



PRIORITIES FOR A SUSTAINABLE FUTURE

Civil society outcomes of the Netherlands Rio+20 preparations

Preface

A lot has changed for the better in the twenty years that have passed since the Earth Summit in Rio de Janeiro in 1992. Millions of people, especially in Asia and Latin America, have escaped the poverty trap and are even daring to look beyond today's horizon. Big strides have been taken in the areas of education, health care and women's rights, whilst at the same time companies, together with knowledge institutes and NGOs, are looking for ways in which to operate in an ecologically and socially responsible manner.

However, we still face many challenges today. Back then, the Convention on Biological Diversity was signed to stop the decline in biodiversity. At last year's conference in Nagayo it became clear that the targets were far from being met. The execution of the Convention on Climate Change that was agreed upon in 1992 and of Agenda 21, one of the most important results of the 1992 Rio meeting, also leaves much to be desired.

There are a lot more obstacles between ambitions and actions than we had foreseen twenty years ago. It has become clear that more is needed than simply signing ambitious agreements to achieve a society in which 7 billion, soon to be 10 billion, people can live well without exhausting natural resources. One of the important lessons we can learn from Rio is that sustainable development is a matter of trial and error. It calls for the continual reinvention of the way in which we live together and fulfill our own needs. In short, it calls for permanent innovation in social, economical and technological areas.

This document contains a number of priorities that we believe can accelerate sustainable development and bring us a few steps closer to reaching the ambitious goals of Rio 1992. They can be roughly subdivided into economical priorities (number 1-7), social/cultural priorities (8-10) and priorities for individual sectors (11-18). On the one hand they are meant to serve as an inspiration to the Dutch government for their contribution to the Earth Summit: a contribution that is a part of a European Union-wide effort. On the other hand they are intended to place the theme of sustainable development higher on the Dutch social agenda.

The story of their development is an extraordinary one. In June 2011, the Netherlands Civil Society Platform Rio+20 was founded, a group of NGOs, companies, knowledge institutes and interested individuals. Their aim was to make an inspirational contribution to the UN-conference on sustainable development held in Rio de Janeiro in 2012.

Several meetings were organized with NGOs, young people, companies, researchers and individuals. They were all asked to put forward what they think is needed to achieve a green economy and to consolidate the institutional framework for sustainable development, the two main themes of Rio2012. In the months since June there have also been opportunities to contribute, both through the website and through discussions on LinkedIn. Social media, such as Twitter and Face book, were also used to bring the theme to the attention of the general public.

This document containing the 18 priorities is only a snapshot. It is a 'living' document, whilst the discussion in the Netherlands on the goals and themes of the Earth Summit continue to evolve and expand. As the National Platform we will further develop these priorities over the coming months and augment them with inspiring initiatives from the Netherlands that show how sustainable development is actually becoming reality.

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PRIORITY 1. Reinventing our economy

Exploitation, pollution and exhaustion are strongly stimulated by the use of hot money, when the high returns on quick investments are the only priority. This has led to a growing rift between the interests of shareholders (short term profits) and those of other stakeholders of a company that would profit more from continuity and social responsibility. Taxation of flows of capital, such as the Tobin Tax, or the much further reaching Robin Hood Tax, form part of the solution to this problem.

New forms of financing are also needed, in which investors adhere to stricter social and ecological standards and are willing to enter a long-term relationship with their investees. This type of long-term relationship provides businesses with the opportunity to keep a continued and consistent focus on sustainable development. Alternative forms of financing, such as crowd financing, and the cooperative, an invention dating back to the late 19th century, all have to be considered with regard to their potential as sustainable financing methods.

A universal social protection floor is needed to help more people escape poverty; a social safety net that allows people to at least survive difficult periods. Apart from obvious ethical considerations, such a safety net is of economic importance too as it improves mobility, entrepreneurship and keeps labour potential at a consistent level.

PRIORITY 2. Internalising external costs

The economic system of production and consumption has costs associated with it that are not included in the prices consumers pay for products. The polluter pays, but not to a large enough extent. First we would need to develop indicators that can be used to determine the cost of products to society. These indicators would allow companies to calculate the 'footprint' of their products using life cycle analysis. Consequently the price of a product should then reflect the total costs over its lifetime, including the processing and disposal costs. Secondly, mechanisms are needed that allow for the internalisation of external costs. Companies should produce annual sustainability reports, which would not only include their economic performance data, but also data on their social and ecological impact. Like economic data, external accountants should check these data. Managers will be appraised on the basis of these numbers. Another option, for companies as well as local and national governments, is the use of benchmarking: comparing performances based on representative and quantifiable data.

On a national level, governments could develop indicators for a green or sustainability-GDP, in which the social and ecological costs, such as pollution levels and exhaustion of resources, are included in the GDP of a country. This 'green-GDP' would provide a much better insight into how the income of a country and the division of wealth are developing. Certain data could be used to determine whether a country is developing in a sustainable manner and, if so, what the extent of this sustainability is. These numbers would be open to the public.

PRIORITY 3. Green taxation

An environment-focussed system of taxation would provide an important boost to internalisation of external costs. This would mean a lowering of taxes on labour and a rise in taxation of raw materials and energy from fossil fuels and would have positive social consequences, especially for countries that have economies based largely on production and mining of raw materials.

