

***Sustainable Action***

**The Sustainable Development Action Programme**

Progress Report 2004

National and international strategy

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## 1 Introduction

This report describes the progress made towards achieving the ambitions and implementing the actions defined in both the national and the international component of *Sustainable Action*, the Sustainable Development Action Programme. This is the second progress report on the international component and the first on the national component.

*Sustainable Action* is the Netherlands' response to the agreements made at the World Summit on Sustainable Development (WSSD) in Johannesburg. At the heart of the national strategy is the Dutch government's intention to strive to achieve sustainable development in all areas of its own operations (from policy development to government buildings). This intention is translated into plans for various instruments and more than twenty policy programmes. The international strategy focuses on Dutch government efforts to promote institutional development, public-private partnerships, the priority themes of water, energy, health, agriculture and biodiversity, and sustainable trade and investment.

On 9 April 2004, the House of Representatives of the States General discussed the action programme with the ministers most closely concerned. In the course of the discussion, the House asked for the next progress report to include integrated coverage of both the national and the international component, so that progress could be judged as a whole and more justice could be done to the interdependence of the two strategies. The Prime Minister emphasised to ministers the importance of integrated consideration of the two strategies. This has been done in this progress report.

*Sustainable Action* encompasses a host of ambitions, policies and actions, partnerships and model programmes, progress reports on some of which are given in other contexts. Progress made with the action programme was discussed at length in the House of Representatives last spring. Promoting sustainable development is essentially a matter of getting processes under way in the knowledge that it will frequently be years before concrete results become apparent. For that reason, it has been decided on this occasion to produce only a brief report containing a number of results but focusing mainly on the processes concerned. The report also indicates where obstacles are being encountered

and where progress is slow.

Section 2 provides a brief overview of work on sustainable development since the WSSD, focusing in particular on the visible steps that have been taken. Section 3 describes several of these activities in greater detail. Section 4 highlights the main activities that the present government proposes to undertake in 2005. Finally, the annexes offer a brief overview of progress on all the other activities, intentions and projects mentioned in *Sustainable Action*.

The next progress report will be issued at the end of 2005.

## **2 Summary of progress on sustainable development**

### **2.1 Introduction**

*Sustainable Action* is the action programme devised by the Dutch government in 2002 (international strategy) and 2003 (national strategy) in the follow-up to the UN World Summit on Sustainable Development (WSSD) in Johannesburg. The action programme brackets together a host of existing actions and adds a number of new activities to them. Since the action programme was issued, a considerable number of new activities have been launched, some more visible than others. For example, partnerships have been agreed, a Sustainability Outlook has been published, 'greener' financial instruments have been agreed, numerous international conferences have been held and clear progress has been made on the 'transitions', the systematic changes for which the Fourth National Environmental Policy Plan (NEPP4) provides.

Many of the activities in the action programme are intended to take place over a number of years. This makes it difficult to register overall progress after just one or two years. Promoting sustainable development is essentially a matter of getting processes under way in the knowledge that it will frequently be years before concrete results become apparent. At this stage, therefore, progress must be assessed primarily in terms of processes: new activities launched, new parties involved, attempts made to make policies more integrated, etc. It has been agreed that a full evaluation of the action programme, together with a proposal for remedying any negative developments, is to be conducted in 2005. For all these reasons, this section provides no more than a brief overview of the most important and visible steps that have been taken, focusing on the processes involved and on Dutch input, plus a few general remarks. The projects mentioned here are discussed in more detail in sections 3 and 4, and in the annexes.

### **2.2 Definition of sustainable development**

The term 'sustainable development' is defined very differently in the national and the international context.

In the international policy debate, a broad definition tends to be adopted both by government and by the private sector. In 1987, the UN Sustainable Development

Commission (Brundtland Commission) defined the concept as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” The commission also pointed to the cohesion between the economy, nature/the environment and social aspects – the three domains that have since become known as the ‘triple bottom line’ or ‘three P’s’: people (socio-cultural capital), planet (ecological capital) and profit (economic capital). A fourth P is now usually added in the shape of participation. To achieve sustainable development, it is essential to identify ways in which problems are being transferred to the future (later), to other people on the planet (elsewhere), or between the three forms of ‘capital’ (ecological, socio-cultural and economic) in both time and space. Of course, it is not enough to identify such displacements; it is also essential to *prevent* and reduce them where they are *undesirable*.

At international level, the whole of this agenda is currently under discussion and efforts are being made to achieve integrated planning, in the UN context and elsewhere. In the development cooperation field, the emphasis is now being placed on sustainable development as an overarching theme which should work through visibly into existing policy. Dutch efforts to promote sustainable development internationally can be described as a quest to achieve integrated social, economic and environmental policies.

The Ministry of Foreign Affairs (BZ/OS) has developed a framework of reference based on the three pillars (ecological, social and economic) which can be used to establish a reasoned relationship between the policy articles in the budget document and sustainable development. The embassies and the ministry can use this framework to strike a balance between the pillars in preparing their annual or multi-year plans, making the Netherlands’ efforts to achieve sustainable development visible, concrete and acceptable.

At national level, the concept of sustainable development has from the start been closely linked to issues surrounding nature and the environment, since this is the area in which the Netherlands has experienced the most obvious problems (in terms of the three key domains: people, planet and profit) over the last 30 years. In the past in particular, these aspects have not always received sufficient recognition in major social and economic projects in the Netherlands. Moreover, life in the Netherlands is relatively good in

economic and social terms, compared to the problems of unequal income distribution, poverty, inequalities in access to raw materials, and lack of modern energy services and clean, safe drinking water in many other parts of the world. The Netherlands does, of course, have domestic concerns in these areas, but they are clearly of a different order.

### **2.3 Relationships between national, international and EU policy**

National, European (EU) and international policies on sustainable development are based on disparate approaches. At the national level, work is being done on four transitions: sustainable energy, agriculture, biodiversity and mobility. Within each increasing attention is being paid to international aspects and international cooperation (both within the EU and worldwide). The Dutch presidency of the EU was used to bring the idea of transitions to international attention, for example through the Energy in Motion Conference on sustainable mobility and the Policy Workshop on the Development of Offshore Wind Energy (both in the autumn of 2004).

An Energy for Development Conference is being organised in late 2004 by Minister for Development Cooperation Agnes Van Ardenne and State Secretary for Housing, Spatial Planning and the Environment Pieter van Geel, in cooperation with the World Bank, UNDP and the World Business Council for Sustainable Development. The focus will be on the role of energy in poverty reduction and economic development and the interface between energy and the environment. The aim of the conference is to ensure that developing countries are given the opportunity to achieve sustainable economic growth (see also subsection 3.4).

The Informal Environment Council held under the Dutch presidency discussed the potential contribution of the environment to the Lisbon Strategy. Among the conclusions was that eco-efficient innovations offer numerous opportunities to achieve win-win situations in which pressure on the environment is reduced while economic growth, competitiveness and (therefore) employment are increased (see also subsection 4.4). The way in which socially responsible business practice can contribute to the competitiveness of the European Union was the subject of the European Conference on Corporate Social Responsibility: Competing for a Sustainable Future (autumn 2004, see also subsection 3.9 and annexe 1, action 2.5).



The Sustainability Outlook issued by the Office for Environmental Assessment (in October 2004) shows that national choices have demonstrable implications for international developments and vice versa. For example, patterns of production and consumption in the Netherlands (the national ecological 'footprint') can prove harmful to the environment and nature elsewhere in the world. Dutch policies on sustainable development need to respond to this threat and steps are in fact now being taken in this direction. The implementation of the biodiversity transition is an example of an ambition to establish clear connections between behaviour in the Netherlands and its consequences round the world and vice versa. The Sustainability Outlook can be used as a basis to examine the actions in the action programme from both angles (where relevant). The details will be worked out in 2005.

Where national and international efforts to achieve sustainable development interface, overlap and if possible reinforce each other, it is up to the EU to take the lead. It can guide and facilitate the efforts of the 25 member states to promote sustainable development through their legislation, financial instruments and political processes. The EU is also a major world player in integrating sustainability aspects into international processes, such as those of the WTO, UN and International Financial Institutions. Finally, the EU can exercise a considerable influence over people and the environment in developing countries through its external policies. All these avenues will be exploited in implementing the sustainability strategy, which is currently being evaluated and which will be used at the Spring Council in 2005 to direct the EU's future efforts. It is clearly beneficial that this process is being managed in the EU at the highest level and that government leaders are monitoring progress on an annual basis. However, implementation of these actions in sectoral policy areas, such as agriculture, trade, the environment, transport, energy and foreign policy, is rather fragmented. Stronger direction by the European Commission is clearly desirable.

## **2.4 Progress on the Sustainable Development Action Programme**

### *Introduction*

In *Sustainable Action*, the government indicates that the concept of sustainable development should inform all the actions of central government in the Netherlands, both at policy level and at the level of management systems. To achieve this, practical

ambitions are identified in both the national and international components of the action programme and these are coupled to appropriate themes, instruments and philosophies of governance. However, when it comes to the work being done by central government to achieve sustainable development, progress on actions in the Sustainable Development Action Programme is only part of the picture. All government departments are engaged in activities which contribute to sustainable development, even if they are not always publicised under that banner. For example, the government has earmarked over €800 million for action to strengthen the Dutch knowledge infrastructure over the 2004-2010 period and this includes numerous projects intended to make systems more sustainable.

The ministries of Housing, Spatial Planning and the Environment (VROM), Foreign Affairs (BZ/OS), Transport, Public Works and Water Management (V&W), Economic Affairs (EZ) and Agriculture, Nature and Food Quality (LNV) are all actively engaged in activities under the general banner of sustainable development, both internally and through various forms of interministerial cooperation. Subsection 3.10 indicates how LNV, EZ, BZ/OS, VROM and V&W are doing this internally.

The Learning for Sustainability Programme (see subsection 3.12) is providing a major spur to all government departments to put the policy into practice. Sustainable development is the main aim both of work on the transitions and of development cooperation, where it is an overarching theme. The establishment of a Dutch Knowledge Centre on Corporate Social Responsibility is a practical contribution to the achievement of the ambitions expressed in *Sustainable Action*, as is the establishment of a Competence Centre for Transitions (see subsection 3.10). Sections 3 and 4 cite many other examples of activities being undertaken by these government departments in the Netherlands and elsewhere in the world.

Across the board, visible steps are being taken to implement the majority of the actions listed in *Sustainable Action*, as is demonstrated in the other sections of this report and in annexes 1 (actions at national level), 2 and 3 (partnerships).

Nevertheless, there are some actions which are not yet receiving sufficient attention or where progress is proving difficult

(for example, actions 4.3.5, 6.2 and 6.3, see annexe 1). The government will seek to give them a new boost in 2005.

As regards internal management systems, a special campaign has been agreed since central government ought to provide a good example here. Around the turn of the year, the House of Representatives will be sent a proposal detailing plans for sustainable management systems within central government. All ministries are now surveying current action in this area and their findings will constitute a snapshot of the current situation, to which extra plans – such as increasing the use of organic products (see also subsection 3.13) – will be added in the proposal.

#### *Governance and institutional cooperation*

Sustainable development requires input by many parties and participation by all stakeholders. Finding suitable forms of cooperation and involving other parties, including members of the public, are therefore key concerns of *Sustainable Action* (for example, in relation to transitions, model programmes and partnerships). Section 3 describes some of these processes in greater detail (see e.g. subsections 3.1, 3.2 and 3.7).

In order to increase the sustainability of development worldwide, it is essential to strengthen international institutions. In the absence of a 'world government', the aim must be to maximise the number of generally applicable agreements between countries. If such agreements are to be effective in practice, the countries concerned must all feel bound by them. Political support for such agreements is therefore a matter of great importance. The Netherlands has been able to help develop methods to foster this support. For example, the new approach adopted by the Commission on Sustainable Development (CSD, see sections 3 and 4) is proving successful. A two-year policy cycle has been established, with the first year being devoted entirely to exchanging experience and identifying obstacles to action in the follow-up to the Johannesburg Plan of Implementation. This approach provides the opportunity to pinpoint major obstacles and allow a free exchange of information to take place before negotiations begin. Constructive action can then be taken to arrive at better solutions for discussion during the second year of the policy cycle. The first such policy cycle will reach completion in 2005 and the new approach can then be evaluated.

Another positive move was the adoption by the United Nations General Assembly in 2003 of a resolution stressing the importance of improved cooperation between different UN agencies and the International Financial Institutions, and consistency in implementing the decisions taken at various summit meetings, such as the WSSD and the Millennium Summit. The UN agencies are also demonstrably stepping up cooperation with the WTO and the World Bank.

#### *WEHAB themes*

The Johannesburg summit pinpointed a number of themes of importance to sustainable development – water, energy, health, agriculture and biodiversity (known as the WEHAB themes). Clear progress has been made in the areas of water and health, which are priorities of Dutch development policy. On energy, agriculture and biodiversity, progress has been more modest. See also sections 3 and 4, and the annexes.

Work on the NEPP transitions is helping to achieve ambitions in the fields of energy, agriculture, health and biodiversity. The House of Representatives was notified of the progress made in October 2004.

#### *Trade, investment and incentive schemes*

The relationship between trade and sustainable development, with a key focus on the interests of developing countries, was underscored at the UN World Summit on Sustainable Development in 2002. Particular importance was attached to implementation of the WTO policy agenda agreed by ministers at Doha in 2002. There was also support for promoting investment in developing countries and eliminating non-sustainable subsidies. However, in the course of building international consensus in the WTO and OECD over the last two years, levels of priority attached to a number of these agenda items have changed in unforeseen ways. For example, developing countries have rejected the idea of WTO negotiations on an investment agreement and demanded restrictions on access to their markets. During efforts to reach a speedy framework agreement to provide a basis for the continuation of negotiations, the general relationship between trade and the environment was somewhat neglected, whereas during negotiations on improving WTO subsidy disciplines attention focused particularly on the risk of overfishing. Clearly, international agreement is crucial to ensure the effectiveness of measures to achieve sustainable development. For that reason, the

Netherlands attaches great importance to the consistency of national measures with the international consensus reached in bodies like the OECD. The Netherlands also intends to make the fullest possible use of the binding rights system of the WTO to deal effectively with non-sustainable subsidies.

At national level, various proposals for greener financial instruments have recently been adopted (e.g. in the policy document on vehicle emissions and the environment). A report has recently been presented to the House of Representatives on these 'green' proposals. A national emissions system is currently being developed for NOx. All this is consistent with the government's ambition to use pricing mechanisms to benefit the environment (action 4.3.2). In the course of the Dutch presidency, initial moves in this direction were also made at EU level (see subsection 4.4).

