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### CLUB OF ROME - INTERNATIONAL SYSTEM CHANGE COMPASS: GLOBAL IMPLICATIONS OF ACHIEVING THE EUROPEAN GREEN DEAL

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*The European Green Deal presented on 11 December 2019 by the European Commission indicates the strategy of the European Union which aims to transform the EU through a just and inclusive transition into a prosperous society with a modern and efficient economy. Key ambitions for 2050 include achieving economic growth that is uncorrelated with the amount of natural resources used and that generates net greenhouse gas emissions, brings biodiversity loss to zero, inequality to zero, and poverty to zero.*

## Living within the limits

As early as 1972, the report of the Club of Rome “*The Limits to Growth*” launched the first warning about the unsustainable activity of human beings on planet and the risks of crossing planetary boundaries. If the trends of population growth, industrialization, uncontrolled consumption of resources and pollution had continued unabated, the Earth would have reached and then exceeded its capacity in the first decades of the 21st century.

Over the past half-century, this report has played a pivotal role in shaping the sustainable development narrative, establishing it in the public talks. Its conclusions have proven remarkably accurate, and subsequent studies and reports have continued to explore the issue (e.g. *Our Common Future*).

Today, 50 years on, the real impact of exceeding planetary limits has caused extreme shocks such as epidemics, droughts, floods and heat waves that are increasingly evident and severe. The Club of Rome has released a new report: “*Limits and Beyond: 50 years on from The Limits to Growth, what did we learn and what’s next?*” in which it assesses the situation and asks fundamental questions about humanity’s survival on a finite planet.

That report focuses on what humankind has learned since 1972 and what will happen next.

The study addresses questions such as: i) if humanity knew that continued population growth, industrialization, resource use and pollution would lead us to exceed the Earth's carrying capacity, why has nothing been done? ii) what has humanity learned in the past 50 years? iii) how can humanity finally learn what it already knows? iv) is it too late to avoid exceeding planetary limits? v) what must humanity do now?

The multiple crises of climate change, health, biodiversity loss and pollution, interconnected by an inefficient use of natural resources cannot wait for humans to spend another 50 years discussing solutions and policies. National and international systems need to change faster to stay within the limits, which means redefining the goals governments have set and the ways in which everyone works to achieve those goals.

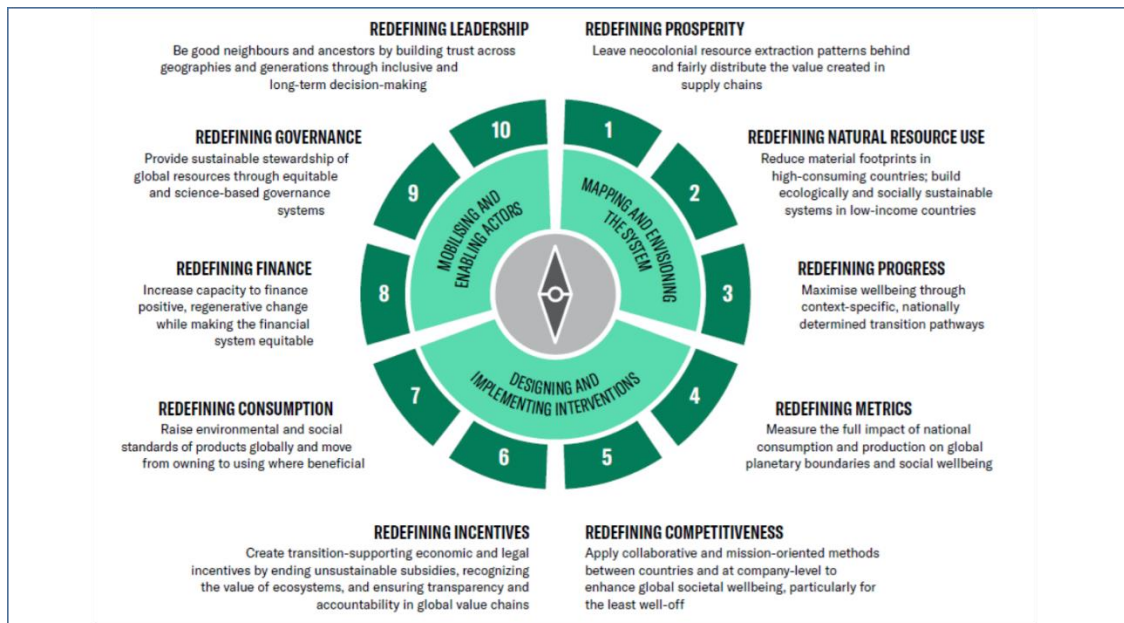
The Paris Agreement on climate and The Sustainable Development Goals (SDGs) of 2030 Agenda are in place and seek to provide guidelines to reshape our societies and economies to ensure well-being and prosperity within the planetary boundaries.



