

Competitiveness within a Safe and Just Operating Space: Reconciling Economic Competitiveness with Societal Wellbeing and Planetary Boundaries

Luxembourg, 20 October 2026 – More than 90 participants from government, academia, economic institutions, municipalities, civil society and international organisations gathered today at Neimënster Abbey for the symposium “**Competitiveness within a Safe and Just Operating Space**”, organised by the **Luxembourg Climate Policy Observatory (Observatoire de la politique climatique – OPC)**. The event explored how societies can thrive economically while also safeguarding planetary boundaries and human wellbeing.

The full-day symposium brought together leading international experts and Luxembourg’s stakeholders to explore how competitiveness can be reconciled with social wellbeing and planetary boundaries. Discussions examined topics ranging from energy transitions and resource constraints to social justice, urban development and new approaches to measuring prosperity. With Luxembourg’s climate goals (PNEC 2040) as a backdrop, the symposium also highlighted what a competitive, climate-neutral future could look like, and what actions would be required to achieve it.

Throughout the day, speakers highlighted that competitiveness, sustainability and societal wellbeing are deeply interconnected. The symposium emphasized that prosperity needs to be grounded in work and justice and stressed the importance of decoupling wellbeing from growth objectives, GDP, and resource use in order to achieve long-term sustainability. Participants also examined how institutional change and greater workplace democracy can contribute to broader economic transformation.

The morning panel focused on the biophysical envelope –the material, land, carbon and energy limits any economy must respect– and compared it to the Luxembourg National Climate and Energy Policy (PNEC) to establish where the room for manoeuvre lies, and what a small, open, high-income economy can realistically do. The afternoon panel discussed what a wellbeing economy would mean in practice, which indicators should guide it, and what role finance, firms and public policy can play.

Ministerial Perspectives

Serge Wilmes, Minister of the Environment, Climate and Biodiversity, welcomed the growing recognition of the links between economic prosperity and sustainability:

"Long-term prosperity is built on innovation, resilience and the responsible stewardship of our resources. In a world increasingly shaped by climate change and resource pressures, economic success will depend on our ability to adapt, innovate and create sustainable value. Luxembourg has all the assets to be among the leaders of this transition while staying true to what matters most: the wellbeing of our people and the preservation of our natural heritage."

Stakeholder Perspectives

Prof. Dr. Jean-Pascal van Ypersele, representing the Observatoire de la Politique Climatique (OPC), highlighted the importance of integrating environmental realities into economic decision-making:

"Biophysical limits are no longer theoretical considerations for the future. They are already shaping the context in which economic and political decisions are made. Luxembourg's challenge is to build a competitiveness strategy that remains compatible with climate objectives, resource constraints, and long-term societal well-being."

Anaïs Masson, representing IMS Luxembourg, emphasised the role of businesses in driving a sustainable transition:

"Businesses are increasingly aware that sustainability and competitiveness go hand in hand. Companies that anticipate climate and resource challenges today will be better positioned to innovate, attract talent, and remain resilient in a rapidly changing economic environment."

Léonard Andersen, representing CELL, stressed the need to rethink economic priorities within ecological boundaries:

"Beyond climate, productivism and extractivism create growing negative trade-offs for human existence—most notably regarding health. We need a broader conversation about prosperity: how to shape a society that is efficient and sufficient by design and supports long-term well-being."

Frédéric Meys, representing Fondation IDEA, underlined the policy implications of environmental constraints for a small open economy:

"For a small open economy like Luxembourg, the transition is not simply about imposing constraints. It is about using fewer resources more intelligently, strengthening resilience and ensuring that competitiveness remains sustainable over the long term."

Dr. Sabine Dörny, representing the Observatoire de la Politique Climatique (OPC), commenting on the integration of a well-being economy in Luxembourg:

"A wellbeing economy starts by asking what our economy should actually deliver for people, and who gets a say in deciding it. Luxembourg already measures wellbeing beyond GDP. Now those measures need to count when decisions are made. That means tying budgets to a few clear wellbeing goals and checking whether policies meet them, in our municipalities and schools as much as in the next PNEC, with the people affected at the table."

Dr. Francesco Sarracino, researcher at STATEC Research, highlighted the importance of measuring prosperity beyond economic output:

"A wellbeing economy improves lives by creating the conditions for everyone to enjoy good health, affordable housing, meaningful work, and strong relationships within environmental limits. Its success means people can thrive without having to spend ever more simply to cope with worsening living conditions. Wellbeing indicators should guide political priorities and budgets, making quality of life the purpose of economic policy."

