



Network of Regional Governments for
Sustainable Development

nrg4SD General Assembly

29- 31 August 2011 – Québec City – Québec

**Pathways for the future of nrg4SD: Matters of particular relevance
for deliberation and political decisions**

Objective

The General Assembly (AGM) will bring together the statutory meetings of the Network – namely the Steering Committee and General Assembly meetings - with technical sessions of the nrg4SD Working Groups and a Ministerial Round Table; while leaving room for bilateral interaction and meetings amongst the different delegations. The programme of activities also features a high level North-American Forum. Building upon the long-track collaboration initiatives of our host, the Government of Quebec, with other North-American governments and stakeholders, this Forum constitutes a unique opportunity for nrg4SD delegates to connect with like-minded partners in North America.

Key issues

The key issues for discussion and agreement at the statutory meetings include:

1. Governance aspects

1.1. Consolidation of the political dialogue opened in July at the European meeting organised by Brittany in its role as Vice-Chair for Europe – on the eve of the tenth anniversary of the network, a discussion and review of the working practices of the network appear normal. Since last year, in the context of the re-launch of the network, a number of members have reaffirmed their commitments and been key drivers of the network, alongside the Presidencies held by Catalonia, Aragon and São Paulo. These members include ANAAE (National Association of Environmental Authorities of the Mexican States), Aquitaine, Brittany, Buenos Aires, North Burkina, Flanders, Mbale, the Basque Country, Wales, Rhône-Alpes, Quebec and Wallonia. After the recent elections in Brazil, São Paulo, has largely reiterated its interest in working with nrg4SD and applying for re-election of the role of Co-Chair for the South. In this context, it seems more necessary than ever to establish dynamic dialogue and

communication policies to ensure transparency of decisions; strengthen the renewed commitment of all members, as well their wishes; encourage all members to take ownership of the work programme of the Network and to seek new members.

- The minutes of the European meeting of 13.07.2011 organised by Brittany, Vice Chair for Europe of nrg4SD are available to all members of nrg4SD in the documents folder of the General Assembly.

1.2. Possibility of creating a Political Bureau – with the objective of creating a "platform for political dialogue" in line with the ideas expressed in section 1.1. Such a bureau could be composed of members with a governance role as well as those regions interested in feeding into the strategic political work of the Network (members shall consist of a substantial number to ensure dynamism and a strategic political vision). The Political Bureau could be complementary to the existing Steering Committee, which has a considerable number of members, only meets twice a year and not always in a political configuration. The discussions and recommendations of the Political Bureau would focus, among other topics, on the strategic development of the objectives of the Network; on the ownership of the work programmes by members of nrg4SD; on the relevance and quality of services of the Network; and on potential sources of external funding to be incorporated into the budget of the Network.

- The reform of the nrg4SD statutes prepared by the Secretariat includes specific proposals in this regard. The reform of the statutes is available to all members of nrg4SD in the documents folder of the General Assembly.

1.3. Possibility of gradually creating an Advisory Board – in charge of providing advice and independent support, particularly on strategic aspects and forward-looking decisions. The advisors would belong or have belonged to governments, associations, entities or academic institutions with similar or complementary objectives to those of nrg4SD.

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1.4. The state of collaboration between Aragon and Catalonia for the Co-Chair for the North of the Network following the elections of 22 May 2011 in Spain. The Co-Chair for the North began in April 2010. In the meanwhile, the Co-Chair for the South São Paulo has undergone a change of administration.

1.5. Possibility of introducing an anticipated system for the election of the presidencies (a troika or an EU-style tandem of Co-Chairs) – This would ensure a smooth transition between the present and future Co-Chairs. Towards the end of his/her mandate, the current Co-Chair could start to dossier to the new Co-Chair, who could begin to familiarise his/herself with the commitments and responsibilities of co-chairing the Network. It would be important to start identifying potential candidates for the Presidency of the North during the General Assembly. According to the current standing rules of nrg4SD, the next President of the North should be

elected during the next World Summit of Regions, which is likely to take place alongside the Rio +20 Conference in June 2012.

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1.6. Decision on the candidature of São Paulo for re-election as Co-Chair for the South - the Secretary of State for the Environment of São Paulo Bruno Covas has reiterated his interest in maintaining the high-level of engagement of São Paulo with the Network and to run for re-election as Co-Chair for the South. The possibility of being able to continue to count on São Paulo in this role offers excellent prospects for the Network. 2012 will have a distinctly Brazilian and 'Southern' character in the area of sustainable development, due to the Rio +20 Conference taking place in June 2012.