### Guiding principles and general political orientations

“International System Change Compass: The Global Implications of Achieving the European Green Deal” written by the Club of Rome in the year 2022, in collaboration with Systemiq and the Open Society, European Policy Institute, the scope of change that serves a new economic ecosystem that works for people and the planet, generating a broadly shared prosperity is defined and presented, according to ten principles. The founding premises and paradigms of the current system and the basis for identifying policy change, deemed necessary to achieve a just and inclusive future as envisioned by the European Green Deal.

Table 1: Ten Guiding Principles for a Green Transition



Source: Club of Rome, “International System Change Compass: The Global Implications of Achieving the European Green Deal”

These principles indicate what is needed to change economies, to redefine the measures, values, and to clearly determine what good leadership and good governance look like in a society that effectively balances people, planet and prosperity. These principles are accompanied by thirty policy recommendations (“level of system guidelines”). Taken together, the system-wide principles and guidelines help formulate a vision for tomorrow’s economy and infrastructure that the EU can also promote.



In the first section “*Mapping and envisioning the system*” prosperity, use of resources and progress are redefined and foundations are laid to imagine and redesign an economic system compatible with a sustainable decarbonized and dematerialized future. Principles 1-3 outline a system that takes care of the natural environment and strengthens human health and well-being of as many people as possible. In the second section “*Designing and implementing interventions*”, the way to measure, enhance and evaluate economic progress or success will help in the design and implementation of the future economic system as indicated in the first section. Principles 4-7 seek to answer how to value things that matter, especially when they are difficult to quantify and measure, how to ensure accountability and monitor progress towards a green and socially just transition.

Where in the previous sections the vision for the definition of the future economic system and the potential interventions that allow the transition towards this system are examined, the last section, with principles 8-10, “*Mobilizing and enabling actors*” deal with the actors who can give shape to this transition, by transforming it into reality through a redefinition of Finance, Governance and Leadership.

## Conclusions

The report “*International System Change Compass: The Global Implications of Achieving the European Green Deal*” addresses how to achieve the goals set in the European Green Deal: a just transition towards future resilience within the EU and around the world. It presents three steps:

- First, in order to create a green and socially just future, the EU must activate a system change in international relations using this as an opportunity to show a real transformation in leadership at home and in global.
- Second, after the Russian invasion of Ukraine and the resulting energy and raw materials crisis in Europe, the EU must invest more in order to avoid future crises through decarbonization and the reduction of resource consumption.
- Third, the EU must find a new balance between keeping the manufacturing industry at home and at the same time enabling a just transition globally.





## Club of Rome

The Club of Rome is a non-governmental, non-profit association of scientists, economists, business men and women, civil rights activists, senior international public officials and heads of state from all five continents who identify holistic solutions to complex global issues and promote political initiatives and actions to enable humanity to emerge from multiple planetary emergencies. The organization has prioritized five key areas of impact: New emerging civilizations; Planetary Emergency; Reformulation of the economy; Rethinking Finance and Youth Leadership and Intergenerational Dialogues.

Web site: <https://www.clubofrome.org/>

## European Green Deal: Initiatives and Regulations

- EU Taxonomy: Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, [https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852\\_en](https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852_en)
- Global Gateway Strategy: up to €300 billion [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_21\\_6433](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_6433)

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