However, little progress has yet been made in the Netherlands regarding the development of other financial instruments. For example, the desire to give initiatives in the sustainable development field greater access to existing incentive schemes remains unfulfilled, due to the reluctance of all ministries other than VROM (action 4.3.5).

#### *Model programmes and new topics*

The national part of the action programme contains descriptions of twenty programmes and projects which illustrate how the various government departments are helping to fulfil the Netherlands' sustainable development ambitions. Progress with these model programmes and projects is encouraging. They are good examples of the inspiring but lower-profile activities referred to above. The overall picture is one of government departments cooperating with each other, new methods being piloted, new relationships being established between government authorities, civil society organisations and companies, and attention being paid to the interactions between the three P's: people, planet and profit. Most of the projects submit progress reports directly to the House of Representatives. For summary details see subsections 3.7 (Biodiversity in the Hoeksche Waard), 3.11 (Roads to the Future), 3.12 (Learning for Sustainability Programme) and 3.13 (Sustainable management systems), and annexe 1.

*Sustainable action* also includes a section on future topics which are relevant to sustainable development but for which no concrete programme or policy has yet been

formulated. Good progress has been made on a few of the actions mentioned in that section, including sustainable chemistry (3.9). The remaining actions have yet to commence (see annexe1).

### 3 Further details of selected activities

The previous section offers a general picture of the progress so far achieved on the actions identified in the Sustainable Development Action Programme. This section contains a more detailed discussion of some of the activities mentioned in section 2.

#### 3.1 Partnerships

Partnerships supplement the actions that countries have agreed in the follow-up to the Johannesburg Plan of Implementation. Twenty partnerships were proposed in the context of *Sustainable Action*. Except for the Market Access partnership (which was initiated partly by Netherlands) and the Clean Fuels and Vehicles partnership (initiated by the US), all of them were initiated by multilateral or international organisations such as the EU or UNCTAD. A number of partnerships have already produced results. Others are slowly getting under way or have suffered delays. Reasons for this vary but include their multilateral nature, requiring coordination among numerous countries (e.g. EUEI), the rather vague initial pledges made by partners (e.g. LAND and SARD) and the quality of proposals submitted (e.g. Clean Water for the Poor Initiative). Following an internal assessment of the 20 partnerships, the Minister for Development Cooperation has decided to continue with only 16 of them. Some of the others are being converted into programmes or projects because of their importance to developing countries. Support for capacity building in relation to the Biosafety Protocol is one example (see annexe 2 for the list). The House of Representatives has already been informed.

The 16 partnerships can be divided into two categories:

- Public-private partnerships (PPPs), i.e. consortia involving government, the private sector and, usually, NGOs;
- Forum/Network partnerships, i.e. network organisations, multilateral consultative platforms, funding mechanisms or other kinds of partnership which do not involve the private sector and are not likely to do so in future.

Based in part on the experience described above, a 'Call for ideas' for sustainable development was issued, inviting the private sector to submit ideas for PPPs. A number of criteria were set: proposals had to be innovative and additional; several partners had

to be involved; the private sector had to contribute at least 50%, and the initiative had to contribute to poverty reduction and sustainable development.

More than 400 ideas were received. Many of them were rejected because they sought funding for direct investment in a private enterprise. Given the focus on the private sector and Africa, it is not surprising that many ideas were related to the theme of agriculture and far fewer, for example, to biodiversity. Those responding to the 'Call for ideas' often had difficulty showing why proposed activities could not be undertaken without development funding.

Eighteen of the ideas submitted have been selected for further consultation, which will include consideration of whether the parties can meet the criteria and whether the partnership can be fully implemented as proposed (annexe3). Implementation of at least five partnerships is expected by early 2005. A decision on the potential for further PPPs for sustainable development will be taken on the basis of experience with these initial ones.

### **3.2 Institutions**

At the end of 2003, the UN General Assembly adopted a resolution to integrate and coordinate implementation of and follow-up to the outcomes of the major United Nations conferences and summits, including the Millennium Summit, Financing for Development and the World Summit on Sustainable Development. This resolution represents a major step forward for the UN, since it is a move to seek synergy between development, social questions, sustainability issues, the environment and funding questions, rather than dealing with each of them separately.

#### *Results of CSD12*

During the eleventh session of the Commission on Sustainable Development (CSD11) in 2003, the Netherlands and many other delegations successfully pressed for concrete agreement to be reached on the CSD programme of work through to the end of 2015. It was agreed that the programme of work beyond 2003 would be organised on the basis of two-year cycles, with each cycle focusing on selected thematic clusters of issues. The first year in each cycle (the 'Review Year') will be devoted to evaluating results achieved so far and identifying obstacles to action in the follow-up to the Johannesburg Plan of



Implementation (JPol) and progress in implementing the Millennium Development Goals (MDGs, see annexe 4). The second year (the 'Policy Year') will then be used to develop policy recommendations. In every cycle, a number of cross-cutting issues will also be addressed: poverty reduction, sustainable consumption and production, protection and conservation of natural resources, globalisation, health, the small island states, Africa, financial resources, gender, development and the institutional framework.

CSD12 (April 2004) was the first session of the CSD under the new work programme and focused on the themes of water, sanitation and human settlements. All the participants, including the Netherlands, regarded it as a great success. The absence of negotiations enabled a free exchange of information between all the parties present. Consequently, a number of major obstacles and constraints were identified in the fields of capacity building, funding and good governance. In addition, emphasis was placed on the importance of improved cooperation between the various UN agencies and the International Financial Institutions (IFIs), an issue championed by the Netherlands.

As regards capacity building, a major disparity was observed between the needs of countries and what is being achieved. It was also felt that experience at local level is frequently being ignored. One of the problems identified was that transfer of responsibilities to regional or local authorities is frequently not accompanied by transfer of the necessary funds. Lack of good governance was seen as a major problem at both national and local level. Particular attention was drawn to the lack of participation by all sections of the population and especially women. Concrete solutions to the problems identified in the fields of water, sanitation and human settlements are to be agreed at CSD13 (in April 2005).

In 2005 a large-scale international conference ('Major Event') is to be held, at which progress on the MDGs will be presented. From the point of view of sustainable development, this will be extremely important. The eight MDGs and their specific targets are closely interlinked and sustainable development is essential to achieving them.

### **3.3 Water**

Water features in the international development agenda not only as a WEHAB theme (identified by the WSSD), but also as a key theme at CSD12 and 13. In addition to 'regular' investment in drinking water (incl. sanitation) and water management through the Dutch embassies, the International Financial Institutions (the World Bank and the regional development banks) and UN agencies, the Netherlands has also made good progress since the WSSD with the establishment of partnerships. These partnerships are an essential means of achieving Millennium Development Goal 7 (see annexe 4).

#### *EU Water Initiative 'Water for Life' (EUWI)*

This is one of the two flagship partnerships presented by the EU in Johannesburg. It is being coordinated by the European Commission. Various working groups are active and are striving to achieve policy consistency. The Netherlands is participating in the two working groups for Africa ('Water and Sanitation' and 'Integrated Water Resources Management') and in the 'Finance' working group which is developing financial instruments for the whole initiative. The Netherlands is also participating in the multi-stakeholder dialogues, which are attended by NGOs and industry representatives and which advise on the future development of the EUWI.

Earlier this year, the European Commission established a Water Facility (EUWF = EU Water Facility) with a provisional budget of €250 million, destined for water programmes in ACP countries. Discussions on the use of these resources are taking place in the working groups, which are in contact with organisations representing countries receiving development aid. In Africa, this is the African Ministerial Council of Water (AMCOW).

Various programmes are currently being developed for water, sanitation and regional river basin management, especially in Africa. Policy alignment is also taking place regarding contributions to the development of national water management plans through the Global Water Partnership. In due course, funding will come from the EUWF and (perhaps) from bilateral contributions by member states (see also GWP below). The Netherlands is participating in the EUWF advisory group, which is assessing the proposals. From November 2004, it will also chair the water and sanitation working group.

### *Clean Water for the Poor*

This partnership is composed of three projects – an Urban Water Initiative, a West Africa Water Initiative (WAWI) and a Clean Water Investment Initiative – and is coordinated by the US (USAID). The Netherlands is currently in consultation with USAID concerning a possible contribution to the WAWI. The aim would be highly practical: to ensure good drinking water and sanitation in the context of poverty reduction in Mali, Niger and Ghana. The goal would be to provide half a million people with drinking water and sanitation by the end of 2008. UNICEF is involved in the partnership, as are a small number of private-sector companies and NGOs.

US\$34 million has already been released from various sources, both public (USAID) and private (Hilton Foundation and World Vision). The request for a Dutch contribution was initially turned down, but negotiations are still under way with USAID about possible modifications to the original proposal.

### *Global Water Partnership (GWP)*

This partnership, already in existence before the Johannesburg summit, seeks to coordinate the development and management of water and related natural resources through Integrated Water Resource Management. Many governments, international organisations, companies and NGOs are already involved in the GWP, which is establishing regional water management networks all over the world.

The Netherlands makes a core contribution of €0.9 million a year. A proposal to contribute through the GWP to national water management plans (one of the WSSD targets) is currently under consideration. Through networks and partner organisations, the GWP is taking the lead in an initiative to facilitate Integrated Water Resource Management in a number of countries, especially in Africa. Various donors are already contributing to it.

### *Africa Water Facility (AWF)*

The aim of this partnership is to establish a financial mechanism to remove obstacles to the mobilisation of capital to develop the water sector. It is coordinated by the African Development Bank (AfDB) and is closely associated with NEPAD. African ownership is expressed through the input of the African Ministerial Council of Water (AMCOW), on

which all African water ministers are represented. The AWF has been in operation since 1 July 2004 and is now operating on funds contributed by Canada. Other donors – including the European Commission, Germany and Britain – are still considering whether to contribute. The Netherlands expects to decide shortly on the form of its participation in the AWF and, by doing so, to claim a seat on the recently established governing council.

The partnerships discussed above involve a range of stakeholders at various levels. For this reason, their establishment demands great care and is taking a considerable time. Although the Netherlands is an active participant, its financial contributions currently fall far short of those of other donors, such as the USA and Canada. However, the Netherlands does intend soon to take decisions on financial contributions to a number of the partnerships discussed below.

### **3.4 Energy**

Now that Russia has also approved the Kyoto Protocol, it will come into force, obliging the industrialised countries (with the exception of the United States) to cut their emissions of greenhouse gases between 2008 and 2012. Within the EU, thought is already being given to the follow-up to the Kyoto Protocol, including potential for greater involvement not only of the United States but also of developing countries. In addition to agreements relating directly to climate change, attention will also have to be paid to the priorities of developing countries as regards energy supplies, land use (e.g. deforestation and food security), water availability, air pollution, urban development, transport and industrial development – all areas which can help to solve the problem of climate change.

The December 2004 Energy For Development Conference (being organised by Minister Agnes Van Ardenne and State Secretary Pieter Van Geel in cooperation with the World Bank, UNDP and the World Business Council for Sustainable Development) can help to achieve policy integration. The conference will focus on energy for poverty reduction, energy for economic development and the interface between the environment and energy. The aim of the event is to ensure that developing countries are given the opportunity to achieve sustainable economic growth. This will require heavy investment, not only by governments and local financiers in those countries, but also by international donors and the international private sector. The conference is expected to produce

recommendations which can be used, for example, as input to the review of the MDGs, where greater attention needs to be paid to energy. They are also likely to be used in the forthcoming CSD14/15 cycle, in which energy, industrial development and the climate/atmosphere will be key themes.

#### *EU Energy Initiative for Poverty Eradication and Sustainable Development (EUEI)*

Six member states in the EUEI, including the Netherlands, have agreed to establish a Partnership Dialogue Facility (PDF) to help developing countries formulate energy and poverty policies within national strategic plans. These plans are necessary to qualify for support from the European Development Fund (EDF). Before the end of 2004, the European Commission is likely to produce a proposal to reserve a proportion of the expected €1 billion in the EDF (€250 million) for energy. Six EU member states have pledged a total of €4.15 million for the PDF. The Netherlands has committed itself to contributing €0.9 million in 2004 and €1 million in 2005 and has played a leading role in mobilising member states. The day-to-day management of the PDF is in the hands of the German federal department of development cooperation, under the auspices of the EUEI.

The PDF is the most efficient way of channelling EDF resources, but it is also laborious. This is unfortunately a fact of life in the EU. Moreover, not all EU member states are yet participating in the PDF. This means that European support for the facility can still be expanded. Finally, the private sector has no involvement in the PDF so far. It will, however, be involved in the implementation phase.

#### *Global Village Energy Partnership (GVEP)*

The GVEP aims to reduce poverty by improving access to modern energy services. In almost 20 countries, partners have been consulted on priorities in the energy sector with regard to public-private partnerships. In three countries (Zambia, Ghana and Guatemala) work is now actually being done on implementation plans. Other countries are expected to follow this year and next. The GVEP now has 428 partner organisations and 1015 individual members. The GVEP has quickly become a household word and concrete actions are expected. The small secretariat works as a catalyst and implementation is done through partners. The coming year will show whether concrete initiatives will actually be launched in a number of countries.

Public-private partnerships will be developed. Efforts will continue to keep energy on the international agenda. More money will be needed.

*Energizing Development, a Dutch-German partnership on energy*

Partly as a result of WSSD, the Netherlands has set itself the goal of supplying an additional 10 million people with modern energy services by 2015. The goal will be achieved in partnership with various other bodies, including the German Agency for Technical Cooperation. The Dutch-German partnership on energy, Energizing Development, will supply modern, sustainable (affordable and preferably environmentally friendly) energy to 5 million people in Dutch partner countries who are currently without access to electricity. The geographical focus will be on Africa, but work will also be done in Asia and Latin America. Major conditions will be the achievement of concrete targets and the sustainability of activities (the people concerned should continue to have access to affordable energy in years to come).

### **3.5 Health**

Existing Dutch priorities like HIV/AIDS, malaria, tuberculosis, reproductive health care and the improvement of frontline health care systems were confirmed during the WSSD in Johannesburg. New priorities are vaccine development and the relationship between the environment and health. Partnerships have been accepted as a way of achieving additional goals and a partnership for clinical interventions against poverty-related diseases is now being implemented. In the environment and health field, efforts are focusing on water and sanitation, indoor air pollution and accident prevention.

