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**Best Practices in  
Environmental Governance:  
Preliminary Considerations on the  
Lessons from the Nordic Experience**

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# **Best Practices in Environmental Governance: Preliminary Considerations on the Lessons from the Nordic Experience**

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## **Abstract**

The present paper examines the environmental governance that includes both official policies as well as the involvement of the non-governmental organizations in spreading the awareness of environmental care and sustainability in four Nordic countries. The paper argues that there are lessons to be drawn from the best practices of the Nordic countries. The paper suggests that governance in the conventional sense of administering, planning and execution carried out by the government to promote public good, may be supplemented by another goal, namely, removal of “public bad or public ills” that are easy to identify, especially in regard to environmental pollution and global warming.

## **Introduction**

We live in a world beset by threats of various nature ranging from wanton wars, gross income inequality and the slow but inevitable ruination of our eco-system associated with the looming climate change. It is in view of the long-term creeping disaster the world leaders at the United Nations adopted the 2030 Agenda for Sustainable Development on 25 September 2015. The agenda sets out an ambitious action plan that would improve the lives of people both in the Global North and the Global South. The agenda, in that sense, is both global and universal; and inclusive, which calls for action by all countries, regardless of their level of development.

As we scan the world, it becomes obvious that the 200 + countries of the world are at different levels of preparedness to deal with the challenges of the environmental crisis. The

environmental governance, like the structure of governance as a whole is unequal across the world. Recognizing the unevenness in the environmental governance worldwide, this paper suggests that the countries with low preparedness and inadequate policies to address the challenges of environmental problems can learn from the best practices in environmental governance. I emphasize the word learning because sometimes the idea of adopting the “best practices” is understood in a simple-minded way; as if one can cut and paste policies from one country and apply them to other mechanically without taking into account various contextual and historical factors. Too much of reliance on best practices can also be hindrance to innovation. Best practices need to be indigenized, or what some sociologists call, “glocalized”. At the end of the day, formulation of policies, in itself, becomes an exercise in futility unless those policies are implemented successfully, and the desired outcomes are achieved. Keeping these points in point in mind, we approach the subject.

The Nordic Europe, especially, Norway, Denmark, Finland, and Sweden have set examples in environmental governance. These four Nordic countries have formulated exemplary policies and institutional arrangements to govern their environment effectively by engaging their citizens. In addition to carefully formulated policies based scientific evidence, these countries have also been successful in generating a community awareness by means of education and public information often with the involvement of the civic organizations. It may be worthwhile examining those policies in order to draw some lessons.

## Discussion

In the present paper, we examine not only the official policies - focusing on how these policies have been globalized - but also examine the involvement of the non-governmental organizations in spreading the awareness of environmental care and sustainability. We look at governance in the conventional sense of administering, planning and execution carried out by the government to promote public good, and I would add, removing “public bad or ills”. One of the recent developments has been the globalization of governance that has generated a plethora of books (Kennett, 2008; Meadowcroft, 2012).

Environmental governance has a global dimension. The nation states around the world learn from each other in terms of adopting the best practices, not by simply imitating but refining and constantly improving these policies to best fit their national needs and priorities. The present paper will survey the best practices, identify the challenges and the enablers for implementing those policies in the four Nordic countries. Based on the concrete, historical examples, and following case-study methods, this paper will outline a set of guidelines that can be considered in calibrating and refashioning the environmental governance of the developing countries, especially in the areas of education and public awareness.

The main arguments of this paper are developed in the following manner: First, the paper proposes that the four countries in the Nordic Europe – Sweden, Denmark, Norway and Finland – are known for their excellent record of environmental practices. It is important to explain why in the first place; these four countries were able to develop policies that are exemplary in the governance of the environment. What are the factors that led to the development of those practices? Once we have provided the arguments explaining the development of a sustainable practices we would go on to argue why these policies can be emulated in other countries and what are the challenges in adopting the best practices.

If we look at the four countries, there is one factor in common is that in all these countries are known for their welfare economies and social policies that place the interests of the welfare and happiness of the citizens at the center. Hence, one cannot just look at one aspect governance in isolation from governance as such. These four countries, all small in population (though, not in size because Sweden is one of the larger countries in Europe in physical size), they are all democratic polities under constitutional monarchies (with the exception of Finland) and welfare states, they all experienced a long-period of peace throughout most of the nineteenth century and the twentieth century. For example, “the development of democracy and a modern market-based economy was far less conflictual and violent in Denmark than it was in England, not to mention France, Spain, and Germany” (Fukuyama, 2011 p. 434). The same can be said, more or less, for the other three.

However, one of the key factors in the success of these countries is their adherence to scientific knowledge. For example, Finland has one of the finest educational systems of the world. Countries such as Sweden has a long record of promoting peace. Sweden is the first country to have a ministry of peace and not a ministry of war.