1.7. Decision on the next Treasury – The mandate of the current Treasury of nrg4SD, the CPMR comes to an end on 31.12.2011, following a one year renewal which took place in late 2010. CPMR has expressed that it is not interested in continuing to exercise the role of Treasury after 2011.

1.8. Welcoming new members – In the recent months, membership applications were received from Hauts Bassins (Burkina Faso), Kaolack (Senegal), Paraná (Brazil) and Rio de Janeiro (Brazil). Rio de Janeiro is particularly interested to work on the topic of the Rio +20 Conference in 2012. Paraná expresses a special interest in the area of biodiversity and the work that nrg4SD is currently developing directly with the Secretariat of the United Nations Convention on Biological Diversity (UN CBD). Other regions which have recently expressed their interest in the network are Asturias (Spain), Centre (France), Hesse (Germany), Manitoba (Canada), Ontario (Canada), Rabat-Salé-Zemmour-Zaer (Morocco) and Yukon (Canada). The membership process can take some time due to different administrative processes regarding the membership forms and payment of fees. It is therefore difficult to know exactly which regions would have sent all the information in time for the approval of the Steering Committee and the General Assembly. We expect the participation of 'observers' invited primarily by the Secretariat and the Government of Quebec. It is important to remind members of the need to work together in order to expand the nrg4SD membership base making use of existing bilateral partnerships.

1.9. Decision on the type of members – The current statutes and membership forms foresee the categories of full members, associated members and observers without any clear distinction regarding the differences between the types of members and the services available to them. In addition, the current membership forms for associate members provide the possibility of becoming member to 'any interested party, comprising of Non-Governmental Organisations, universities and academic institutions, unions, employment associations and other groups involved in sustainable development.' A potential excess of these type of members, coupled with the uncertainty about the type of partnership that binds them to nrg4SD, could question, the legitimacy and the representative character of a 'Network of Regional Governments' in the eyes of UN entities. All this would come at a crucial time for the

recognition of subnational governments/regions in the future environmental governance and the institutional framework for sustainable development.

- The reform of the nrg4SD statutes prepared by the Secretariat includes specific proposals in this regard. The revision of the statutes is available to all members of nrg4SD in the documents folder of the General Assembly.

1.10 Reform of statutes and internal rules – with the aim of modernising and simplifying the rules that govern the Network since its creation in 2002; reconsidering its governing bodies; clarifying the different types of members, and eliminating exemptions for annual membership fees, which now constitute a significant burden on the budget of the Network.

- The reform of the nrg4SD statutes prepared by the Secretariat is available to all members of nrg4SD in the documents folder of the General Assembly.

2. Budgetary aspects

2.1. Review of the execution of the budget and of the payment of membership fees for 2011 – standing item on the agenda. To date, the revenues of the Network are inferior to those foreseen in the 2011 budget, which was prepared by the Treasury and approved by the Steering Committee on 15.02.2010. On the one hand, the Treasury informs us of a number of outstanding fees. The first call for fees was sent to members by the Treasury at the end of February. This timing suggests a certain delay compared to previous years. The strike of air traffic controllers which took place in Spain disturbing the airspace in December 2010, resulted in an absence of the required quorum to adopt the proposed 2011 budget at the meeting of the Steering Committee on 08.12.2010 and in the need to hold the extraordinary meeting of 15.08.2011. In June, the Treasury sent a reminder to members presenting outstanding fees. On the other hand, in the draft 2011 budget adopted on 15.02.2011, the Treasury had stressed the need to obtain extraordinary financial contributions to the amount of €58,000 to enable nrg4SD to honour its engaged activities without using the reserve fund. To date, no extraordinary financial contributions have been recorded.

- The financial report by the Treasury is available to all members of nrg4SD in the document folder of the General Assembly. The financial report presents detailed information on the state of 2011 fees and the execution of the 2011 budget.