*Partnership for clinical interventions against poverty-related diseases*

The Netherlands-African Partnership for Capacity Development and Clinical Interventions against Poverty-Related Diseases (NACCAP) is part of the European Developing Countries Clinical Trial Partnership (EDCTP). Membership includes government agencies, international organisations, the private sector and NGOs. The aim of NACCAP is to accelerate the development of new clinical interventions against HIV/AIDS, malaria and tuberculosis in Sub-Saharan Africa, particularly by strengthening local capacity for research and clinical trials.

The NACCAP structure was established in 2004. This involved consultation with representatives of EDCTP, the private sector and Dutch and African experts in capacity building. The secretariat is hosted by the Netherlands Organisation for Scientific Research (NWO) in The Hague. Following consultations with stakeholders in Africa, a call for projects was issued in September 2004 with a deadline in early 2005. Projects for improving clinical trials and for capacity building will then be selected from among the proposals submitted.

The aim is partly to use government funding to lever private-sector funds. Although the partnership involves both the public and the private sector, financial responsibility currently rests mainly with government. The private sector has a representative (Glaxo-Smith-Kline) on the Steering Committee, but will not become involved until the preliminary research has been completed and commercial opportunities have been shown to exist. The planned budget of €3 million is expected to be disbursed in 2005; the private sector is expected to contribute an additional €1 million.

#### *Partnership for Clean Fuels and Vehicles*

The aim of the partnership is to improve air quality and reduce the health impact of polluted air by phasing out lead and reducing sulphur in fuels, and developing and adopting clean fuel standards and vehicle requirements. The breadth of support for the partnership is illustrated by the many private-sector and NGO participants and countries involved. It is one of the partnerships to which the private sector and NGOs are contributing both financial resources and capacity.

In November 2003, the Second Global Partnership Meeting took place at the VROM offices in the Netherlands. At the meeting, the partners:

- agreed governance rules;
- presented reports on reducing sulphur and phasing out lead in fuels, and on the consequences for vehicle valves;
- agreed to organise regional meetings on phasing out lead and reducing sulphur, and to pay greater attention to Central and Eastern Europe, where there are currently few partners.

In May 2004, environment and energy ministers from countries in Sub-Saharan Africa met in Nairobi to assess progress on the agreements made in Dakar in 2002 to phase out leaded petrol by the end of 2005. The conference was a success. Sub-Saharan countries are making clear progress in drawing up action plans, establishing task forces to implement them, consulting target groups and devising publicity campaigns. In May 2004, 50% of all petrol in the region was unleaded. The main result was that countries are also opting for RON91 as the minimum standard octane rating, making it easier to phase out leaded petrol. The next global meeting of the Partnership for Clean Fuels and Vehicles is scheduled to take place in New Delhi in December 2005.

VROM is contributing a total of €425,000 to the partnership through UNEP, with €250,000 earmarked for specific action to phase out leaded petrol in Sub-Saharan Africa by the end of 2005 (€125,000 in 2002 and €200,000 in 2003 for action in Sub-Saharan Africa; €100,000 in 2004, including €50,000 for the partnership itself and €50,000 for action in Sub-Saharan Africa). The private sector is contributing approximately €160,000.

### **3.6 Agriculture**

#### *WSSD Partnership for Market Access*

During the WSSD in Johannesburg, market processes and access to Western markets for agricultural products were identified as major conditions for sustainable development. In order to increase market access, the Netherlands has initiated public-private partnerships with developing countries in the fields of food safety, the environment and veterinary and phytosanitary measures. In these partnerships, governments, the private sector and civil society organisations (CSOs) commit themselves to a combined effort to achieve a number of development objectives. These initiatives are rooted both in the Sustainable Development Action Programme and in the Memorandum on Coherence between Agricultural and Development Policy.

By increasingly raising its food safety standards, the EU cuts off access to markets or makes it more difficult to exploit opportunities created by better market access (WTO). The WSSD Partnership for Market Access involves close cooperation between LNV and BZ/OS and aims to improve market access for agricultural products from developing



countries through capacity building in the field of food safety, the environment and veterinary and phytosanitary measures. It strives to set a good example to the EU. Contributions to sustainability and poverty reduction are important criteria. It is based on a whole chain approach and activities can focus on particular points in the product chain where problems are occurring.

Trilateral partnerships between Indonesia, Malaysia and the Netherlands are being established for shrimps, palm oil and tropical fruits and vegetables. Following a period of intensive consultations between government, the private sector and CSOs both in the Netherlands and in the countries involved, agreement has been reached on action plans for all three types of products. Experience shows that each of them has its own particular problems, network and approach. The exchange of information on statutory requirements both between and within countries proves to be in each case a basis for increased market access. The projects relate to matters such as integrated chain management and sustainable production.

In the case of shrimps, a secretariat has been established in Indonesia to coordinate consciousness-raising activities in the fields of food quality and sustainable production. The private sector, CSOs and the government authorities in the three countries are actively committed to ensuring the success of this concerted approach. In the Netherlands, the private sector and CSOs have pledged to contribute manpower, physical accommodation and financial resources. The action plan includes training (including the initial training of laboratory staff), information transfer on statutory norms, cooperation on improving the transparency of product chains and a project to rehabilitate mangroves.

For palm oil too, an action plan has been agreed between Indonesia, Malaysia and the Netherlands. Once again, the plan features training of laboratory staff and measures to increase the transparency of the product chain. In addition, the Netherlands has agreed with Indonesia and Malaysia to recognise and support the Round Table on Sustainable Palm Oil, an international initiative by the private sector and CSOs. The private sector and CSOs in the Netherlands are also taking an active interest in the process. The Dutch private sector is implementing parts of the action plan in cooperation with Indonesia and Malaysia.

In the case of fruit and vegetables, the action plan relates to information exchange concerning market trends, certification schemes and statutory norms. 'Post-harvest handling' is also a problem. A major part of the solution is proving to lie in exchanging information on statutory regulations and trade and industry standards and preferences.

The Netherlands now has a partnership with Vietnam for the fisheries sector. A workshop was held in July 2004, at which an action plan was agreed. Here too, attention is focusing on integrated chain management, the organisation of small enterprises in Vietnam, sustainable production and exchange of knowledge and information. For example, training is being given in 'Tracking and Tracing'.

Cooperation with countries in East Africa (Uganda, Tanzania, Zambia and Kenya) is directed at increasing market access for vegetables, fruit and flowers. Improvement of phytosanitary services is currently a top priority and staff education and training are important aspects. The next priority will be to cooperate with the Dutch private sector to eliminate obstacles at all points in the chain (for example, in the logistics field). Strategic opportunities for improving market access are being investigated for East Africa as a whole.

The partnerships for market access are attracting increasing attention and provide a concrete example of policy coherence. The approach encourages cooperation between government authorities, the private sector and civil society organisations both nationally and internationally. An example is the FAO-WHO Workshop on Residues without ADI/MRL (held in Bangkok in August 2004), where discussions centred on zero tolerance for antibiotics and the consequences for trade with developing countries. This may eventually produce a solution to the problems surrounding zero tolerance and therefore improve trading conditions for developing countries.

#### *LAND*

The Land Alliances for National Development (LAND partnerships) have begun with Indonesia, the Philippines, South Africa and Guatemala. Bolivia, Burkina Faso, Niger and Uganda have also shown interest. The aim of the partnerships is to bring about a participatory dialogue about land reform, an open and transparent policy process,

increased access to land, information exchange and capacity building among stakeholders. Implementation has so far focused on needs assessment, networking, information exchange and research.

### **3.7 Biodiversity**

Both in the Netherlands and in the international context, clear steps have been taken to prevent further loss of biodiversity. The project to develop the Hoeksche Waard near Rotterdam as a protected national landscape is of particular interest. Launched by VROM and the Province of South Holland in 2003, it was part of a VROM programme to encourage public participation in environment policy. The residents of the Hoeksche Waard were invited to formulate policies and projects to promote biodiversity in the area. The project combined two challenges: to achieve public participation and to translate a remote abstraction like biodiversity into more concrete ideas relevant to residents' own lives and interests.

The project concluded with a conference on 11 October 2004 and was a great success. Not only were more than twenty ideas put forward by a host of work groups, but strong criticism was levelled at some of the current policies of central government and the provincial authorities and various inconsistencies were identified.

As a result, a number of projects have already been launched. In addition, the local agricultural community now aims to produce a plan for 'Sustainable agriculture in the Hoeksche Waard' by 2015, focusing in particular on the functional aspects of agrobiodiversity. To this end, the Alterra research institute has produced for VROM a study of the opportunities presented by the existing network of streams and dikes in the Hoeksche Waard.

The Province of South Holland and the regional consortium set up to develop the Hoeksche Waard now intend to use the results of the project to produce a regional biodiversity action plan. VROM and the provincial authority are consulting the Association of Provincial Authorities on the possibility of a follow-up elsewhere in the Netherlands.

At the WSSD, it was agreed that loss of biodiversity must be halted by 2010. The Netherlands sees a key role for the Convention on Biological Diversity and the associated work programmes, and is making a major contribution to the EU follow up, focusing in particular on implementation, the development of indicators for measuring progress towards the 2010 target, and synergy with other environment conventions (climate change, desertification, wetlands and endangered animal species). In 2004, the Netherlands was once again one of the main donors to biodiversity programmes in developing countries and in Central and Eastern Europe, and also contributed to capacity building in the biodiversity field in developing countries which are members of the Biosafety Protocol. Countries are being helped to implement this protocol through the Enhancing the Biosafety Protocol project.

Progress was made in 2004 on the sustainable use of biodiversity at the Seventh Conference of the Parties (COP7) to the Convention on Biological Diversity, held in Kuala Lumpur. The Parties to the CBD adopted the Addis Ababa Principles and Guidelines for the Sustainable Use of Biodiversity (developed with a heavy Dutch input). In 2005, the Netherlands will fund three regional CBD meetings to promote the further operationalisation of these guidelines in the form of work programmes for the various ecosystems.

At COP7, a mandate was established for a group to start negotiations on an international regime governing access to genetic resources and the fair and equitable sharing of benefits arising from their utilisation. The mandate includes the elements that the Netherlands regards as important and the Netherlands will play an active role in the negotiations in 2005. The first conference of Parties to the Cartagena Protocol on Biosafety was held in 2004 in Kuala Lumpur.

On the subject of indicators, progress was made in 2004 when COP7 adopted a set of key indicators for monitoring progress towards achieving the CBD goals and the 2010 target. These were developed in part by the National Institute of Public Health and the Environment (RIVM). The Netherlands will continue to make major contributions to the development of the indicators and progress monitoring through the RIVM.

The ecological networks are another major priority for the Netherlands. These are firmly

anchored in the CBD now that the CBD programme of work for protected areas (extremely important for the achievement of the 2010 target) contains major references to the concepts of ecological networks generally and a global ecological network in particular. This is a major step in the direction of achieving the ultimate Dutch ambition of establishing a global ecological network. In 2005, the Netherlands will participate actively in the work groups which are to develop the programmes of work for protected areas and will also continue to support initiatives such as the Meso-American Biological Corridor.

Sustainable forest management remains a subject of importance to the Netherlands and it is encouraging cooperation between various conventions, consultative bodies and international organisations on forests, biodiversity and sustainable development. The Netherlands is also playing an important part in the FLEGT process, which aims to keep illegally sourced timber off the European market. The Dutch government has decided wherever possible to permit the use only of sustainable timber in future government contracts and, where that is not possible, to permit only legally sourced timber. In 2004, the Netherlands was one of the leading international donors in the forestry field and made a concrete contribution to the Asia Forest Partnership.

#### *UNECE - Pan European East-West Environmental Partnership for Sustainable Development*

The partnership is helping to improve environmental conditions and carry out the Johannesburg Plan of Implementation in Eastern Europe, the Caucasus and Central Asia by strengthening cooperation between these countries in efforts to protect the environment. VROM has contributed €1.9 million.

#### *Biotrade Partnership*

The aim of the BTFP (Biotrade Facilitation Programme, led by UNCTAD) is to encourage trade and investment in bio-resources in order to achieve the three aims of the Convention on Biological Diversity: conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the utilisation of those resources.

The BTFP aims to improve coordination throughout the product chain. It involves

numerous partners, each offering added value in the process of creating biodiversity products.

The development of the international trade in biodiversity products can help to fight poverty in the countries concerned both by directly reducing individual poverty and by maintaining production capacity and therefore contributing to economic development and environmental conservation in the longer term.

The BTFP was launched in July 2003 and is supporting projects in Africa and South America (six countries in each). Four country programmes are now fully operational (including participation by NGOs and both the private and public sectors), making biotrade now part of the national development and export plans. Three sustainable use plans and three market studies have been completed and 46 small and medium-sized enterprises have received training and attended trade fairs. Arrangements are also in place for close cooperation with the Centre for the Promotion of Imports from Developing Countries concerning natural ingredients for cosmetics and pharmaceuticals. European (including Dutch) companies have been involved in a business-to-business seminar.

### **3.8 Trade and investment**

The WTO Ministerial Conference in Cancún (September 2003) was derailed by resistance on the part of developing countries to the way in which the proposed trade liberalisation was to be realised and by an unwillingness to reach agreements on investment during the current round. Following a period in which all parties reconsidered their interests and input, agreement was finally reached on a framework for the continuation of the WTO talks in August 2004. For further information, see [www.wto.ez.nl](http://www.wto.ez.nl).

After the failure of the Cancún conference, the OECD decided to concentrate more on supporting the WTO process by tailoring its research to developing countries. Reconsideration of the exact contribution made by trade to development is now a recurring theme in the OECD's work programme: erosion of trade preferences, regional and bilateral free trade agreements and policy coherence.

A major new OECD initiative in the follow-up to the agreements made at the Monterrey

International Conference on Financing for Development is the Policy Framework for Investment (PFI). The aim of the project is to develop a good practice checklist for policymakers in developing countries. By means of exchanges of experience between developing and OECD countries, the World Bank, UNCTAD, the private sector and other experts, an attempt is being made to create the multilateral framework for investment policy on which it has so far proved impossible to agree in OECD or WTO negotiations. The aim of the PFI is to help developing countries establish an economic climate attractive to foreign investors.

