listed.
- Financial entities.

NEXT STEPS.

FROM CONCEPTUAL DESIGN TO ACTION

Immediately after the approval of the EFP 2030, each project's coordinator will complete and will detail the list of participants in the working group for the implementation of the project. Likewise, it will contact all parties involved, formally constituting the working group.

After this, and within six months since the formal approval of the EFP 2030, each working group must define a detailed roadmap associated with the implementation of the Transformational Project, including a calendar and main implementation milestones, the estimate of necessary resources and monitoring and evaluation features.

Within six months since the formal approval of the EFP 2030, each working group must define a detailed roadmap associated with the implementation of the Transformational Project.

The individual planning of each project and its subsequent execution will be done taking into account good management practices, it will be optimized the use of economic resources, the required human talent with emphasis on gender equality, and the respective budgets. It will be essential to set the scope of each project with a risk analysis and mitigation measures so as not to commit its effective implementation.

The challenge of having several projects implemented simultaneously will allow to generate and optimize synergies. The achievement of important milestones of some projects will generate knowledge, tools and lessons learned that will feed back later phases of others. To this end, EFP 2030 will propose open communication channels between coordinators through the figure of the Technical Secretariat of EFP 2030, which allows a broader vision of the entire portfolio, its possible interaction and collaboration.

The individual planning of each project and its subsequent execution will be done taking into account good management practices, it will be optimized the use of economic resources, the required human talent with emphasis on gender equality, and the respective budgets.

Given the lively and evolving nature of the Transformational Projects, the door is also open so that, based on the expected governance dynamics, new proposals may arise and other projects can be added by 2030.



5

GOVERNANCE MODEL OF THE BASQUE COUNTRY 2030 ENVIRONMENTAL FRAMEWORK PROGRAMME

Article 10 of the Basque Country Environmental Administration Law 10/2021 establishes the order for the Department of Economic Development, Sustainability and the Environment to prepare the 2030 EFP and for it to be approved by the Governing Council prior report from the Environmental Advisory Council¹.

However, the management and progress in the implementation of the EFP 2030 will involve a considerably wider range of actors, putting in place a transversal and participatory governance system organized as follows:

A Technical Secretariat for the management of the EFP 2030, led by Ihobe. This technical secretariat will be in charge of supporting all coordination tasks associated with the analysis, diagnosis, monitoring and assessment of the contents of EFP 2030. In addition, the Technical Secretariat will provide the framework guidelines to guarantee a basic context of standard and coherent action to the working groups of the different Transformational Projects.

Working groups for the implementation of each one of the EFP 2030 Transformational Projects.

As developed in the previous section of this document, each working group will consist of a coordinator and a variable number of participants who will actively collaborate in its implementation. Within six months since the formal approval of the EFP 2030, all working groups

will have been constituted and will have developed a detailed roadmap associated with the implementation of their Transformational Project, including milestones and monitoring features that allow to assess the impact of the actions implemented, as well as the estimate of the resources needed for its successful implementation. In the event that new proposals for Transformational Projects move forward during the implementation of the 2030 EFP, these new proposals will involve the constitution of their corresponding working groups.

A Sustainability Forum linked to the EFP 2030, constituted by a representation of the agents who participated in the participatory dynamics for the elaboration of this programme and who provide an expert vision of support to its implementation of assessment. The Forum will meet in plenary format once a year to conduct a strategic assessment and updating exercise, helping identify emerging trends and international best practices that can contribute to the optimal implementation of Transformational Projects.

A Citizen Participation Forum linked to the EFP 2030. Within the framework of the “Social Innovation” Transformational Project for advanced social participation in sustainability, throughout the implementation period of the EFP 2030, priority will be given to periodic informative and deliberative processes that allow participation in specific matters of strategic interest in the field of sustainability.

