

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Resolution 240 (2007)¹ Environmental accounting for responsible local action

1. Local authorities are increasingly aware of the need for more sustainable environmental policies in response to the major challenges of the 21st century, posed by climate change, loss of biodiversity, diminishing natural resources and increasing pollution.

2. The concept of environmental accounting, introduced by the 1992 United Nations Conference on Environment and Development (Rio Summit), reflects the need for “suitable environmental monitoring and information systems that can serve as a basis for policy decisions”, as highlighted by the Parliamentary Assembly of the Council of Europe in its Recommendation 1653 (2004). Environmental accounting is now also advocated by the United Nations, the World Bank, the Organisation for Economic Co-operation and Development and the European Union.

3. Environmental accounting tools are a response to environmental requirements as well as to economic and democratic demands. As the frontline of environmental management, local elected representatives must be able to measure and assess the effectiveness of their environmental policies. Such tools should enable them to account for the environmental expenditure and costs of their activities. They should also encourage citizen participation since the dissemination of clear and precise information is a prerequisite for any successful exercise of this sort.

4. Measurement is the starting point for improving environmental action and developing structured policies. Since existing economic tools and systems fail to take account of the environment, some local authorities are already using environmental accounting tools to identify the contributions and impact of their policies.

5. Environmental accounting is a method of producing physical and financial information on the environment of a particular area, as well as measuring it. It can also be used as a monitoring and assessment tool that offers the necessary transversality and transparency for the management of environmental issues. It is one element of a comprehensive approach to good governance and optimises specific environmental activities as well as responsible management of local resources.

6. The Congress of Local and Regional Authorities of the Council of Europe sees an urgent need to adopt environmental control and information tools at all levels of governance, so that policy makers can take better account of the environment in their decisions.

7. It considers natural resources to be as much of an asset as economic ones. The decline and degradation of Europe’s natural resources as a result of economic development and urbanisation require their incorporation into an accounting system, to ensure that these resources are properly managed and preserved.

8. Environmental accounting contributes to an improved understanding of environmental costs. It is essential for the compatibility and co-ordination of different policies when taking into account the interaction between various public sector activities and different geographical areas. It produces assessment indicators and gives meaning to the policies that are being implemented.

9. The Congress welcomes the fact that for some fifteen years, local authorities in various European countries have been experimenting with ways of assessing their environmental policies, under the common heading of “environmental accounting”, often adapting information systems derived from business or central government to local circumstances.

10. Although the range of environmental tools available to local authorities is still incomplete, their application by a number of municipalities has shown that environmental accounting can offer real and practical benefits in terms of optimising activities, improving responsiveness to inhabitants’ demands and promoting the general interest.

11. The Congress is convinced that, as co-ordinators of the various actions affecting the ecosystem and the daily lives of inhabitants, local authorities play a decisive role in integrating the different policies affecting their territory.

12. With this in mind, the Congress recommends that the local authorities of the member states of the Council of Europe:

a. make systematic use, in the management of their authority, of environmental accounting where resources are a part of the heritage and expenditure on the environment is an investment with positive local benefits;

b. implement, as a first step, those measures that suit the particular circumstances of local authorities and that could be rapidly introduced (for example carbon accounting or environmental asset registers);

c. undertake an analysis of the most appropriate tools for their needs, by:

i. adopting a transversal approach to environmental issues, with the long-term aim of encompassing all local policies and activities;

ii. prioritising tools to monitor local environmental policies, since local authorities are directly responsible for the outcome of these policies;

iii. giving precedence to tools which assess the interaction and common effects of environmental policies and their

overall compatibility over time and in different geographical areas;

iv. choosing tools that are suited to existing local information systems, that administrations can easily use and adapt to, and that are capable of evolving to take account of new issues that currently fall outside the environmental field;

d. establish the right conditions for this new approach, by:

i. ensuring from the outset the involvement of partners in order to bring together all the locally available information on particular aspects, whatever the country's institutional framework;

ii. aiming for long-term complementarity with existing local systems providing economic, financial and social data;

iii. gradually establishing full environmental information systems which encompass both financial and asset flows and the physical and economic measurement of the environment;

iv. producing reliable and relevant data on the environmental effects of their policies and renewing partnerships with agencies that can supply certain data;

v. adapting working methods towards more co-operative working between departments and elected members, and with greater participation of all local stakeholders;

vi. encouraging local authority staff training that emphasises the sharing of cultures, shared responsibility for projects and which experiments with a transversal approach that is often new to local government;

e. mobilise external partners, by:

i. improving exchanges of information and experience between different levels of governance within the same geographical area;

ii. establishing partnerships with research bodies and local universities;

iii. seeking exchanges of experience with other European local authorities and drawing on the work of various local authority associations;

f. incorporate the principles and goals of sustainable development into their policies and implement Local Agenda 21s, while respecting the Aalborg commitments.

13. The Congress invites the Committee of the Regions of the European Union to:

a. take immediate steps to disseminate the concept of environmental accounting as a tool for monitoring environmental policies and activities, as a complement to environmental management systems;

b. encourage exchanges of information and experience regarding environmental accounting;

c. encourage a results-oriented culture in the environment field through the development of appropriate local eco-efficiency indicators.

1. Debated and approved by the Chamber of Local Authorities on 31 May 2007 and adopted by the Congress on 1 June 2007, 3rd Sitting (see Document CPL(14)5RES, draft resolution presented by S. James (United Kingdom, L, ILDG) rapporteur).