*Promoting sustainable development within the OECD*

The OECD Ministerial Council Meeting on 13 May 2004 underlined the importance of continuing to promote sustainable development within the OECD. Ministers welcomed the results of the horizontal cooperation that has taken place within the OECD since 2001. They concluded that this was evidence that, by using more cost-effective instruments, many countries could protect the environment at the same level at considerably lower cost or achieve more ambitious environmental targets at little or no additional cost. One reason for the relative failure to reap these potential benefits is that decisionmaking is not yet based on full integration of environmental and economic considerations. Since 2002, the OECD secretariat has been seeking to help governments in this respect by paying particular attention to sustainable development issues during economic country surveys. The results have been the subject of peer review between OECD countries and in early 2004 the OECD secretariat published a synthesis report on this particular aspect of the country surveys. During the planning of its own country survey in early 2004, the Netherlands agreed to an in-depth investigation of a number of specific issues in the sustainable development field. Annexe 5 contains the OECD's specific recommendations to the Netherlands on more cost-effective ways of achieving sustainable development. Since September 2004, a newly established OECD expert group has been considering how to win wider political support for the idea of reducing environmentally unfriendly subsidies. It is proving to be easier to gain general endorsement for the idea of eliminating these subsidies than to get it implemented. International cooperation is essential. For this reason, the OECD is now looking at how far proven problems of definition and information can be resolved and the necessary transparency achieved on existing subsidy schemes. The Netherlands now advocates a pragmatic approach under which the existing binding WTO subsidy rules,

would be used as effectively as possible to restrain the use of environmentally unfriendly subsidies. In return, the OECD could help the WTO by providing the necessary analytical basis and reliable data on subsidies which are not only damaging to the environment but also distort trade.

### **3.9 Sustainable production and consumption**

In implementing chapter 3 of the Johannesburg Plan of Implementation (Jpoi), UNEP has launched a variety of activities. It is taking the lead in developing a 10-year Framework Programme on Sustainable Production and Consumption in cooperation with the United Nations Industrial Development Organisation (UNIDO), ILO and UNESCO.

Since the first global meeting on the development of the Framework Programme was held in Marrakesh in June 2003, the process is known as the 'Marrakesh process'. Priorities are producer responsibility, eco-labelling, financial incentives, encouraging company initiatives, promoting green investment, and financial elements such as eco-pricing.

Since the Marrakesh meeting, UNEP has held regional meetings in Asia, Latin America and Africa. It has become clear that attention needs to be paid to sustainable production and consumption in many developing countries. Marrakesh+2 is now being prepared by UNEP and the UN Department of Economic and Social Affairs (UNDESA, September 2005, Costa Rica).

UNEP has also established a partnership to provide expert support for its own contribution to the framework programme. The aim is to boost NGOs' skills in the field of sustainable production and consumption. VROM has contributed €200,000 for this purpose. The European meeting was held at the end of November 2004 in Belgium (Ostend) and focused primarily on cooperation with stakeholders and the role of industry.

In late 2003, as part of the Marrakesh process, the European Commission (in particular the Environment DG) launched a series of consultations with EU Member States concerning the role and strategy of the EU. The Commission is due to complete a survey of EU activities, instruments and best practice examples from EU Member States by the



end of 2004, after which a specific EU strategy will need to be devised. The second global meeting on the Marrakesh process is due to take place in Costa Rica in September 2005.

The meeting will consider a comprehensive worldwide process with many different facets (the three pillars of sustainable development, both in developing countries and elsewhere) and many stakeholders (producers, trading companies, consumers, the financial world, and NGOs in a variety of fields). Promotion of activities and programmes directed at sustainable production and consumption featured in the follow-up programme to the Earth Summit in Rio de Janeiro (1992) but it was the agreements reached at Johannesburg (Rio+10) that established the aim of creating a clear framework of priorities. Efforts to achieve such a framework have been stepped up but have so far failed to produce rapid results. This is due less to the discussions going on between the various stakeholders, difficult and time-consuming though they are, than to the time being taken by the international organisations to reconsider the problem and mull over their own strategies and possible links between them. There is also some confusion about the division of tasks between the public and private sector. Real consultations with the private sector are only now getting under way.

At global and EU level, the Netherlands would prefer to focus on the following priorities:

1. promoting corporate social responsibility;
2. transparency in sustainable production and consumption in general and chain management in particular;
3. consumer information;
4. financial aspects such as: eco-pricing, greener taxes and promoting investment in sustainable development.

At national level too, the Netherlands is doing a great deal in this area. For example, a Dutch Knowledge Centre for Corporate Social Responsibility was launched on 24 November 2004. The Centre is to pool Dutch knowledge and experience on CSR and help to encourage action by all the relevant stakeholders. For specific activities on CSR, see annexe 1, actions 2.5, 5.4.1 and 5.4.12. The Knowledge Centre is hosted by SenterNovem, where the Competence Centre for Transitions (CCT) is also to be based (see subsection 3.10).

Together with EZ, LNV, V&W and OS, VROM has set up a help desk where front runners in the CSR field can report any difficulties they experience with government regulations when introducing new processes or sustainable chemistry (see also subsection 3.10).

Another recent activity is the sustainable chemistry transition project. The chemical industry is an important sector in the Netherlands, with major economic, social and ecological impacts. The aim of the sustainable chemistry transition project is to help the chemical industry move towards a higher standard of sustainability in its products and processes. The project is an alliance between VROM and EZ and its exploratory phase is shortly to be completed. The results will determine whether this transition will be continued. One major factor in the decision will be the enthusiasm of the relevant parties (companies, NGOs, customers, users, knowledge institutions, etc.) to be involved in a transition process tackling social and technical problems in order to create new opportunities. Other factors will be the potential added value of such a process compared with existing policy initiatives and, where relevant, the prospect of synergy with current initiatives, such as the energy transition.

If the exploratory phase reveals sufficient support for the process, a number of projects will be selected to help meet environmental and economic objectives in the short term without prejudicing long-term aims. For each of these, transition paths will be devised in consultation with the relevant stakeholders. The use of ethanol as a flexibly deployable raw material is only one of the many options available.

### **3.10 Promoting sustainability at the ministries**

#### *Promoting sustainability at LNV: an example*

The aim of the campaign to promote sustainability at the ministries is to replace the compartmentalised approach to policymaking by a more integrated approach.

If sustainable development is to play any role in the policymaking process, ministries must themselves experience its implications. Based on this conviction, LNV has developed a method to enable officials to view policy issues through a different (and

possibly more sustainable) filter. The method takes the form of a workshop designed to inspire officials to take explicit account of sustainable development when making policy choices.

By consciously considering the full range of consequences of a given policy option, officials are able to get to grips with the concept of sustainable development. Taking account of sustainability then becomes a natural part of the policy process:

- assumptions are rendered explicit and open to discussion;
- the adverse consequences of one dimension for others are made apparent;
- there is an opportunity to achieve synergy (win-win situations) both between different dimensions and between different policy issues.

This makes sustainable development an easier issue for individual officials to address and take into account, ultimately saves time and improves the quality of the policymaking process.

**{tekst voor grafiek}**

**{kol. 1}**

Here and now

Later

Elsewhere

**{kol. 2}**

People

- + Recreation close to home
- + Vibrant & Dynamic Countryside
- Less tourism = more poverty?
- + Less pressure on culture

**{vertikaal:} DISPLACEMENT?**

**{kol. 3}**

Planet

- + Investments in nature
- Higher pressure on ecology

- + Lower CO2 emissions, so good for climate
- + Less pressure on nature
- Less investment in nature

**{diagonaal:} SYNERGY**

**{kol. 4}**

Profit

- + Attractive climate for business
- Less work for tour operators and travel agencies
- Less work

**Fictional example of a completed 3 x 3 matrix on ‘promotion of domestic tourism’ policy option. Each section of the matrix is termed a ‘dimension’.**

Ministry of LNV, Green Space and Recreation Directorate (GRR) (completed version)

*Promoting sustainability at EZ: Video and DVD*

EZ has run two consecutive Vision on Sustainable Development projects (known as Video and DVD) to determine what can best be done to make sustainability a more integrated part of the ministry’s policymaking process and to communicate this to the outside world.

The projects involved peer supervision meetings, examining potential opportunities for sustainable action, regular communication with staff on the subject, a competition for the most sustainable policy document (with the prize being awarded by the minister on 4 October 2004), and the development of a number of tools for integrating sustainability into policymaking.

The main lesson learned is that the pursuit of sustainability is not something that can be done on the side. It takes more than an odd workshop, peer supervision session or decisionmaking tool to get officials to work on it systematically. Sustainability must be a focus of constant and comprehensive attention if it is genuinely to become an integrated dimension of policymaking.

To achieve this, the ministry has decided to adopt a five-track approach:

- To establish a ministry-wide committee to evaluate the sustainability quotient of major policy documents and to scrutinise specific issues on a regular basis.
- To appoint a sustainability coordinator within the ministry to set up the committee and monitor progress on the other tracks, launch new activities and act as an internal and external contact point on sustainability.
- Starting in 2005, to issue annual reports on the ministry's pursuit of sustainability.
- To supply policymaking officials with a tool known as a *sustainability ladder* to guide them towards a new way of thinking and working that will contribute to sustainable development. The ladder also summarises preferred kinds of solutions, although it is not intended as a decree or blueprint, but rather as a checklist or menu. It has been trialled in various workshops and is now available on the ministry website. Various forthcoming *training courses* will also focus on sustainability and the aim is to make it an integral part of all in-house training. For example, a game being devised for use in induction courses will include questions relating to sustainability. Both the game and the questions are still under development.
- To produce a *sustainability dictionary* and a *standard message* for use in external communications. These have now been developed in cooperation with the ministry's communications directorate and are available for use, for example, in EZ press releases. The standard message consists of a core message and a core text, both of which are designed to help EZ staff communicate with the outside world on sustainable development. The core message explains in brief what EZ means by the word 'sustainable' in its mission statement and the core text expands on this. The sustainability dictionary is a vocabulary list designed to help staff use the words likely to mean most to the particular target group when communicating on this subject.

#### *Promoting sustainability at BZ/OS*

*Sustainable Action* has been internalised in various policy documents. In 'Mutual interests, mutual responsibilities: Dutch development cooperation en route to 2015', for instance, it is presented as a focal point of development policy as a whole.

BZ/OS has committed itself to achieving a number of input and output targets for the WEHAB themes identified at Johannesburg. These targets relate in particular to water,

energy, health and biodiversity (including forests). Through the ministry's Policy Coherence Unit, the Minister for Development Cooperation champions coherence between policies on trade and development. Sustainability in the field of international trade and investment is increasingly being pursued by means of partnerships with the private sector.

In 2005, BZ/OS will change to a multi-year planning cycle and sustainable development is to become a guiding principle in the strategic plans of the missions and ministry departments. To support their planning processes, a tool has been developed which can be used to assess the various policy articles in the ministry's budget document in the light of the three dimensions of sustainable development – socio-cultural, ecological and economic. It therefore encompasses themes such as human rights, security and the environment. This tool can be used to diagnose the implications of foreign and development cooperation policies and associated activities for sustainability (a crucial step in the direction of improving sustainability). The specific results that the Netherlands hopes to achieve in the development cooperation field and elsewhere are discussed in the other sections of this progress report. Those sections also underline the importance that BZ/OS attaches to partnerships with the private sector in attracting additional resources and/or achieving the public sector's aims of reducing poverty and promoting sustainable development.

#### *Promoting sustainability at VROM*

The State Secretary of VROM is responsible for coordinating the national component of the action programme and the transitions. To this end, a Coordination Point on Sustainable Development: Implementation and Transitions (DO IT) has been established within the ministry. Coordination work includes knowledge transfer, communication, organising workshops and ensuring that progress on the transitions and *Sustainable Action* is properly reported.

In addition to its many theme-based activities contributing to sustainable policy development (for example, the development of greener instruments and a foresight study on the quality of housing), VROM is cooperating with other ministries on several new initiatives like the help desk for front runners and the Competence Centre for Transitions (CCT).

The help desk for front runners is an initiative by VROM, EZ, LNV, V&W and BZ/OS. Companies can use the help desk to report obstacles they encounter in introducing innovation and sustainable technology. The service was trialled in 2004 and proved to meet a need. During the trial period, it received relatively few reports of problems encountered with government regulations; most related to economic difficulties and failures of coordination within government.

The Competence Centre for Transitions is a cooperative venture involving knowledge institutes, central government and researchers. It is a follow-up to the National Initiative for Sustainable Development (NIDO) and is based on a belief in the importance of exchanging practical experience of system innovations and developing research-based knowledge of transitions. The CCT will aim to establish links between research and practice and to promote reciprocal evaluation of the two. Researchers and people involved in initiatives on the ground will be offered the opportunity to learn with and from each other and to develop relevant skills. The activities of the CCT will be coordinated with those of the Knowledge Centre on Corporate Social Responsibility and the Learning for Sustainability Programme (see subsection 3.12).

In 2005 VROM will launch an internal project aimed at integrating sustainable development and the transitions even more fully into policymaking activities throughout the ministry. Officials will receive guidelines enabling them to take sustainability into account when making policy choices across the board and to tackle problems in an integrated way. VROM will take its lead from the Learning for Sustainability Programme and the results of the Experiments with Sustainable Development (annexe1, action 4.2.1).

#### *Promoting sustainability at V&W*

The V&W budget document for 2005 shows how the ministry is putting sustainable development into practice. It includes explicit consideration of the economic, social and ecological aspects of each of the policy articles within the ministry's main policy agenda (i.e. of the three pillars of sustainable development).

One example is passenger transport, where the policy articles on network

improvements, customer-centred services and safety all focus on economic and social aspects, while the section on sustainable transport addresses the ecological aspects. It should be noted that the word 'sustainable' (Dutch: *duurzaam*) is still used in the budget document in the traditional sense of 'environmentally friendly'. In the course of the current evaluation of the budget structure, the titles of the articles will be reconsidered, although any changes will require legislation. Together, the four articles give a good impression of the way in which policy aims to achieve a sustainable passenger transport system. Policies on freight transport, aviation and water are presented in a similar way.

Certain specific components of the V&W policy agenda which, in their different ways, represent sustainable development are described in three model programmes. For example, Space for the Rivers (annexe 1, action 5.4.2) is an example of a project in which explicit and balanced attention is being paid to all three aspects of sustainable development: economic (how to prevent flood damage), social (what impact solutions will have on members of the public) and ecological (how to implement solutions in an environmentally friendly way). By contrast, The New Way of Driving (annexe 1, action 5.4.14) shows how ecological goals can be achieved by influencing a social factor, in this case behaviour. Finally, Roads to the Future (subsection 3.11 and annexe 1, action 5.4.13) shows how synergy can be achieved between economic and ecological benefits even when creating new infrastructure.