¹ Law 10/2021, of 9 December, on the Environmental Administration of the Basque Country, regulates in its articles 11 and 12 the functions of the Environmental Advisory Council and its composition. The second paragraph of Article 12 states that “the composition of the Environmental Advisory Council, the procedure for appointing its members, ensuring a balanced representation of women and men, and its basic rules of organization and operation shall be detailed in the regulations”.

This regulatory development is in progress before its approval by the Basque Governing Council and, therefore, it is currently not feasible for the Council to carry out its functions. For this reason, this Framework Programme has not been reviewed by that body.

6

ECONOMIC RESOURCES OF THE ENVIRONMENTAL FRAMEWORK PROGRAMME 2030

The 2030 Environmental Framework Programme has a 7-year time horizon, until 2030, with a first execution period until 2026, at which time an interim assessment of the degree of progress of the actions contemplated will be performed and the transforming capacity of the projects established to date will be measured, together with the corresponding roadmaps proposed. Based on this assessment, the relevant actions will be redefined for the second execution period until its completion.

Taking into account the foreseen time horizon and the current economic situation marked by high instability, which is expected to be one of low economic growth and high inflation, the budgets for the year 2023 are framed in a scenario of uncertainty that recommends a budgetary forecast of containment in the first year of execution of the 2030 EFP. In any case, and as a plan that will guide the Basque Government's action in environmental matters, the EFP 2030 must be aligned with the Government's economic-budgetary perspective and commitment, and support its objectives by framing the actions to be carried out in its commitments and initiatives.

The EFP 2030 must be aligned with the Government's economic-budgetary perspective and commitment.

To the extent that **the programme** faces different challenges and **is proposed as strategic catalyst for the effective implementation of the Basque Country Green Pact and the set of sector environmental plans in force, the budgetary needs** of this environmental planning corpus **will be mainly specified in the Transformational Projects, through which it is intended to address the challenges identified.** Since it is the Vice-Ministry of Environmental Sustainability that leads the execution of the sector environmental plans and strategies in force, and that the EFP 2030 is the planning instrument that integrates environmental action from a cross-cutting perspective into all government action, it is assumed that its budget is included in the budgets approved for this Vice-Ministry. The reference framework, therefore, is the one included in the 2023 Budgets² prepared by the Department of Economy and Finance.

On the other hand, as the implementation of the EFP 2030 Transformational Projects is a country project in which the collaboration and coordination of all government action is essential, it is reasonable to consider that budgetary resources will also be available from other Basque Government departments and even from other public and/or private institutions that lead or participate in a transformational project.

The work plan calls for different roadmaps to be drawn up within six months of the formal approval of the EFP 2030, in which each working group will specify the reach and scope of action of each project and estimate the economic resources required for its implementation. Therefore, only the economic resources necessary for 2023 are now estimated, which, as mentioned above, are included in the approved budgets for the Vice-Ministry of Environmental Sustainability, and no additional funds are required.

² <https://www.euskadi.eus/presupuestos/>

The work plan calls for different roadmaps to be drawn up within six months of the formal approval of the EFP 2030, in which each working group will specify the reach and scope of action of each project.

Specifically, the budget linked to the scope of the Programme for 2023, is limited to 150,000 € for the technical secretariat that will drive the definition of the roadmaps foreseen for each of the 8 Transformational Projects, expected to be performed during this year and which is included in the budget already approved for the Vice-Ministry of Environmental Sustainability.

For the total period of the EFP, the estimated budget amounts to 1,400,000 euros, which corresponds to the promotion of the projects from the technical secretariat distributed in two periods 2023-2026 and 2027-2030. The operating budget of the transformational projects, as defined in the roadmaps and in their progressive execution, will be incorporated into the approved budgets of the lead Ministries' offices for each project.

Notwithstanding the budgetary forecasts contained herein and those determined in the different roadmaps, the level of action in each of the years of the Environmental Framework Programme will be subject to the amounts, limits, and orders set by the Basque Parliament at the time of approval the budgets of the Basque Autonomous Community, as well as to the formal processing of those instruments with which the implementation of the transforming projects is intended to be materialized.