2.2. Adoption of the 2012 budget – Increase of fees, extraordinary contributions and work contract of the Secretary General not subject to Belgian taxes - as discussed at the Steering Committee meetings on 08.12.2010 and 15.02.2011, as well as at the European meeting of Steering Committee members organised by Brittany in its role of nrg4SD Vice-Chair for Europe on 13.07.2011, the current budget of the Network does not cover neither its core activities nor the legal obligations regarding the only permanent employee without using the reserve funds. The Treasury proposes three concrete ways to improve the situation:

- An **increase in fees**, where members who currently pay € 8,000 will pay € 12,000, and those paying € 10,000 will pay € 15 000, etc. There would therefore be an increase of 50%. It is necessary to note that the fees of the Network are reduced in relation to other similar

organisations. For example, ORU/FOGAR has recently been re-launched proposing fees equal to double (x2) of its original ones. Its original fees were the current ones of nrg4SD.

- **Extraordinary contributions** from members who have the possibility additional contributions beyond their annual fee.

- **The Secretary General's contract not subject to the Belgian labour law, in order to reduce the tax burden.** Please see paragraph 3.2.

- **The elimination of exonerations of fees which are currently foreseen in the statutes of the network** and which constitute a burden on the budget of the network.

With the knowledge and understanding of the difficult economic situation which affects public budgets, the Treasury and the Secretariat consider these proposals as a secure and healthy future from a financial perspective.

- The reform of the statutes prepared by the Secretariat includes specific proposals in this regard. The reform of the statutes is available to all members of nrg4SD in the documents folder of the General Assembly.
- The draft budget by the Treasury for 2012 is available to all members of nrg4SD in the documents folder of the General Assembly. The Treasury provides detailed simulations of the proposed increase in fees, as well as a double draft 2012 budget, with and without increased fees. The financial report of the Treasury also includes a 'Register of Contributions in Kind in 2011' generously contributed by members of nrg4SD in addition to their annual fees and which have proven essential for the functioning of a permanent Secretariat and the quality of services to members. The report of the Treasury also explains to members the efforts the Treasury and the Secretariat have made until today to reduce costs.
- The Secretariat has counted with the collaboration of a remarkable international expert, Hugo Séguin, who has carried out an independent review of the comparative table between nrg4SD and other similar associations. This table had been introduced in the Strategy of the Network for 2008-2014. The comparison table provides general data on the budget, membership fees and administrative organisation of different organisations. The review of this comparative table is available to all members of nrg4SD in the documents folder of the General Assembly.

3. Aspects of the functioning of the Permanent Secretariat

3.1. The employment contract of the Secretary General ends on 31 August 2011, the last day of the General Assembly - the process of selecting a Secretary General was launched in April 2010, following the decision of the Steering Committee and the adoption by the General Assembly. The current Secretary General Maruxa Cardama came into office on 01.09.2010 under a 1 year Belgian employment contract subject to Belgian tax.

3.2. Employment contract of the Secretary-General submitted to a labour different to the Belgium one in order to reduce the tax burden – It is to be noted that Belgium is the second country in the European Union with the highest payroll taxes, as confirmed by a recent Eurobarometer survey, carried out in July. This implies a significant burden on the budget of the Network. The possibility of a work contract under Spanish Law by the Government of

Catalonia under the budget of the network was confirmed in July 2011 and opens the door to the possibility of saving costs for the network. This confirmation has enabled the Secretariat to initiate proceedings with the Belgian company in charge of personnel matters. The support of the legal department or the human resources department of the Government of Catalonia is important to ensure an effective handling of this dossier. It must be kept in mind that the current provider of personnel services may not be fully interested in fully completing all dealings.

3.3. Creation of a small team – In order to translate the renewed positioning of the network as achieved in the past year in concrete results and added value for members, particularly in an international framework and calendar with numerous opportunities for subnational governments/regions. The savings that would derive from not being subject to Belgian tax, the increase of fees and the use of innovative approaches (such as the French ‘Volontariat International en Entreprise V.I.E.’, the Erasmus Scheme of the European Union (EU) or the classic system of secondment of experts) allows to envisage a small team at a reasonable cost for the Network. A small team would allow maximizing the successes of the network, improving services to members, and maintaining the positioning of subnational governments/regions in international forums.

4. Aspects of the strategic work of the Network

4.1. Mid-term review of the 2008-2014 Strategy – with a view to put forward the development of a new strategy for 2012, coinciding with the 10th anniversary of the Network and the important date of the Rio +20 Conference.