V&W is coordinating the transition to sustainable mobility and is a participant in the Learning for Sustainability project. The ministry is also coordinating implementation of the Water Framework Directive, the aim of which is to achieve the sustainable development of Dutch water systems.

In addition, V&W is participating in a number of partnerships for sustainable development (see Annexe 2). It is Dutch coordinator for the White Water to Blue Water project, the aim of which is to promote integrated water management and marine ecosystem management in support of sustainable development in the Caribbean region.

### **3.11 The Roads to the Future Project**

V&W launched its Roads to the Future Project (model programme 5.4.13) in order to explore innovative ways to improve the quality of mobility in the Netherlands. The third



cycle of Roads to the Future began in 2002 and includes the theme of the Multifunctional Road. The aim here is to use roads not only for traffic, but also to serve other needs and so to help make the best possible use of the limited land area available in the Netherlands. State-managed highways and their verges cover a total area of 21,500 hectares. This is equivalent to almost 10% of the total space occupied by housing. As part of the Multifunctional Road theme, a pilot scheme is being run under the title 'The Remediating Road' to explore, develop and test methods and techniques for using the space occupied by the national highway infrastructure to treat contaminated dredged material. A competition attracted more than ten promising ideas. In April 2004, grants were awarded for the development of four of them into full designs. In early 2005, field tests are to be run on two of the four designs: Dredged Spoil Mattress and SAWA for National Highways.

In the case of the Dredged Spoil Mattress, the principle of the design is that dredged spoil is applied to the work directly 'from the pipe'. Just before it is introduced, it is mixed first with a foaming agent and then with an initiator. As a result, the sludge soon becomes load-bearing. The resulting 'mattress' is permeable and light in weight. Rainwater can wash the contaminants out of the dredged material and transport them in a controlled way to the sides of the road, where they are leached out, transformed or stored. The mattress produces a road structure which suffers from minimal subsidence and which is simple and quick to construct using conventional equipment. This makes the Dredge Spoil Mattress a good alternative to the sand now used in road construction.

SAWA for National Highways is a way of treating contaminated dredged spoil so that it can be used as a stable, soil-like material in civil engineering works. SAWA stands for 'Sustainable system for Attenuation of Waste dredging spoil towards useful Application'. The ingredients are 1) natural processes of maturation, 2) rainwater run-off, and 3) grass cuttings from road verges. The SAWA is a kind of land farm. In the summer, PAHs and mineral oil biodegrade. In the winter, rainwater (sometimes mixed with salt) streams over the SAWA. The salt mobilises metals and sulphate and they are washed out. The contaminated water is drained away to a filter which uses grass cuttings from road verges. Such cuttings are also a major problem, but have the virtue of providing an ideal substrate for sulphate-reducing bacteria. As a result, the metals in the cuttings are deposited as sulphides and the remaining water is pure enough to be discharged to soil

or surface water. The cuttings can be used a couple more times prior to final disposal.

The Remediating Road pilot scheme clearly involves a new way of looking at roads: they need no longer be seen exclusively as a burden on the environment and a waste of valuable space, but can assume an additional function which helps to reduce pressure on the environment and save space elsewhere. The economic function of roads is strengthened in an unexpected way: by making them actually serve the environment. The idea is motivated not by the conflict between the economy and the environment, but by the search for ways to reconcile these two facets of sustainable development.

### **3.12 The Learning for Sustainability Programme**

#### *Results of Learning for Sustainability 2000-2003*

The aim of the Learning for Sustainability Programme was to contribute to the public discourse and the resulting learning processes and so to increase public commitment to action in favour of sustainable development. The programme was a cooperative venture by LNV, VROM, OCW, BZ/OS, the 12 provincial authorities, the Association of Provincial Authorities, the Association of Netherlands Municipalities and the Association of Water Boards. It was heavily decentralised, with central government establishing only the overall framework, leaving responsibility for actual projects primarily in the hands of the provincial authorities.

In the 2000-2003 period, over 500 projects were implemented. They involved cooperation between various parties from the public and private sector and from civil society. The projects have given rise to new and sometimes unexpected coalitions, networks and combinations of parties (see [www.lerenvoorduurzaamheid.info](http://www.lerenvoorduurzaamheid.info)). An evaluation report on the programme will shortly be presented to the House of Representatives.

#### *New Learning for Sustainability Programme 2004-2007*

The new programme involves EZ and V&W, in addition to the previous partners. Its focus is on the 'learning' component and this is what distinguishes it from other initiatives in this area. By way of learning processes, the programme promotes the knowledge and skills needed to enable people to make more sustainable decisions and choices (that is, decisions and choices based on the six dimensions of sustainable development –

people, profit, planet, participation, time and space). The programme is built around three pillars: 'learning individuals', focusing on education; 'learning organisations', focusing on activities for central and local government; and the 'learning society', focusing on complex decisionmaking processes. The programme secretariat is hosted by SenterNovem.

Two examples of projects that have already been launched under the programme are:

*Learning Young for Sustainability:* Plans for the physical and economic development of rural areas are routinely discussed with large numbers of stakeholder organisations, but young people's organisations are not always included. In this project, planning authorities invite young people to play a prominent role in preparing plans.

*Sustainable neighbourhood:* In two neighbourhoods in Rotterdam and The Hague, efforts are being made to identify the factors leading to the success or failure of attempts to involve local residents in action for a sustainable environment in their own neighbourhoods. Officials are working with residents to develop sustainability indicators and then develop and implement a neighbourhood action plan. The results in these pilot areas will be used in other urban districts and neighbourhoods.

Two examples of projects still in preparation are:

*Industrial estates:* The revitalisation of run-down industrial estates provides an opportunity for the private sector, various departments of municipal/provincial government and local residents to work together to develop a shared vision of the future. The process gives all parties an early understanding of each other's interests, shared goals and areas of dissension. The authorities can use the resulting vision to reach political decisions on the development process.

*Social regeneration:* When plans are being made for the redevelopment of run-down residential areas (urban regeneration), there is often a great deal of interest in the physical component, but much less in the social preferences of existing and prospective residents. There is now a tentative trend in the Netherlands towards the use of social regeneration processes which give residents a chance to have their say about the neighbourhood and its future. The Learning for Sustainability Programme would provide a suitable umbrella for shaping a decisionmaking process involving the right parties and taking social factors into account. The possibility is being explored.

### **3.13 Sustainable management systems**

Central government intends to set a good example by promoting sustainability not only in its policymaking but also in its management practices. Actions have been launched throughout central government targeting a number of issues (including sustainable procurement and contracting, use of sustainable timber, sustainable government buildings, trees for travel and corporate environmental management systems). Other tiers of government are also being encouraged to adopt more sustainable management practices.

Many government departments have devised initiatives of their own, often relating to their particular policy field (food, health or energy), or have selected priorities of their own within the three themes designated for action (energy, mobility, and sustainable production and consumption). As part of the action programme, a number of concrete targets have been set for central government: 50% use of renewable energy by the end of 2004 leading on to climate-neutral energy use by the end of 2012, drastic reductions in NOx emissions, and the introduction of corporate environmental management systems throughout central government. Around the close of 2004, a separate report will be sent to the House of Representatives on sustainable management in central government. This will give details of progress towards these targets and on other concrete initiatives. In addition to reporting on current activities in the various ministries, it will identify ambitions for the next few years.

#### *Setting a good example by using organic products*

By purchasing organic products, government authorities not only help to increase sales, but also set a good example. Through their procurement and contracting policies, they can promote the use of sustainable products by encouraging producers to make and market more of them.

LNV wants to increase the proportion of organic products used by its catering services, not only at headquarters but also on the ministry's other premises, from 51% at present to 100% in 2007. LNV will use its own experience to encourage and assist the other ministries to follow its lead. At the same time, central government will encourage other governmental and semi-governmental institutions and civil society organisations to follow this example and encourage others to do so.

*Setting a good example by using sustainably produced timber (government decision of 18 June 2004)*

In view of 1) the Dutch aim of achieving the sustainable management of forests worldwide, 2) the role of consumers in the continuance of non-sustainable and illegal logging, and 3) the duty of government to set a good example, the government has decided that all central government bodies under ministerial responsibility must commit themselves to ensuring that as much as possible (and ultimately all) of the timber procured by them or used in works contracted by them has been produced in a demonstrably sustainable manner. They must also ascertain that the timber has at least been obtained from a demonstrably legal source. At a later date, other tiers of government, housing associations etc. will be approached as part of mainstream policy and asked to make similar commitments.

### **3.14 Sustainability Outlook and indicators**

On 20 October 2004, the Office for Environmental Assessment (MNP) presented the first Sustainability Outlook to the State Secretary for VROM. The aim of the Outlook (annexe 1, action 4.2.2.) is to make it easier to get a grip on the notion of sustainable development. It does so by analysing the concept in terms of three practical themes: food supplies, energy supplies, and mobility. In each case, the analysis reveals trade-offs between different policy goals and other aims, and results in a set of sustainability indicators. The Outlook also provides a philosophical framework for dealing with sustainability issues, while taking account of the varying ideals entertained by the electorate regarding the future of the world. These ideals have been identified by a major survey of Dutch public opinion undertaken by the NIPO market research institute. In 2005, the Sustainability Outlook will be discussed with the public at large. It will be an important source of information for the public debate on sustainable development planned for 2005.

## **4 Prospects for 2005**

In 2005, the government expects to devote substantial efforts to a number of important activities in the field of sustainable development. These are outlined below.

### **4.1 Sustainable development in 2005**

In a number of respects, 2005 will be an important year for the furtherance of sustainable development. At national level, countries have an obligation under the agreements made at Johannesburg to have completed their national sustainability strategies. The Netherlands has already fulfilled this obligation by producing an international sustainability strategy in 2002 and a national one in 2003 (*Sustainable Action*, the Sustainable Development Action Programme). At European level, the year will see the review of the EU Sustainable Development Strategy and a mid-term review of the Lisbon Strategy. At global level, the Commission on Sustainable Development (CSD) will be holding its first new-style policy session. This will focus on obstacles to implementation in the fields of water, sanitation and human settlements. The year will also be important because of the 'Major Event' to be held in association with the UNGA. This will feature discussions both on the report of the Panel on Threats and Challenges (Blue Ribbon Panel) and on progress towards the Millennium Development Goals (MDGs). This section contains a brief discussion of developments at European and global level.

### **4.2 European Sustainable Development Strategy**

The European Sustainable Development Strategy (EU SDS) was adopted during the Gothenburg European Council in 2000, when it was also decided that it would be reviewed after five years. That review has now been launched. The European Commission has embarked on a period of consultation in order to gather the views of various stakeholder groups. The consultation paper underlines the importance of the EU SDS, which should inform all EU policies and address intergenerational issues, the external dimension (distribution issues in relation to developing countries), and the integration of and synergy between the three pillars of sustainable development. The Netherlands endorses this view. During the Dutch presidency, a two-day workshop was held to formulate concrete policy recommendations on the issues mentioned above.

Under the conclusions of the Gothenburg European Council, the EU SDS is to be discussed each year at the Spring Council. The Netherlands feels that the results of the public consultation exercise should be discussed at political level, together with the mid-term review of the Lisbon Strategy, at the Spring Council in 2005. Based on these discussions, the European Commission should then formulate a policy response in the revised strategy. In view of the importance of the EU SDS, the Netherlands feels that its redrafting should not be unduly rushed and that the European Council should give the revised strategy the political attention that such a major strategic document deserves.

#### **4.3 UN/Millennium + 5 Summit in 2005 (Major Event)**

In September 2005, at the start of the 60th session of the UN General Assembly, a three-day high-level plenary meeting will be held to consider progress towards the Millennium Development Goals (see annexe 4) and the report of the Panel on Threats and Challenges (Blue Ribbon Panel). The General Assembly is expected to decide on the organisation and structure of the high-level meeting during its 59th session. The Netherlands expects the Major Event to provide important guidance for integrated follow-up action on a number of past summit meetings (Doha, Monterrey and Johannesburg). It should be noted that the Johannesburg summit followed up the MDG on the environment by setting important targets for energy, the sustainable development of chemicals, sanitation, natural resources and biodiversity (see annexe 4).

The Netherlands attaches great importance to these targets because they frequently form the basis for sustainable development in individual countries. One of its aims for the Major Event in 2005 will be to make the developmental and environmental targets more coherent. For this reason, the Netherlands feels that international forums on sustainable development, such as the CSD, should make a clear contribution to the Major Event. Acting for the EU, the Netherlands has pressed for CSD13 and the UNEP Global Ministerial Environment Forum to make such contributions and this has now been agreed.

With its progress report on MDG8 (a global partnership for development), the Netherlands has sent an important signal to other donors. The report discusses Dutch progress on ODA expenditure, management of developing countries' debt problems,

poor countries' access to markets, and cooperation with the private sector, for example concerning access to affordable essential drugs for developing countries. In this context, it is important to point out that sustainable development should be seen as the best way to achieve the MDGs not just as individual aims but also as an integrated package.

The Blue Ribbon Panel was appointed by the Secretary-General of the UN to decide whether the UN is in a position to respond adequately to the challenges of the 21st century. The House of Representatives has been informed of the panel's initial findings. From the point of view of sustainable development, it is important that the panel identified the undermining of ecosystems and biodiversity as a threat to security. This makes 'ecological security' a more explicit reason for pursuing effective international policies on sustainability.

#### **4.4 Developing the conclusions of the Informal Environment Council for the Spring Council**

The aim of the Lisbon Process is to make the European Union the most competitive and dynamic knowledge-based economy in the world by 2010. The Informal Environment Council held under the Dutch presidency discussed how the environment can contribute to this strategy. It concluded that eco-efficient innovations offer many opportunities to create win-win situations, relieving pressure on the environment and increasing economic growth and competitiveness and leading to more job opportunities. The European environment ministers decided that it is important to improve market prospects for eco-efficient innovations. This requires a mixture of instruments: green procurement policies, fiscal incentives, reform of environmentally damaging subsidies and greater access to venture capital, especially for SMEs. Together with the representatives of the private sector attending the meeting, they called for a partnership between the European Commission, Member States and the private sector to exploit these opportunities.

This message was included in the report by a High Level Group (chaired by former Dutch Prime Minister Wim Kok) on the mid-term review of the Lisbon Strategy. The Netherlands wants to ensure that the European leaders convey the same message in the conclusions to the Spring Council 2005.