The operating budget of the transformational projects, as defined in the roadmaps and in their progressive execution, will be incorporated into the approved budgets of the lead Ministries' offices for each project.

MONITORING AND ASSESSMENT OF THE ENVIRONMENTAL FRAMEWORK PROGRAMME BASQUE COUNTRY 2030

Bearing in mind the long trajectory in the implementation of legislative and environmental planning instruments, it is fair to state that Basque environmental policy already has consolidated monitoring and measuring tools that provide a clear and complete picture of the state of the environment in the Basque Country and of the impact of the environmental policies in operation at all times. Among others, this solid and established structure of periodic monitoring and assessment includes:

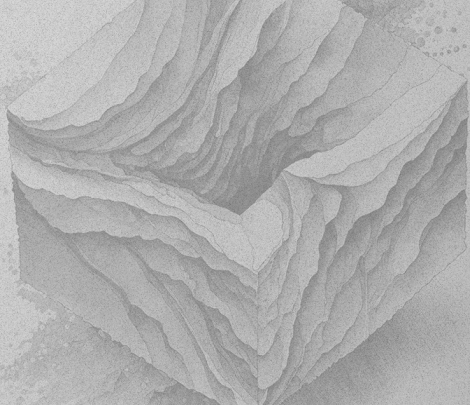
- Environmental information features associated with official statistics regularly updated (including **Territory and Environmental statistics from the Basque Institute of Statistics, Eustat** and the **Environmental Statistics from the Department of Economic Development, Sustainability and Environment**).
- The **reports on the state of the environment** currently regulated by Article 13 of Law 10/2021 of the Basque Country Environmental Administration (annual interim reports and full four-year reports).
- The monographic **environmental profiles** by environmental vector, the ecobarometers or integrated index reports such as the Ecological Footprint or the Environmental Performance Index.
- The indicators associated with the sector planning in force.
- **The monitoring reports of the 2030 Agenda** of the Basque Country.

Progress toward environmental objectives is therefore already defined, established, and integrated into the dynamics of environmental monitoring.

In parallel, the monitoring and assessment of the EFP 2030 will also include the analysis of the progress of the Transformational Projects defined in this EFP 2030.

Finally, monitoring through features will be completed with a mid-term assessment and the final assessment of the EFP 2030, both of which will be external. The EFP 2030 assessment reports will be performed and made available to the public in 2026 and 2030. The interim report will serve as a basis to optimize the dynamics in operation or to study new proposals to improve the comprehensive implementation of the EFP 2030. For its part, the final assessment of the EFP 2030 will be the starting point for the definition of the new strategic planning framework cycle, the 6th Environmental Framework Programme.

The monitoring and assessment of the EFP 2030 will be performed in accordance with the EIR methodology. This Environmental Implementation Review (EIR, its initials in English) instrument was developed by the European Commission to monitor the achievement of the objectives of existing EU environmental policies and legislation through its programmed actions and to supervise the application of the common standards agreed by the European Parliament and the Member States. The EIR provides an informed and synthetic picture of the implemented environmental situation, creates the opportunity for a structured dialogue on achievements and challenges to address necessary measures, provides a structured basis for policy discussions and deliberations between EU institutions, and identifies and shares best practices and common problems.



ANNEXES

Annex I

State and perspectives of the environment in the Basque Country 2020

<https://www.ihobe.eus/publicaciones/estado-y-perspectivas-medio-ambiente-en-euskadi020-3>

Annex II

Final assessment report of the 4th Environmental Framework Programme 2020

<https://www.ihobe.eus/publications/basque-country-environmental-framework-programme-2030>

Annex III

The context: sustainability at the heart of international, European and Basque policies

<https://www.ihobe.eus/publications/basque-country-environmental-framework-programme-2030>

Annex IV

Report of the Participatory Process for the elaboration of the EFP 2030

<https://www.ihobe.eus/publications/basque-country-environmental-framework-programme-2030>

EUSKO JAURLARITZA



GOBIERNO VASCO