In Denmark, economic development policies need to be vetted by a philosopher. It is not just commitment to science but also a holistic understanding of knowledge and its importance in the development of public policies that put these countries ahead of many of the richer capitalist countries elsewhere in the world.

The following table shows that these countries are ahead of the US and UK in the key social indicators. One of the key factors is their commitment to gender equity.

I would argue that policies towards gender equity is a good predictor for policies of sustainable development. Again, this idea stems from the fact that welfare policies have to be understood as holistic and not in a piecemeal fashion. Countries that pursue policies of peace, gender equality, democracy are also more likely to develop policies that would ensure sustainability.

Table 1: Basic Country Profiles

Country	Population	Area km2	Polity type	Per Capita GDP \$	Unemployment Rate
Sweden	9,851,017	447, 435	Constitutional Monarchy	48,905	7
Denmark	5,707,251	43, 561	Constitutional Monarchy	49,021	6.2
Finland	5,487,308	338, 430	Presidential	43,346	8.8
Norway	5,213,985	323, 781	Constitutional Monarchy	58,792	4.7

Sources: *Nordic Statistics, 2016*; *OECD Data* for the last two columns.

There are certain common characteristics of the Nordic countries that also include Iceland and some of the territories that include Greenland etc. 56.1% the space is forest covered, which is the highest in the world, population density is 17 per km. Tax rate in the Nordic countries is also the highest 43% of the GDP compared to EU's 38% and Us 26%. The high tax revenue earning enables the government to provide a wide range of welfare benefits to its citizens. In the Nordic countries, 34% have tertiary degrees and 44% have upper and post-secondary education. (Nordic Statistics, 2016 p.34). Not only two-thirds of women are full time employed, women as percentage of members of the parliament in the Nordic countries range between 50 to 60%. (Nordic Statistics, 2016 p.50). The combined gross domestic product of the Nordic Region makes it the world's twelfth largest economy.

What is striking is that since 1995 the Nordic economies have almost doubled while reducing CO2 emission by almost 20 percent. In 2016, Finland's greenhouse gas emissions amounted to 58.9 million tons of carbon dioxide (CO2 eq). being 12.4 million tons in the comparison year 1990. (OSF,2016).

According to the OECD, the Swedish population is among the most satisfied with life in the OECD, and the country performs well on many measures of well-being. Sweden is also committed to the fight against climate change and the implementation of the 2030 Sustainable Development Agenda (OECD, 2016).

Sweden is one of the world's most generous donors. Sweden is one of only six members of the OECD's Development Assistance Committee (DAC) to have met the UN target of allocating 0.7% of its gross national income (GNI) to official development assistance (ODA). In reality, Sweden is committed to exceeding this target through its annual budget legislation to continue delivering 1% of its GNI to ODA. In 2015, Sweden provided SEK 59.8 (EUR 6.4 billion) in net ODA (preliminary data). This represented 1.4% of GNI and a 36.8% increase in real terms from 2014, mostly due to the increasing cost of support to refugees and asylum seekers within Sweden (payments for refugees' and asylum seekers' transport to the host country, their temporary sustenance and expenditures for voluntary resettlement in a

developing country). More than half of Sweden's ODA goes to least developed countries, particularly in Sub-Saharan Africa, where its aid focuses on improving the lives of the poorest and most vulnerable people.

Sweden is also at the forefront of efforts to promote and implement the 2030 Agenda for Sustainable Development and efforts to improve policy coherence for development within the European Union. Sweden also takes a leading role in shaping the development agenda at the global level through its work on shared global challenges – from support for human rights and peacebuilding to prevention of pandemics and climate change. For example, Sweden is the largest per capita donor to the Green Climate Fund and the Global Environment Facility and also contributes to climate financing in developing countries via the Swedish International Development Co-operation Agency.

With other influential donors, Sweden is working for renewed commitment to the principles of effective development co-operation within this agenda, including stronger emphasis on inclusive partnership and strengthening of developing country systems and institutions. Sweden is also a leading advocate for increased support to multilateral organizations, emphasizing the importance of core funding support in enabling these organizations to carry out their mandate. For a number of organizations, including the UN Refugee Agency, the UN Population Fund, and UN Women, Sweden is now the leading provider of such support. (OECD, 2016).

In 2014, Sweden announced a relaunch of its Policy for Global Development to take account of the 2030 Agenda for Sustainable Development. Three priority areas were highlighted as a focus for the policy: capital flight and tax evasion, sustainable energy, and corporate social responsibility. All ministries are now developing individual but co-ordinated action plans to implement the SDGs and improve working methods for determining policy trade-offs between different policy areas.