The Dutch presidency will try by the end of 2004 to sign a declaration of intention with



the private sector and the European Commission concerning a partnership, the aim of which would be to develop concrete but ambitious policy proposals for improving market prospects for eco-efficient innovations.

#### **4.5 FAO/Netherlands Conference on Water for Food and Ecosystems**

With an eye to implementing international agreements on integrated water management, especially those reached at the World Water Forums and the WSSD in Johannesburg, the FAO and the Netherlands have decided to organise a conference on Water for Food and Ecosystems. The main aim is to learn lessons from current activities implementing international agreements on agriculture/rural development and the sustainable use of natural resources/ecosystems. By taking an integrated look at water use in rural areas, the conference also aims to strengthen coalitions between different functions such as agriculture and nature management. In these ways, the conference stands to make a useful contribution to sustainable water use and poverty reduction. Specific attention will be paid to Africa, given that the problems of water, agriculture and nature management are greater there than anywhere else in the world.

The results of the conference will be recorded in a report/declaration and form a contribution to CSD13 in New York in 2005 and to the 4th World Water Forum in Mexico in 2006. Because of the specific focus on Africa, a preparatory conference was held in Addis Ababa (Ethiopia) in November 2004.

The conference proper is due to take place in The Hague between 31 January and 4 February 2005. Representatives of the UN accredited countries, international organisations, NGOs and private sector organisations active in the fields of water, food production and ecosystem management will be invited to attend.

#### **4.6 CSD13**

During the 13th session of the Commission on Sustainable Development (April 2005), decisions are to be taken about practical measures and options accelerating implementation of the agreements on water, sanitation and human settlements reached in Johannesburg in 2002. If it is to be a success, CSD13 must produce an implementation programme identifying the most urgent actions and who is to implement them (donor or recipient countries, UN agencies, or International Financial Institutions)

and establish a mechanism for monitoring the implementation of these arrangements. If it fails to do so, the effectiveness of the CSD on sustainable development will be seriously impaired. The Netherlands is determined that CSD13 will be a success.

EU preparations are being undertaken by the Working Party on International Environmental Issues, under the Dutch presidency. The Working Party is currently working on the EU's contribution to the three themes of CSD13. In order to exploit all the available reserves of EU expertise on sustainable development, the Council Working Group on development cooperation is being asked to assist. The Dutch presidency has also sent a letter to the UN agencies and International Financial Institutions (IFIs) asking them to use their own expertise to identify actions in the fields of water, sanitation and human settlements that are likely to have the greatest impact. The letter will be followed by personal discussions between these organisations and institutions and the EU Troika (representatives of the Dutch Presidency, Luxemburg and the Commission).

The development banks are still showing a conspicuous lack of enthusiasm for action in the follow-up to the WSSD. It is true that the World Bank is showing an interest in certain aspects of the Johannesburg agreements, such as the use of public-private partnerships and the increased focus on water and energy infrastructure, but its plans for actual implementation are still vague. Among the UN agencies, HABITAT has done most to focus its efforts on achieving the WSSD targets for human settlements.

Through ministerial and other councils, the Netherlands and the EU are putting pressure on the relevant bodies to engage in coordinated activity specifically aimed at achieving WSSD targets. These efforts may be expected to bear fruit in 2005. In February 2003, during its 22nd session, the Governing Council of the UN Environmental Programme (UNEP) decided to base the UNEP work programme on the WSSD action programme and to launch a separate programme for sustainable production and consumption. UNEP is also actively involved in a number of partnerships. This intention will be developed in greater detail in 2005 and will be discussed at the UNEP council of ministers.

The World Bank has offered to consider the importance of the WSSD targets at the next meeting of water donors and has set up a unit at the World Bank Institute (WBI) to

examine the importance and potential of public-private partnerships.

#### **4.7 Public debate**

*Sustainable Action* states that the government will organise an annual public debate on the progress of sustainable development (action 7.3). The aim is to discuss the progress of sustainable development in public with key civil society actors. The first debate is to take place around the summer of 2005 and preparations are already in hand. The agenda for the debate will be fixed in cooperation with the intended participants (the private sector, government authorities, civil society organisations, front runners in the field of innovation and sustainable development, and the general public). The Sustainability Outlook will provide a major basis for the debate, as will this progress report. VROM and BZ/OS are responsible for organising the event.

## Annexe 1

### Progress on actions at national level

This annexe outlines progress on the various actions listed in Annexe 2 of *Sustainable Action*, the Sustainable Development Action Programme (national component).

Progress is described only briefly since separate progress reports are to be made on each of the actions.

Action	Location in action programme	Initial contact point	Other ministries involved
Actively support the continued adoption of CSR	2.5	EZ	VROM, LNV, V&W

The current state of play on corporate social responsibility (CSR) was discussed with the House of Representatives on 18 November 2004.

The Dutch Knowledge Centre on CSR was launched on 24 November. It will pool knowledge and experience on CSR and help to encourage action by all the stakeholders in the field.

EZ has commissioned a study on the feasibility and desirability of introducing a Dutch sustainability index for companies quoted on the stock exchange. This is being done in close consultation with the relevant stakeholders.

To increase transparency and assist companies, EZ has asked the Netherlands Council for Annual Reporting to issue guidelines on how best to deal with CSR in company annual reports. These guidelines have now been issued. To assist in monitoring the quality and quantity of such reporting over time, a transparency benchmark has been established. The results of the base-line survey have already been sent to the House of Representatives.

#### *European Conference on CSR*

During the EU presidency, a European Conference on Corporate Social Responsibility was held on 7-9 November 2004. The conference was subtitled 'Competing for a Sustainable Future' and its key theme was the contribution of CSR to European

competitiveness. Many companies are now acting on the assumption that sustainable practices enhance their business prospects, especially in the longer term. Small and medium-sized enterprises are also increasingly active in this field. The conference concluded that CSR enhances the possibility of raising capital since it improves the longer-term prospects of companies. Investors are increasingly adopting CSR as an investment criterion. CSR increases the innovative and creative drive of companies because it encourages them to rethink their production methods and products taking account of the three P's. The report on the conference has been communicated to the House of Representatives. Support for the continued adoption of CSR is being provided through two projects: 'Sustainable management systems' (5.4.1) and 'Triple P and the Consumer' (5.4.12).

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
In implementing the action programme, in the sphere both of policy and of practice, the government will give pride of place to the role of knowledge institutions and companies and cooperation between them.	3.2	VROM	all

The establishment of the Competence Centre for Transitions (CCT) is a practical step in this direction. The CCT is due to start work on 1 January 2005.

For further details, see the 2004 progress report on the transitions (Parliamentary Paper 2004-2005, 28663, 25 TK).

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Central government will initiate the interactive process of sustainable development. The lessons learned from the model programmes and instruments will be collected, made accessible and communicated to other parties. The skills necessary for the promotion of sustainable development will also be nurtured in all parties involved (including government departments).	3.3	VROM	all

See description of model programme 5.4.20 and section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will invite other public authorities to work towards sustainable development at local and regional level in accordance with the guidelines provided by the action programme.	3.4	VROM	all

Various provinces, including Groningen, Limburg, Brabant, Flevoland and South Holland, are making great efforts to put sustainable development on their agenda. The action programme is a useful tool, as is the provincial sustainability balance developed by the Telos Institute and currently being piloted by several provinces.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will continue experimenting with methods of assessing sustainable development by running three or four trials at central government level.	4.2.1	VROM	LNV, EZ

The guidelines on sustainability assessment are now ready and new pilots are starting.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The Office for Environmental Assessment is to publish two theme-based Sustainability Outlooks. This should lead to a method of producing an annual sustainability balance sheet from 2006 onward.	4.2.2	VROM	(MNP-RIVM)

See section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
A section on sustainable development will continue to appear in the budget of each of the ministries over the next few years. This will be evaluated in 2004. Conclusions and decisions	4.2.3	VROM	all

will then be implemented as part of this action.

The Minister of Finance has scrapped this obligation for the 2005 budgets. The Sustainability Outlook (October 2004) contains sustainable development indicators, which will be used to diagnose and direct developments in various policy areas. They will therefore acquire a place in the budgets of the ministries concerned, starting in 2005.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
EZ and LNV will continue to gather experience and develop tools in the course of their work on sustainable development which will be put at the disposal of other ministries to promote their development in this area.	4.2.4	EZ, LNV	all

See details of these projects in section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will investigate whether scope for experimentation in legislation or regulations can be used to promote sustainable development and whether it is therefore necessary or desirable to create such scope.	4.3.1	VROM	EZ, V&W, LNV

See section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Action will be taken to investigate whether companies practising corporate social responsibility can be exempted from certain administrative burdens.	4.3.1	VROM	Finance, EZ

Scope is limited in practice because there are no solid criteria for determining whether companies are practising CSR. It is only possible where companies are prepared to participate in a controlled system demonstrating 'good behaviour'. In that case, however, one set of red tape is simply replaced by another. Scope for reducing the burden of administration is, however, still being sought in the context of licensing and permitting

systems.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will investigate the potential for further 'eco-pricing' in addition to the current efforts in relation to the trade in NOx and CO2 emission rights and activities in the context of the transition to sustainable mobility.	4.3.2	VROM, Finance	V&W, EZ

On 1 January 2005, changes are to be introduced in various taxes (e.g. increase in energy taxes in Tax Plan). The CO2 allocation plan has been adopted. The proposals for greener taxes have been reported to the House. A national emissions system for NOx is currently being developed.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
An increase in direct foreign investment in developing countries will be encouraged, with sustainability in mind. Action will be taken to investigate whether this can be achieved through domestic policies.	4.3.3	BZ/OS, VROM	EZ, LNV, Finance

The evaluation report on the environmental component of the export credit insurance facility has been completed and the facility has been modified on the basis of the findings.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will seek ways to involve the financial world more actively in sustainable development.	4.3.3	VROM	EZ, Finance

VROM has embarked on discussions with various financial institutions and has had talks with BZ/OS about the design of the project. Action is currently being taken to investigate whether it can be conducted as part of a larger and more general Development Cooperation study of financial flows and their effects.

<b>Action</b>	<b>Location</b>	<b>Initial</b>	<b>Other ministries</b>
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	<b>in action programme</b>	<b>contact point</b>	<b>involved</b>
The government will fulfil the commitments entered into in the NEPP4 and at the WSSD in Johannesburg concerning the elimination of non-sustainable subsidies. To this end, it will develop a method of assessment on the basis of which subsidies can be modified or abolished where appropriate.	4.3.4	VROM	all

Research is currently being done to determine the social and economic effects of environmentally unfriendly subsidies. A study of their environmental effects has already been conducted. An OECD checklist is being used to identify those subsidies which are potentially damaging to the environment. These will then be examined in more detail. The methods to be developed to determine the social and economic effects of subsidies are intended to be used – in combination with the method already developed to quantify their negative environmental impacts – to provide an integrated impression of the effects of potentially environmentally unfriendly subsidies. This will form the basis for political decisionmaking on the action to be taken on environmentally unfriendly subsidies.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Existing central government incentive schemes will be reviewed in terms of various aspects of sustainable development. An effort will also be made to identify sustainability projects currently falling outside the sector-based system of subsidies. Based on the results, a proposal will be made to merge some of the schemes.	4.3.5	VROM	all

The review of central government incentive schemes has started but it is proving difficult. To date, the request to supply information on schemes has produced little response from the other ministries. To speed up the collection of information on schemes so that the review can begin, extra (external) manpower is being brought in.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will work with the leading knowledge institutes to achieve a closer match between supply of and demand for knowledge.	4.3.6	VROM	all

VROM has commissioned Senter/NOVEM to conduct a quick scan of the demand for research from NGOs, lower tiers of government and companies involved in model programmes and projects. The results will be available by the end of 2004.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The communication advisors at the relevant ministries will put together a communication strategy in consultation with experts from civil society.	4.3.7	VROM, BZ/OS	all

The communication advisors at the relevant ministries will play a role in organising and planning the public debate scheduled for 2005 (see section 3). A text on sustainable development and referring to the efforts of the various ministries has been placed on the website of the Ministry of General Affairs ([www.regering.nl](http://www.regering.nl)).

### **Action**

The government will do all it can to ensure the success of the action programme. It has a particular commitment to the following *model programmes*, in which a shared learning process is a vital element.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Sustainable management systems in government	5.4.1	VROM	All

See details in section 3.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Space for the Rivers	5.4.2	V&W	VROM, LNV

The Space for the Rivers Programme aims to preventing flooding as a result of peak river discharges. The programme has a dual aim: flood safety and improved spatial

planning. The action, in the form of a key planning decision with an environmental impact assessment and social cost-benefit analysis, is currently expected to be completed by the end of 2004.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Peat Grassland project	5.4.3	LNV	

The aim of this programme is to ensure the most sustainable possible development of designated areas of valuable peat grassland in the western Netherlands. The government's intentions with regard to these areas are recorded in the National Spatial Strategy and the Agenda for a Vibrant and Dynamic Countryside. Problems include not only the compaction of the peat ground and the fragmented water management systems, but also the economic position of local livestock farmers.

The provinces took the lead in preparing a meeting between the relevant government authorities on 23 June 2004. The main result of this conference was a covenant in which the authorities pledged themselves to a concerted approach to the problems of the designated areas. All four tiers of government (central government, the Provinces of Utrecht and North and South Holland and the relevant water boards and municipalities) have made concrete commitments to contribute financially to the solution of the problems mentioned above. For example, the Minister of LNV has promised to use the second Provincial Environment Plan to make farms in 40,000 ha of peat grassland eligible from 2007 onwards for financial assistance under the EU scheme to compensate farmers in areas with natural handicaps.

More recently, the government has decided to reserve €125 million for the designated peat grasslands in response to a claim by the Interministerial Committee for Environmental Economy (ICRE). Details of the claim have still to be worked out.

The covenant between the relevant authorities will now be translated into an action programme and a start will be made with the implementation of the agreements.

LNV, VROM, V&W and the relevant provinces will work together to substantiate the ICRE

claim.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Biodiversity in the Hoeksche Waard	5.4.4	VROM	LNV

See section 3.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Biodiversity in the Haringvliet and Biesbosch	5.4.5	LNV, V&W	

The aim of this programme is to strike a balance between safety and ecological and economic considerations. This includes experimenting with the partial opening of the Haringvliet sluices. Here, sustainable water management and sustainable nature can go hand in hand. The aim is to restore the interchange of fresh and salt water and to promote fish migration.

