

Key Findings

Policy making within the European Union and in many other jurisdictions is characterised by the coexistence of several different policy agendas, which are reconciled at the operational level for each individual policy proposal. This calls for the use of an *ex-ante* policy Impact Assessment (IA) process to highlight spill-over effects and policy conflicts. By contrast, ISA is a process that seeks ways of reconciling different agendas and concerns at a higher strategic level. This has the potential to reduce conflicts and open new development opportunities at all levels of policy-making. ISA at a strategic level and more routine institutionalised processes of sustainability assessment at operational levels are therefore potentially complementary processes.

ISA is a process for structuring dialogue and analysis about how to make progress towards sustainable development. It is appropriate for dealing with persistent problems, but not for all policy areas. Using an ISA process can help make policy interlinkages transparent and support the identification of win-win strategies.

The process can also stimulate actors from mainstream policy areas to consider **potential niche developments**. ISA enhances understanding of the complexity of (un)sustainability issues as well as the barriers to moving towards sustainability. ISA may not provide instant results in shifting policy onto a more sustainable track. But the broader, **exploratory approach of ISA**, the way the

process is used and the context within which it is applied, are likely to find resonance in areas where there are persistent problems of unsustainability (e.g. energy, transport, agriculture). Following this approach, the ISA process adds to the pool of longer-term knowledge, builds relationships of trust among influential stakeholders, and potentially can create a fresh way of policy comprehension. The ISA approach also has the overall ambition to enhance **social learning**.

Achieving a greater shift towards sustainable development depends on establishing an interpretation or interpretations of sustainability in a given context using concepts such as **stocks, flows and thresholds**, including reflection on what to avoid as well as what to seek to attain. The relevant relationships, interdependencies and uncertainties can be revealed, explored and anticipated through an ISA process. These measures cover the environmental, social and economic domains.

The ISA process explores **development pathways and agency** and exposes synergies and trade-offs among multiple objectives, actions, stakeholders, time horizons and places. The process also supports the identification and mapping out of fundamentally conflicting worldviews on sustainable development. ISA can therefore be used to ensure that decision-making promotes viable, effective and acceptable measures, avoiding unnecessary policy conflicts and reducing problem shifting.



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Integrated models exploring sustainability transitions and most economic models address different needs. Most macro-economic models are rooted in equilibrium approaches and rational actor thinking, while integrated sustainability models focus on interactions among agents and behaviours that reflect diverse and evolving rationales. It is important to understand the situations for which these different kinds of model may be used.

A transition is about radical, structural change achieved in incremental steps. Transitions can be represented by shifts of dominance among

different socio-technical systems referred to as 'niches' (i.e., those systems not currently dominant) and the 'regime' (i.e., currently dominant system), so integrated sustainability models must be able to represent agents' learning behaviours and processes of co-operation and competition between agents. Concepts and building blocks for new methods and tools have been developed and these provide insights into how transitions between equilibria might be supported and how inertias, such as path-dependent development and technology lock-in, might be overcome.

From the perspective of sustainability assessment, it appears that the **balance in investment in model development must be adjusted**. In particular, substantial investment is needed in the development of the next generation of integrated sustainability models and in capacity building for modelling the dynamics of transitions.

There is movement in the business and industry sectors as well as in civil society for a **more sustainable form of living and working**. This should open up new opportunities for ISA in the future. In turn, this should improve the longer term prospects for institutionalised (Sustainability) Impact Assessment procedures to become more effective.

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