Dr. Christina Ehlert, representing the Conseil supérieur pour un développement durable (CSDD), stressed the need for an inclusive transition:

"The objective is to build an economy that is inclusive and resilient, operates within planetary boundaries, and is shaped with society, not simply for society. The transition to such an economy will only succeed if it is also a fair transition: environmental ambition, economic resilience and social inclusion must go hand in hand. Bringing these dimensions together is essential to building broad public support for the changes that lie ahead."

Dr. Ricardo Poeira, project coordinator at PRO-SUD, emphasised the role of local and regional actors in implementing sustainability objectives:

"Many of the decisions that shape people's quality of life are taken at the local level. Municipalities and regions play a key role in translating national strategies into concrete actions, whether through mobility,

housing, land use or public services. Building a wellbeing economy requires strong cooperation across all levels of governance.”

Voices from the Scientific Community

Prof. Dr. Dominique Méda, speaking on work, justice and post-growth prosperity, noted:

“The question is not simply how to grow the economy, but how to ensure that economic activity serves people and society. Prosperity must be assessed through the quality of work, social justice and collective wellbeing, not through economic output alone. By broadening our understanding of progress, we can build economies that are both resilient and socially sustainable.”

Prof. Dr. Iñigo Capellán-Pérez, addressing energy transitions and resource constraints, said:

“Every economy depends on energy and material resources. The challenge is to design transitions that remain compatible with physical realities while ensuring social and economic stability. Recognising these limits is not a constraint on ambition, but a prerequisite for credible and successful policy.”

Prof. Dr. Edgar Hertwich, discussing the material and carbon footprint of the economy, highlighted:

“The environmental impacts of our economies extend far beyond national borders. Understanding material consumption and carbon footprints helps reveal the true costs of economic activity and identify opportunities for more sustainable patterns of production and consumption. Long-term competitiveness will increasingly depend on how efficiently we use resources.”

Prof. Dr. Joana Barros, speaking on cities, land and spatial inequality, observed:

“Inequalities are a challenge faced by all cities across the Global South and North, compounded by climate change, affordable housing and energy crises. Sustainable transitions require effective policies that address inequalities at different spatial scales and are mindful of unintended consequences, including reinforcing gender and intersectional disparities that are rarely integrated into planning and sustainability initiatives.”

Prof. Dr. Julia Steinberger, addressing wellbeing and resource use, said:

“Universal high quality of life is compatible with large reductions in resource consumption. The challenge ahead is to transform our economies towards more democracy and equality, while investing in resource-efficient provisioning systems and public services focused on satisfying human needs.”

Prof. Dr. Isabelle Ferreras, speaking on democracy at work and institutional transformation, noted:

"The transition to a more sustainable economy is not only a technological challenge, but an institutional one. The way firms are governed shapes economic outcomes and societal priorities. Strengthening participation and democratic governance within organisations can help align economic activity with broader social and environmental goals."

Dr. Enrico Benetto, presenting the symposium's synthesis and future directions, highlighted:

"The discussions throughout the day have shown that competitiveness, wellbeing and sustainability cannot be addressed in isolation. Scientific evidence provides valuable guidance, but its impact depends on our ability to translate knowledge into action. The task now is to build stronger and long-lasting bridges between research, policy and practice."

A Shared Agenda for Action

The symposium concluded with a high-level discussion on Luxembourg's economic priorities for the coming years. Participants stressed that long-term competitiveness must be understood within the broader context of planetary boundaries, social justice and societal wellbeing.

Discussions highlighted the role of Luxembourg's National Energy and Climate Plan (PNEC) in supporting this transition through coherent public policies, sustainable finance and institutional innovation. Finally, participants emphasized that a competitive, climate-neutral and socially inclusive economy will require collaboration across government, business, academia and civil society.

About the Luxembourg Climate Policy Observatory (OPC)

The Luxembourg Climate Policy Observatory (Observatoire de la politique climatique - OPC) is an independent scientific body that supports evidence-based climate policymaking in Luxembourg. Through research, analysis and stakeholder engagement, the OPC contributes to informed public debate and the development of effective climate solutions.

Supporting Material

- Access [here](#) the conference website.
- Learn [more](#) about the OPC

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