In May and November 2003, there were consultations between ministers and members of the Provincial Executive about the Dutch Delta and the proposals to change the management of the sluices. The question of the partial opening of the sluices was re-examined and it was agreed that the change could go ahead under three conditions. One of the key conditions was that the central government (LNV and V&W) contribution to the project was not to exceed €35 million.

A project organisation was established under the chairmanship of the Province of South Holland to prepare a technical report and issue recommendations. Ministers were advised that the project can meet the conditions set for it. On 5 October 2004, Minister of LNV Cees Veerman and Director-General of V&W Mark Dierikx came to a joint decision that the project should go ahead and that the work should swiftly be put out to tender.

The House of Representatives will receive further information about the Haringvliet Sluices (Management) Decree towards the end of 2004.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Task Force on Species Policy (TFIS)	5.4.6	LNV	

The aim of the TFIS programme is to ensure that account is taken of biodiversity from an early stage in the decisionmaking process so that integrated consideration can be given to potentially conflicting aims (economic, spatial and ecological). This adds the fourth P (for process/ participation) to the triple bottom line of people, planet and profit.

In spring 2004, LNV sent a work programme to the House of Representatives listing actions to improve cooperation and effectiveness in relation to species policy. The actions are categorised under various themes: clear rules, integration, data systems, active species protection, and resources and capacity. The parties involved in the TFIS (public authorities, the private sector, and nature and environment protection organisations) have accepted shared responsibility for implementing the work programme. Further information: non-paper 2003-2004, LNV0400381, House of Representatives.

Over the coming period, a number of important new activities will be undertaken:

- a. Organising and improving ecological data systems so that they are complete, up-to-date and easy to access.
- b. Producing a new multi-year programme for active species protection, aimed at expanding the strategies for species protection and involving all the parties in contact with protected species.
- c. Analysing the resources and capacity deployed by public authorities, companies and organisations on behalf of protected species. The analysis should show whether overall improvement is possible.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Energy-efficient greenhouse cultivation	5.4.7	LNV	EZ, VROM

The greenhouse horticulture sector has itself decided to prepare a vision for 2020. In

2003, a transition management council was established, composed of representatives of the Dutch Federation of Agricultural and Horticultural Organisations (LTO), the Horticulture Marketing Board (PT), the Partnership for the Transition to Sustainable Agriculture, LNV, EZ, VROM, and Wageningen University and Research Centre. The bodies financing the exercise (PT, LNV and LTO) set the agenda and decide on the use of resources. A number of transition paths have been identified. One of these is 'The Greenhouse as a Source of Energy', where the idea is that greenhouses can change from being major consumers of fossil fuel energy to operating all year round on solar energy and eventually supplying excess energy to other consumers. The idea was awarded the 2003 Innovation and Sustainability Prize. The next step is to get it into operation. A consortium is exploring the potential for a practical experiment and preparations are being made for a tendering exercise in the form of a competition designed to give parties in the market an incentive to develop appropriate energy concepts.

Other transition paths that are being explored are geo-heat, biomass, low-energy crop varieties, and light. Actions are: a feasibility study for a cluster of horticultural businesses running on geo-heat, and a foresight study on the potential and opportunities for using biomass in combined heat and power production. A model project is now under way to develop a cluster of horticultural businesses using highly energy-saving systems; the main lessons to be learned here relate to project processes and ways of ensuring different parties work together successfully.

In support of all the transition-related projects, plans are being developed for an innovation and demonstration centre. The aim is to create a single central point at which a range of innovative techniques and technologies can be tested and demonstrated on a temporary basis. Innovative horticultural businesses are also to run small-scale practical experiments and demonstration projects on their own premises. This will encourage interaction between the parties, horticultural businesses, suppliers, research institutes, intermediaries etc. and the dissemination – and ultimately application – of knowledge.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Biomass (part of the energy transition)	5.4.8	EZ	VROM, LNV, V&W, BZ/OS

The transition approach to biomass is proving successful. A fresh start is currently being made on the energy transition with biomass included in the green fuels route. Over the next four years, concrete projects and an in-depth study of the transition paths will be launched.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Corporate social responsibility	5.4.9	EZ	all

See description of action 2.5.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Project-based cooperation	5.4.10	EZ	

The Innovation Subsidy for Collaborative Projects scheme came into operation on 1 January 2004. The first round of tenders has now been completed. Project proposals that were successful in this round tended to score better for sustainability than the proposals that were rejected. This is the result of including sustainability in the list of criteria for assessing and ranking proposals. The remaining criteria are: economic prospects, technological innovation, and cooperation.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Synchronising government funding for industrial estates	5.4.11	EZ	V&W, VROM

The new subsidy scheme for industrial estates, TOPPER, is due to start in 2005. It will involve a total of €100 million over the 2004-2008 period. EZ will also deploy about two-thirds of the total budget through its Urban Policy.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>

In early September, in cooperation with EZ and LNV, VROM launched a project to devise a platform for sustainability criteria. Options – and, if possible, a preferred option – are to be developed to organise a platform through which government can fund the private sector to work together with stakeholders to formulate sustainability targets for voluntary CSR efforts. Both the private sector and NGOs will be involved and it is hoped that the exercise will ultimately make it possible to establish benchmarks for the sustainability of companies or their main products.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Roads to the Future	5.4.13	V&W	

Roads to the Future explores innovative ways to improve the quality of mobility in the Netherlands. It addresses five themes (Tailored Information, Enriched Travel Time, The Multifunctional Road, Intelligent Networks and Transport in the Future) and nine pilot projects are currently being implemented. These vary from projects with an emphasis on technology (such as the Remediating Road, see section 3) to projects primarily concerned with behavioural change (such as the Travel Time Expectation project, the aim of which is to help travellers select the best form of transport). See also subsection 3.11.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The New Way of Driving	5.4.14	V&W	VROM

The aim of The New Way of Driving is to promote more energy-efficient driving and purchasing behaviour. In 2004, this was pursued by integrating the principles of the 'new way of driving' more widely into the teaching of learner drivers and by running a publicity campaign, including advertising on radio and TV. The subsidy schemes (for training to improve driving style and for in-car equipment) were completed by mid-2004. Thanks to this model programme, road traffic emissions of CO<sub>2</sub> were reduced in 2003 by approx. 0.17 M tonnes.



<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Improving the quality of life in residential areas	5.4.15	VROM	BZK, VWS, EZ

The end of 2003 saw the completion of the 'Between Basement and Roof Terrace' strategic project, which was specifically concerned with improving the quality of life in residential areas. This has now been absorbed into mainstream policy as part of the '56-neighbourhood approach', the explicit aim of which is to improve the quality of life in residential areas. It is closely interrelated with Urban Policy.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Operation Young People	5.4.16	VWS	SZW, BZK, Justice, OCV

On 21 June, the government presented a document to the House of Representatives outlining its ambitions for youth policy and setting out the course it means to pursue in relation to children and young people. The government means to focus on aims like a comprehensive system of day care, a reduction in youth unemployment, cuts in the drop-out rate in education, less educational disadvantage, fewer children with language difficulties, improved social integration of youngsters with an immigrant background, and reductions in juvenile crime.

Action plans have now been drawn up in relation to all the themes on the youth policy agenda and these are to be presented to the House of Representatives at the end of 2004.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Human life cycle and sustainable development	5.4.17	SZW	EZ, Finance, VWS

The government has presented the House of Representatives with draft legislation proposing to abolish the present fiscal incentives for early retirement and prepension schemes and to introduce a lifecourse savings scheme. This would offer employees

fiscal incentives to accumulate savings to cover periods of unpaid leave. This would make it easier for them to combine work and other activities and to spread them more equally throughout life. The measure is also intended to increase and strengthen participation in the labour force.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Register of high-risk hazardous substances	5.4.18	VROM	

The provisions of the High-Risk Hazardous Substances (Registration) Decree have been agreed between the Association of Provincial Authorities, the Association of Netherlands Municipalities and BZK. The draft decree is currently awaiting proceedings in the House of Representatives. Once they have been completed, the decree can be integrated into procedures. It is expected to enter into force in mid-2005.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Life cycle analyses for LPG, ammonia and chlorine	5.4.19	VROM	BZK, EZ, SZW, V&W

The implementation plans for LPG and ammonia will be adopted and executed in 2005. To this end, arrangements are now being agreed with branches of industry and/or individual companies for them to modify production, storage and logistical facilities to reduce external risks. In consultation with provincial and municipal authorities, conditions are also being set which new developments must meet in order to achieve the aims of the government's external safety policy.

<b>Model programme</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
Learning for Sustainability	5.4.20	LNV	VROM, BZ/OS, OCW

See section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will continue to provide all possible support for the transitions identified in the NEPP4	6.2	VROM	LNV, EZ, V&W, BZ/OS

See the 2004 progress report on the transitions (Parliamentary Papers 2004, 28663, no. 25)

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
A Sustainable Chemistry Transition project will be launched with the use of ethanol as a flexibly deployable raw material as a possible first step.	6.2	VROM, EZ	(LNV)

See section 3.

LNV has shown interest because of green raw materials.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
In consultation with relevant organisations, the government will develop a long-term policy for sustainable recreation and tourism.	6.2	LNV, EZ	VROM, BZ

The aim of this programme is to develop a policy on sustainable recreation and tourism that strikes a clear balance between ecological, social and economic considerations. The policy will identify the government's ambitions and intended products and results in the field of sustainable recreation and tourism, and will be arrived at in consultation and cooperation with stakeholder parties within civil society (in line with the LNV principle of moving from direct involvement to a more stimulating and enabling role). The policy framework will indicate the actions that the government itself will take and those to be taken by other parties. It will look at the present policy and possible future actions and take account of both the various dimensions of sustainability (not just people, planet and profit, but also processes, space and times) and the various dimensions of recreation and tourism (transport, accommodation, entertainment).

The project is still in its initial stages. Consultations are taking place between EZ and LNV (the coordinating ministries for this theme) on the approach to be adopted. A process is being launched in which ministries will work both together and with other relevant parties in the tourism and recreation field.

In early 2005, a letter will be sent to the House of Representatives detailing the government's intentions and plans for central government action on sustainable development in the recreation and tourism sector.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
To fill the gap in long-term policy regarding the relationship between demographic ageing and sustainability, the government will identify the underlying trends and developments, chart their potential influence on sustainability and see where corrective steps can be taken.	6.2	VROM	VWS, SZW, Justice, EZ

A key focus of the OECD Ministerial Council Meeting on 13 May 2004 was to compare policies with regard to demographic ageing. Dutch ministers Laurens-Jan Brinkhorst (EZ) and Hans Hoogervorst (WVS) played a leading role in the Council's analysis of the pressures forcing OECD countries to modify their policies on pensions and health care over the next decade because of the unavoidable financial problems caused by ageing populations. The Ministers of EZ and BZ reported to the House on this OECD meeting in a letter dated 17 June 2004.

In early 2005, VROM will publish a foresight study on the possible consequences of demographic ageing for policies on the environment. A descriptive analysis has been made of the lifestyles and behavioural patterns exhibited by the baby-boom generation. These have been broken down into five stereotypes, labelled the 'idle rich', 'winter migrants', 'sports freaks', 'travel freaks' and 'volunteers'. Based on these stereotypes, conclusions will be drawn on the need for new corrective approaches and policy instruments.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will strive within its present period in office to gain a more integrated picture of the positive and negative effects of migration.	6.2	Justice	VWS, SZW, EZ, BZ/OS

A government position paper on the admission of knowledge migrants, a government response to the advisory report by the Advisory Committee on Aliens Affairs (on the admission of labour migrants) and a memorandum on the relationship between immigration and integration are currently under preparation. A memorandum on development cooperation and migration (and the relationship between the two) was sent to the House of Representatives on 18 July 2004.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The relationships between knowledge, innovation and sustainability will be studied in more depth to identify opportunities for a more sustainable economy and to strengthen the sustainability component of policy on innovation and knowledge.	6.2	EZ, OCW	LNV, VROM, V&W

Sustainability is a constant theme of EZ's letter on innovation and will form a selection criterion in an incentives scheme set up to encourage innovation. Efforts will also be made to place sustainability on the agenda of the Innovation Platform, as part of the follow-up to the Informal Environment Council.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
In its advisory report, the Central Economic Commission will provide a list of the agreements on sustainability made at the EU Spring Council and not yet sufficiently reflected in national policies. Supplementary policies can then be proposed on this basis.	6.3	BZ	all

Nothing has yet been done.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will contribute actively to developing the EU sustainability agenda and will put forward supplementary and corrective measures where necessary.	6.3	BZ	all

See section 3.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will organise an annual public debate on the status of sustainable development in the Netherlands, based in part on its progress report to the House of Representatives.	7.3	VROM, BZ/OS	all

See section 4.

<b>Action</b>	<b>Location in action programme</b>	<b>Initial contact point</b>	<b>Other ministries involved</b>
The government will send the House of Representatives an annual progress report on the entire action programme (covering both the national and the international component). This may include changes to the action programme.	7.3	BZ/OS, VROM	all

See the progress report before you.