Sweden has a long history of incorporating ideas about nature as part of its culture. Discourses of sustainable development were formally introduced by the government in the early 1990s where the focus was on ecological sustainability. A national strategy for

sustainable development was presented in 2002 which was based on a number of annual reports since 1998 (Ahlberg, 2009: para 13). Sustainable development was adopted as an overall objective of the Swedish government policy in 2003 and a department called Division for Sustainable Development at the Ministry of Environment was tasked to coordinate sustainable development or SD. In early 2005, a “Council for Sustainable Development was set up by the government under the National Board of Building, Planning and Housing. This was to facilitate the implementation of the sustainable development goals at the local and regional levels” (Ahlberg, 2009, para 16). Setting up of national councils and commissions has been a part of Swedish style of governance to ensure involvement of the members of society outside of the government. This ensures accessing a larger talent pool, which not only ensures a sense of ownership on the part of the citizens but it also helps ensure implementation in society. In 2007, a revamped “Commission on Sustainable Development” was established chaired by the Prime Minister and the Minister of Environment as the Vice Chairman. The Commission included members from the private sector, NGOs, and the Researchers as well (Ahlberg, 2009, para 17).

The hallmark of the Swedish policy (and for that matter the Nordic approach) is that they look at sustainable development in a holistic way based on the idea that “a well-functioning economy is the basis of social justice and environmental protection”. This principle ensured that “policy decisions should be properly balanced with regard to their long-term social, economic and environmental consequences” (Ahlberg, 2009, para 20). It was recognized that building sustainable communities by promoting good living and encouraging good health on the basis of equal access by creating conditions for good health for all need to be included in the vision of a sustainable society. A set of 87 indicators for sustainable development was formulated and six headlines indicators were selected, which were health, sustainable consumption and production, economic development, social cohesion, environment and climate for global development (Ahlberg, 2009, para 24). Climate care and economic growth were identified as the two important ingredients of the renewed Swedish Model (Ahlberg, 2009, para 32).



Another important aspect of the Swedish model is to link national with both local and the international as they plan for implementing their environmental policies in recognition to the inter-connected nature of the present globalized world. In a speech at Rio +20 Summit on Sustainable Development the Swedish Prime Minister Fredrik Reinfeldt stated “Unsustainable production and consumption patterns are depleting our natural resources. Climate change is causing more extreme weather conditions, which affect the poorest people the most” (Reinfeldt, 2012).

Identifying the challenges of the world, the Swedish Prime Minister outlined a number of fundamental conditions that need to be taken into consideration.

For Prime Minister Reinfeldt, among those were first and foremost democratic principles. openness and transparency, free flow of information, accountability, as well as respect for human rights and gender equality.

For him, the most important and fundamental in this respect was to ensure human, economic and social rights for 3.5 billion women and girls around the world. This was not only a question of fairness and gender equality, but also, a purely economic question, since it would lead to significantly higher GDP growth in many countries. The high number of death of women from causes related to pregnancy and childbirth affected quality of life and economic wellbeing.

Swedish Prime Minister Reinfeldt recognized the importance of market economy and free trade as important instruments in fighting poverty and bringing prosperity to more people around the globe. Liberal economic Instruments which in times of economic crisis are often questioned, and which are sometimes being replaced by protectionist policies. The Prime Minister was not in favor of such protectionism. Rather he recommended to create possibilities for people to strengthen their power over their own lives. Only when people were free to think and express themselves, they would be able to make demands, contribute to social progress and create conditions for sustainable development.

In a social welfare driven society, Prime Minister Reinfeldt recommended market-driven economic solutions: He argued:

“Firstly: In a sustainable society, the prices of natural resources have to be right - in the sense that the prices also have to reflect the environmental effects. This can be done for instance through environmental taxes, trade with emissions and environmental fees. In Sweden, we have made that kind of economic incentives work. Showing also that it is possible to increase economic growth and at the same time reduce greenhouse gas emissions. Crucial of course for developing countries. If we are serious about meeting the climate threats, we all need to perform better in this area. That is why we believe that economic instruments should be key tools for a green and inclusive economy.

Secondly: In 2030, five billion people are expected to live in cities. A large part of the energy consumption, the environmental and social problems - including the increasing poverty - will be concentrated here. This is the reason why Sweden is pushing to increase the awareness and need for sustainable urbanization.

We simply have to rethink and adopt a comprehensive view on urban planning. Where resource efficiency and energy efficient techniques go hand in hand with increased recycling. And where increased employment is combined with increased availability in social services.

Thirdly: The business community is playing a decisive role to mobilize resources, create employment - in particular for young people - and stand up for responsible innovations - in our endeavor to reach a sustainable development. The economic and environmental problems of today are to a high degree linked to the production and consumption patterns. To better take care of the expertise, the resources and the innovation potential of the business to reach sustainable development should be a priority.