- The Secretariat has counted with the collaboration of a remarkable international expert, Hugo Séguin, who has carried out a mid-term review of the implementation of the current 2008-2014 Strategy. This mid-term review includes an analysis of the implementation of the Strategy until now and presents a series of recommendations for the future. Hugo Séguin has also reviewed a comparative table between nrg4SD and similar organisations which was introduced at that time in the 2008-2014 Strategy. This comparison provides general data on the budget, membership fees and administrative organisation of the various organisations that were compared to nrg4SD. The work of Hugo Séguin is available to all members in the documents folder of the General Assembly.

4.2. Post 2011 Work Programme – the current work programme covers the period 2008-2011. Working Groups on (i) international negotiations on climate change, (ii) financing climate action, (iii) the Rio +20 process, (iv) biodiversity and forests and (v) water resources have been introduced by the Secretariat following the approval of the Steering Committee. All groups will hold working sessions in Quebec. In Quebec, the group on biodiversity and forests will enjoy the technical support of the Secretariat of the United Nations Convention on Biological Diversity (UN CBD). The working groups on climate change will enjoy once again the technical support of the French organisation Caisse des Dépôts et Consignations (CDC Climat). The working group on Rio +20 will have the support of the UN Non-Governmental Liaison Service

(UN NGLS). The Ministerial Round Table will equally contribute to the post 2011 Work Programme.

- The agendas and other documents for the meetings of the Working Groups and the Ministerial Round Table are available to all members of nrg4SD in the document folder of the General Assembly.

- The Secretariat will continue working on the elaboration of the post-2011 work programme on the basis of discussions which will be held in Quebec during the working group meetings, the Ministerial Round Table and statutory meetings. With the dual purpose of ensuring the international positioning of the subnational/regional governments on the one hand, and to provide quality services to members of nrg4SD, on the other hand, the Secretariat is in the process of studying tools and methods to continue developing the post 2011 Work Programme. The choice of tools and methods will take into account the need to ensure transparency of this work, encourage the participation of members of the network in this work and ensure an effective process.

4.3. Québec Declaration – institutional declaration to re-launch the spirit of the network on the eve of its 10th anniversary with an official signature from members.

4.4. Thematic resolutions positioning the Network - (i) towards COP17 of the United Nations Framework Convention on Climate Change (UNFCCC COP17) in December 2011, (ii) towards the Rio +20 Conference in June 2012, and (iii) on the continuation of the work with the Secretariat of the United Nations Convention on Biological Diversity (UN CBD). To these shall be added discussions to be held on (iv) the work with the European Commission and ORU/FOGAR towards the World Water Forum in Marseille in March 2012, and (v) the partnerships between the Network and other organisations, with a particular focus on how to articulate complementary relations with ICLEI.

4.5. Convention with CDC Climat – the French Caisse des Dépôts et des Consignations (CDC Climat) collaborates with the Network for free within the Financing climate action Working Group thanks to the efforts of Brittany, who coordinates the Group. In this context, Brittany will present the Convention signed between nrg4SD and CDC Climat to institutionalise and enhance the success of this current collaboration. The Chief Executive Officer Mr. Pierre Ducret and the Deputy Director for Investments Mr. Emmanuel Legrand of CDC Climat will participate in the General Assembly.

5. Communications Strategy

5.1. Newsletter – on 20.06.2011 the Secretariat presented the zero edition of the quarterly nrg4SD newsletter. This publication aims to compile the work of the network and its service to members. It allows for the regular external communication of activities of the network to the 'outer world'

- The zero edition of the newsletter is available to all members of nrg4SD in the document folder of the General Assembly and on the nrg4SD website.

5.2. Launch of the new web page of the Network – the objectives are to:

- Establish an appropriate communication tool both internally (the Secretariat with members and between members) and the "outside world" (marketing);
 - Match services and functions of the website to contribute effectively to the implementation of the nrg4SD Work Programme, according to the needs of members;
 - Renew the institutional image of nrg4SD, according to new trends in web communication;
 - Facilitate navigation for those who visit the site for the first time (retention and visualisation of the image, mission and the members of nrg4SD) and for members who use the site on a regular basis;
 - Improve accessibility for all visitors from a technological point of view and also in terms of special needs;
 - Solve technical issues on the current site.
- The launch of the new website is planned in parallel to the General Assembly.

5.3. Launch of the new leaflet of the Network - available to all members of nrg4SD during the General Assembly and from the website.

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