## Annexe 2

### Partnerships in which the Netherlands is involved

List of partnerships following WSSD included in the Sustainable Development Action Programme

#### A: Public-Private Partnerships:

Theme - title of Partnership -	ministries participating	coordination	total contribution (€ million)	2004 (€million)
<b>Water</b>				
1. 'Clean Water for the Poor' - USA Initiative focus on Sanitation	OS V&W	USA	1.0 per annum 2003/06 period (ODA)	1.0
2. WW2BW (White Water to Blue Water)	V&W OS	USA State Department	V&W contrib. in expertise; fin. contrib. via NWP	—
3. GWP (Global Water Partnership)	OS V&W	GWP	0.9 per annum 2002/06 period (ODA)	0.9
<b>Energy</b>				
4. GVEP (Global Village Energy Initiative)	OS EZ VROM	UNDP, WB	2.5 per annum 2003/06 period (ODA)	2.5
<b>Health</b>				
5. EDCTP 'Vaccine development'	OS VWS	EU-EDCTP NWO	5.0 per annum 2003/06 period (ODA)	1.0
6. 'Clean Fuels and Vehicles Partnership' - USA EPA global fuels, clean air	VROM VWS	UNEP	0.325 per annum 2003/04 period (VROM)	0.1
<b>Agriculture</b>				
7. 'Market Access and Rural Development'	LNV OS	The Netherlands	0.5 in 2003 for initial phase 2.5 p.a. 2004/06 (ODA)	0.36

8. LAND (Land Alliances for National Development)	LNV OS	IFAD	0.115 per annum 2003/04	0.115
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#### Biodiversity

9. AFP 'Asia Forest Partnership' - regional forest management in Asia	OS LNV	WWF	1.0 per annum 2003/06 period (ODA)	—
10. 'Biotrade' - Biotrade Facilitation Programme	OS EZ	UNCTAD	2.5 2003/05 period (ODA)	0.3

#### B: Non-WEHAB partnerships:

Theme - title of Partnership -	ministries participating	coordination	total contribution (€ million)	2004 (€million)
11. ISWM 'Integrated Sustainable Waste Management' - Integrated waste management in Sub-Saharan Africa	OS VROM	WASTE	1.0 per annum 2003/06 period (ODA)	—
12. 'Sustainable consumption and production'	VROM	UNEP	0.2 per annum 2003/04 period (VROM)	0.2

#### C: Forum/network:

Theme - title of Partnership -	ministries participating	coordination	total contribution (€ million)	2004 (€million)
13. EUWI 'EU Water Initiative Water for Life' (primarily Africa, also NIS)	OS V&W VROM	EU	4.0 per annum 2003/06 period (ODA)	1.0
14. AWF 'Africa Water Facility'	OS V&W	AfDB	3 per annum 2003/06 period (ODA)	1.25
15. EUEI - 'EU Energy Partnership	OS	EU	1.0 per annum	1.0



for Poverty Eradication'	VROM		2003/06 period (ODA)	
16. UNECE - 'Pan European East- West Environmental Partnership for Sustainable Development'	VROM	Secretariat for the OECD task force	1.9 (VROM via PSO environment tender)	1.9

Total forecast expenditure 2004: approx. €11.6 million

### **Annexe 3**

#### **Proposals for sustainable development partnerships**

Proposals for public-private partnerships submitted in response to the BZ/OS 'Call for ideas' and selected for consultation (October 2004).

Submitted by:	Title:	Country/countries:
1. African Parks Ltd / WWF	An innovative model for conserving Zambia's national parks for the benefit of the people.	Zambia
2. Free Energy Europe BV / Suryavahini Ltd.	Solar micro enterprise development.	Sri Lanka
3. GAPI/RIAS-Rabobank	Rural finance project.	Mozambique
4. NUON /RAPS / NOVIB	Productive use container: income generation In rural off-grid areas.	South Africa
5. Misty Mountains / Both ENDS / Neosynthesis Research Inst.	Promote sustainable tea production and trade.	Sri Lanka
6. OIM / CARCAFE group / Starbucks	Narino's coffee growing families.	Colombia
7. Promigas	Establishment of a fund for connecting Rural people to natural gas distribution.	Colombia
8. Rabobank / Solidaridad	Access to sufficient and affordable financing for Sustainable Coffee Growers.	Various countries
9. Rainbow / W. van der Zwan bv / NPSP / KIT / Adorn Seafood Ltd / InterSeas	Sustainable development of the fishing Industry - Fresh Tuna Development Project.	Ghana
10. RTT / HVA	Village Tea Production.	Rwanda
11. SNV / CHC commodities / Zambia National Farmers Ass.	Market-led sustainable agricultural development for small-scale farmers.	Zambia
12. SNV / LINDA LU / SOBETEX / COTEB	Concerted action in the cotton chain.	Benin
13. SUNSIA / DUYVIS / FRISCO / Fruit Salads bv.	Knowledge & skills centers for agro-industrial development in Africa.	3 African countries (to be selected)
14. UNION FLEURS / HBAG	Fair flowers and plants.	Various countries

bloemen / BothENDS / Terre des Hommes	(Colombia, Ecuador, Guatemala, Kenya, Uganda, Tanzania, South Africa)	
15. VILLAGE REACH / AMERIGAS / FDC Mozambique	Availability of critical health supplies by improving the critical healthcare logistics systems.	Mozambique
16. Vitens/ FIPAG	Operational performance improvement of 3 local water companies.	Mozambique
17. Water Fund Indonesia (Aquanet)	water infrastructure development in PDAM Tirta Siak, Pekan baru City.	Indonesia
18. World Wide Recycling / VAR / Kotte municipality / Haskoning Abans Services Ltd.	Composting green waste in Kotte, Colombo	Sri Lanka

## **Annexe 4**

### **Millennium Development Goals (MDGs) and Johannesburg Plan of Implementation**

In 2000, at the dawn of the new millennium, the international community decided that it was time to make a determined attempt to stamp out poverty. The United Nations formulated eight goals to be achieved by 2015: what have become known as the Millennium Development Goals (MDGs). Later, at the World Summit on Sustainable Development, the Johannesburg Plan of Implementation (JPol) was drawn up. This set out concrete measures and actions for achieving the MDGs and added a number of new goals. All the MDGs are endorsed by the JPol.

- MDG 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day and the proportion of people who suffer from hunger.

JPol: Improve access to energy services to facilitate the achievement of the goal of halving the proportion of people in poverty by 2015.

- MDG 2: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

- MDG 3: Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015.

- MDG 4: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

JPol: Pay particular attention to mortality among girls.

- MDG 5: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

- MDG 6: Have halted, by 2015, and begun to reverse the spread of HIV/AIDS, malaria and tuberculosis.

JPol: Improve access to reproductive health care; meet commitments agreed in the Declaration of Commitment on HIV/AIDS, esp. the 25% reduction in HIV prevalence among young people aged 15 to 24, in the most affected countries by 2005 and globally by 2010.

- MDG 7: Halve, by 2015, the proportion of people without sustainable access to safe drinking water; integrate the principles of sustainable development into country policies and reverse the loss of environmental resources; have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers.

JPol: Substantially increase the global share of renewable energy sources; significantly reduce the current rate of loss of biological diversity by 2010; maintain and restore fish stocks to levels that can produce sustainable yields, for depleted stocks on an urgent basis, and not later than 2015; modify production and use of chemicals by 2020 to minimise significant adverse effects on human health and the environment; adopt a multi-hazard approach addressing vulnerability, risk assessment and management, prevention, mitigation, response and recovery in order to ensure a safer world.

- MDG 8: Eliminate trade barriers for poor countries, especially the Least Developed Countries; offer them enhanced debt relief; in cooperation with developing countries, develop and implement strategies for enhanced youth employment opportunities; provide access to affordable, essential drugs in developing countries; make more financial assistance available; provide access to new technologies; strengthen technology- and trade-related technical assistance and capacity building.

JPol: Promote private-sector participation in financial and technical assistance; strengthen regional trade and cooperation agreements; enhance the capacities of developing countries to benefit from globalisation; assist developing countries in narrowing the digital divide by means of capacity-building and technical assistance; promote corporate social responsibility by implementing

intergovernmental agreements, international initiatives and public-private partnerships; support the work of the ILO on the social dimension of sustainable development.

A number of elements in the JPoI are not directly linked to any of the MDGs, but are no less important for all that:

*Sustainable development voor Africa*

- Renew the commitment of the international community to support Africa in addressing the special challenges it faces as a result of HIV/AIDS, poverty, political instability, etc. Specifically, support NEPAD in placing countries individually and collectively on a path of sustainable development.
- Support NEPAD objectives on energy: to secure access to energy services for at least 35% of the African population within 20 years, especially in the rural areas.
- Support Africa's efforts to achieve the MDGs.

These goals are not new but this is the first time they have appeared on the international agenda in association with clear deadlines and concrete targets.

All countries are to play their part: rich countries by helping developing countries to achieve MDGs 1-7 and by taking vigorous action to achieve MDG 8, even though that goal is not time-limited; poor countries by strengthening their institutions, fighting corruption and giving everyone the chance to participate in development.

Progress is to be monitored and reported to the international community every year, so that pressure can be placed on rich and poor countries alike to increase their efforts to achieve the targets set within the agreed timetable.

It is important to the Netherlands that its development cooperation efforts deliver results. They are now being concentrated on achievement of the MDGs for education, HIV/AIDS, reproductive rights, the environment and water. The Netherlands will itself evaluate the results of its assistance on a periodic basis and will issue reports on them: is Dutch development cooperation resulting in more children (especially girls) going to school, more people having access to safe drinking water, and fewer mothers and children

dying?

## Annexe 5

### OECD Findings on sustainable development in the Netherlands

#### Economic Survey - Netherlands 2004: Sustainable development in the Netherlands

#### What should be done to ensure that sustainable development objectives are achieved more cost effectively?

Climate change policy has imposed higher energy taxes on small energy consumers, albeit recycling the extra revenues to them, while relying more extensively on voluntary agreements with large companies. *The authorities should harmonise abatement costs across the economy by changing the regulatory energy tax to an explicit carbon tax for energy users not included in the EU's trading scheme, with the rate set at the level of the expected price of an emission permit.* This would minimise the economic costs of reducing GHG emissions, although increases in revenues from other sources would be required to offset the loss of revenue from carbon taxes.

*Support offered to renewable energy and combined heat and power should not exceed the carbon tax rate.*

#### The regulatory energy tax

Electricity	Tax rate			Natural gas	Tax rate	
	per kWh	per tonne of CO <sup>2</sup>			per cubic metre	per tonne of CO <sup>2</sup>
		Gas dis- Placement	Coal dis- placement			
KWh				Cubic metres		
< 10,000	0.0654	176	89	< 5,000	0.1429	74
10,000 –	0.0212	57	29	5,000 –	0.0727	37
50,000	0.0065	18	9	170,000	0.0113	6
50,000 - 10 mn	0.0005	1	1	170,000 – 1 mn	0.0075	4
> 10 mn				> 1 mn		

Source: Ministry of Finance (2003).



The authorities have been innovative in introducing economic instruments to address water pollution from agriculture. *However, they should seek to reduce the significant costs of implementing the MINAS scheme to reduce such pollution.* In the area of natural resource management, protection from saltwater intrusion due to over-exploitation of aquifers is particularly important owing to the low-lying nature of much of the country. Given this threat, *the authorities should ensure that all abstractions of groundwater, including for agriculture, incur the groundwater abstraction charges levied by the central and provincial governments and reflect the full cost of the associated externalities, unless the administrative costs outweigh the benefits.* Management of the Netherlands' substantial hydrocarbon reserves is also an important natural resources issue. In this respect, *the government should evaluate the net present value of different resource management approaches to assess whether or not the "small fields" policy, which favours the production of high-cost reserves from small fields before low-cost reserves from the main Groningen field, should be maintained in the future.*

## **Annexe 6**

### **Table of abbreviations**

ACP	African, Caribbean and Pacific (countries)
AFP	Asia Forest Partnership
AMCOW	African Ministerial Council of Water
AWF	Africa Water Facility
BTFP	Bio Trade Facilitation Programme for Biodiversity Products and Services
BZK	Netherlands Ministry of the Interior and Kingdom Relations
BZ/OS	Netherlands Ministry of Foreign Affairs (incl. Development Cooperation)
CBD	Convention on Biological Diversity
CBI	Centre for the Promotion of Imports from Developing Countries
CCT	Competence Centre for Transitions
COP	Conference Of the Parties
CSD	Commission on Sustainable Development
CSR	Corporate Social Responsibility
DO IT	Sustainable development: Implementation and Transitions
EDCTP	European and Developing Countries Platform for Clinical Trials and Poverty Related Diseases
EDF	European Development Fund
EPA	Environmental Protection Agency
EU	European Union
EUEI	Energy Initiative for Poverty Eradication and Sustainable Development
EU SDS	EU Sustainable Development Strategy
EUWF	EU Water Facility
EUWI	EU Water Initiative 'Water for Life'
EZ	Netherlands Ministry of Economic Affairs
FAO	Food and Agricultural Organisation (United Nations)
Finance	Netherlands Ministry of Finance
FLEGT	Forest Law Enforcement, Governance and Trade Research
GVEP	Global Village Energy Partnership
GWP	Global Water Partnership
ICES-KIS3	Interministerial Committee for Economic Structure Policy – Knowledge and Infrastructure, third tranche

ICRE	Interministerial Committee for Environmental Economy
IFAD	International Fund for Agricultural Development
IFIs	International Financial Institutions
ILO	International Labour Organization
ISWM	Integrated Sustainable Waste Management
JPoI	Johannesburg Plan of Implementation
Justice	Netherlands Ministry of Justice
KIT	Royal Tropical Institute
LAND	Land Alliances for National Development
LNV	Netherlands Ministry of Agriculture, Nature and Food Quality
LTO	Dutch Federation of Agricultural and Horticultural Organisations
MDGs	Millennium Development Goals
MNP	Office for Environmental Assessment
NACCAP	Netherlands-African Partnership for Capacity Development and Clinical Interventions against Poverty-Related Diseases
NEPAD	New Economic Partnership for African Development
NEPP4	National Environmental Policy Plan 4
NGO	Non-governmental organisation
NOVEM	Netherlands Agency for Energy and the Environment
NWO	Netherlands Organisation for Scientific Research
NWP	Netherlands Water Partnership
OCW	Netherlands Ministry of Education, Culture and Science
ODA	Official Development Aid
OECD	Organisation for Economic Cooperation and Development
PAHs	Polycyclic Aromatic Hydrocarbons
PDF	Partnership Dialogue Facility
PFI	Policy Framework for Investment
PPP	Public-private partnership
PSO	Eastern Europe Cooperation Programme
PT	Horticulture Marketing Board
RIVM	National Institute of Public Health and the Environment
SARD	Sustainable Agriculture and Rural Development
SER	Social and Economic Council
SME	Small and Medium-sized Enterprise

SZW	Netherlands Ministry of Social Affairs and Employment
TFIS	Task Force on Species Policy
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UN-DESA	United Nations Department for Economic and Social Affairs
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Program
UNEP TIE	UNEP Technology, Industry and Economics
UNGA	United Nations General Assembly
UNIDO	United Nations Industrial Development Organisation
USAID	US Agency for International Development
V&W	Netherlands Ministry of Transport, Public Works and Water Management
VROM	Netherlands Ministry of Housing, Spatial Planning and the Environment
VWS	Netherlands Ministry of Health, Welfare and Sport
WAWI	West Africa Water Initiative
WB	World Bank
WBI	World Bank Institute
WEHAB	Water, Energy, Health, Agriculture, Biodiversity (themes of WSSD)
WHO	World Health Organisation
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation
WW2BW	White Water to Blue Water