Fourthly: Access to and a sustainable use of energy as well as water and sanitation is crucial. Cost-efficient and healthy energy and water solutions contribute to improving people's living conditions, health and environment” (Reinfeldt, 2012).

From the above it is clearly discernible that Sweden is not opposed to a market-driven economic development model in principle. Yet, from other welfare-oriented policies by a high and rational taxation structure, Sweden has not neglected its welfare programs

underwritten by a historical social compact with its citizens. The holistic nature of the Swedish strategy with a global focus is its hallmark, which can be a takeaway for the governments of the rest of the world, especially, the governments committed to good governance that prioritize sustainable development as a core element in its governance.

It is one thing to devise carefully crafted and thoughtful policies but another thing to evaluate the performance of those policies on the ground. It is in that light performance indicators have been implemented.

Table 2: Government Spending on Social Sectors and CO2 Emission in the Selected Nordic Countries

Country	Taxes % of GDP	Government Spending as % of GDP	Health Spending Per person	Life Expectancy	CO2 Emission in Tonnes per capita
Sweden	13.2	49.5	\$5,488	80.4	3.8
Denmark	24.4	53.6	\$5,205	78.8	5.6
Norway	10.5	50.8	\$6,647	80.5	7.1
Finland	13	57.0	\$4,033	78.7	7.7

Source: OECD Data (2018) - <https://data.oecd.org> - (accessed in 10 April, 2018)

Table 3: Social Spending and Education in the Selected countries

Country	Social Spending As % of GDP	Education Spending per Student	R & D spending as % of GDP	Internet Access % Household	Road Accident per 1 million
Sweden	27.1	24,072	3.3	94.7	26
Denmark	28.7	16,609	3	97.0	34
Norway	25.1	20,962	1.9	96.7	23
Finland	30.8	17,893	2.9	94.4	49

Source: OECD Data (2018) - <https://data.oecd.org> - (accessed on April 10, 2018)

Since 1994 Organization of Economic Cooperation and Development (OECD) has instituted an Environmental Performance Review system for its member states. Coherence and cost-effectiveness of the policies were the two important criteria.

For Sweden, it was reported that between 2000 and 2012, Green House Gas (GHG) emissions decreased by 16%. “Sweden has achieved both its commitment under the Kyoto Protocol and its more stringent national target” (OECD, 2014 p. 14). Sweden pioneered the use of a carbon tax on energy products as a complement to energy taxes (OECD, 2014 p.12).

Norway depends on natural resources for economic growth. In 2009 the oil and gas sector accounted for about 24% of GDP and 46% of export revenue. Norway was some distance away in 2011 from achieving its unilateral target for the Kyoto protocol. Norway developed an ambitious biodiversity policy. The Nature Diversity Act introduced in 2009 brings together many biodiversity related issues (OECD, 2011).

Norway’s sustainable development policy represents a unique approach for integrating economic and environmental policies. Particular attention is paid to ensuring that the depletion of oil and gas reserves contributes to increasing other forms of capital, especially human and natural capital (OECD, 2011 p, 1).

## Conclusions

The main argument of this paper is that advancement of good governance is reliant on a set of policies, laws and institutions that can effectively enhance the quality of life of the people. The idea of good governance has applicability to a nation state, institutions within the country, global institutions, and local institutions and even to the unit of family. Good governance in society is dependent on practices as well as values that ensure respect for the rights and interests of the participants. The spirit of fairness and inclusiveness is of great importance. As good governance promotes accountability and justice it must also effectively deal with forces

that undermine accountability and justice. One of the most effective ways of improving the effectiveness of governance is to encourage participatory governance by deepening democracy and access to information and high-quality education to all the citizens of the society since these are public goods. When it comes to environmental governance or educational governance, it is easier to identify and then remove, what I would call, “public bad or public ills”. As far as environmental governance is concerned, a universally recognized “public ill” is wastefulness, which is related to lack of environmental awareness.

The challenges we face in the present world are interlocking and may be rooted in a gradual decline of the moral ecology (Khondker, 2017) of the world vitiated by relativism and apathy. The problem, however, is rooted deeply in human community’s fascination with what Goran Therborn calls “the modernist infatuation with development” (Therborn, 2016: 104-105), which is at the root of the threat to our environment. Yet, losing hope is not an option. It is in light of a sense of optimism and with a “can do” attitude, we need to approach governance. The addiction to consumption more and more material goods may be difficult to overcome but, at least, a responsible manner of consumption with the conscious desire to minimize wastefulness can be a good start.

Governance has to be understood in a holistic manner. A good government relies on smart governance based on verifiable knowledge and is prone to take a longer term, holistic view of things to promote welfare of the citizens. The globalized world has created opportunities for all to learn from each other. The spirit of learning regardless of national barriers is of utmost importance which must not be obstructed by intellectual nationalism and relativism. A cosmopolitan approach to knowledge utilization will help the entire world.

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