Green taxation could also be achieved by having varying VAT-tariffs. Levies on pollution, such as the (over 40-year old) water purification levy in the Netherlands, have also proven to be very effective in steering the behaviour of companies and individuals in the right direction. Taxing waste is an important method to stimulate the re-use of raw materials.

A variation on this theme would be the creation of (international) trading markets for pollution rights. This system has already proven successful in the reduction of the NO_x-emissions (nitrogen oxides) and the recent CO₂-trading scheme (The ETS, European Emission Trading Scheme) is also up and running, but has yet to prove its effectiveness.

PRIORITY 4. Provide a legal foundation for sustainable product chains

The Netherlands has been one of the originators of sustainable production chains. What started with the Dutch 'Max Havelaar'-initiative for fair coffee trading has over the years grown into a global range of

initiatives for transparent and sustainable trade, for example the Marine Stewardship Council. To date, the initiatives have mainly been private. Companies and NGOs develop and implement a set of standards and certification schemes are used to make sure they are enforced. These standards are not just environmental, but also focus on labour conditions, education and whether trade unions are facilitated.

To better stimulate transparent and sustainable supply chains (the sustainable trade initiative in the Netherlands can be found on: www.idhsustainabletrade.com), these private initiatives need a legal foundation to help convince laggards to join, and to exclude free riders. There are occasional examples where steps have been taken to 'close the backdoor', but further steps are needed: on a national level through legislation and by changing government purchasing policies and on an international level by promoting transparency (EITI/OECD) and by agreements on differential import tariffs for sustainable products (WTO).

PRIORITY 5. Closing the cycles

a) Biological cycles

The finiteness of natural resources compels us to close up recycling loops. This appears relatively straightforward for our biological resources, as they are inherently regenerative. This is an illusion. The loss of soil fertility in large parts of the world is a worrisome trend, as it impacts agricultural productivity worldwide. This is not just a result of inorganic nutrient loss, but also of organic material. New techniques, as well as institutional mechanisms (such as carbon bundling), are needed to stop and reverse the loss of soil fertility.

Loss of biodiversity has also to be stopped. For this, systems are needed to properly value our biological capital (TEEB) and to protect it with new financial and policy instruments. At the same time there is a need for better biodiversity data. Agreements for the free exchange of data and objects in this field are also urgently needed.

b) Technical cycles

The finiteness of raw materials and the burden on the environment of mining these means that we need to drastically reduce the use of 'virgin' materials. As well as recycling, this involves reduction of their use (dematerializing), finding multiple uses and redesigning products so that they contain less of them (the 5Rs: reduce, re-use, recycle, replace and re-design). The energy content of materials also has to be used as efficiently as possible.

A lot of innovative initiatives are already being developed in relation to the 5Rs. Current legislation and other practical hurdles are, however, proving burdensome at the moment. A critical review of the relevant legislation is therefore needed. Combining a more streamlined legislation with a tax on waste would promote the re-use of materials and products.

A lot of initiatives also strand due to a lack of leadership in the cradle-to-cradle value chain. Governments and international organisations can play an important role in orchestrating the different parties in these chains.

PRIORITY 6. Public (-private) ownership of public goods

Over the last few decades it has become apparent that the free market economy isn't the cure-all for matters regarding ownership and distribution. When shareholder-value is the only important consideration when taking business decisions, social and ecological values can get pushed to the sideline. For example, big fluctuations in prices of raw materials are leading to social and economic instability. This can partly be prevented by new rules and legislation. But only partly. Many public goods and services, like drink water supplies, sanitation, waste collection and processing, the electricity grid and other networks, decentralised energy production and storage and ownership of the land charge register would benefit from different ownership models.

At a local or national level, the not-for-profit public enterprise offers an alternative. Town and county councils can own shares, as is the case with the Dutch water supply companies. Another example is the housing corporations that have a primarily social mission, although private capital can be invested. The public-private enterprise has the advantage that it works like a business without the disadvantage of shareholder-value being the main determinant for management decisions. Instead social and/or ecological values are, or can be, the main focus.

Internationally, the management of global public goods needs to be considered, such as the planet's biodiversity, the ozone layer, our oceans and the earth's climate. Proper management means that all the various parties, i.e. governments and other beneficiaries cooperate and share their collective responsibilities. This is not so straightforward, as the management of climate change and execution of the biodiversity agreements have shown. As species are lost increasingly fast and the impacts of climate change are becoming increasingly noticeable, new forms of ownerships of global public goods are needed, since they form the foundation of our world heritage.

PRIORITY 7. Changing routines

Consumers (and organisations) act based on routines. Lifestyle and actions, including the preference for certain products, are therefore hard to change. This explains why people can say one thing when they are speaking as civilians and act completely differently in their role as consumers. Finding ways to change people's non-sustainable routines therefore needs to be a priority.

One of the ways to do this would be to provide consumers with on the spot (in the real or virtual store) information on whether a product meets (or does not meet) certain sustainability requirements, perhaps using a QR-code that can be read on a Smartphone.

Another option would be to deploy intelligent marketing and communication techniques that would increase the desirability of sustainable products and restore the association between sustainability and high product quality. Sustainable construction, for example, is more than simply building in an energy-efficient manner. It also means paying attention to the aesthetic qualities of a building. If they are appreciated for their beauty, buildings will have much longer lifetimes.

Shifting from product ownership to product rental can change consumer routines. The use of rental cars, for example, forces consumers to consider each time whether they are not better off taking the bicycle or public transport, as the operational costs of the car are more apparent and therefore better comparable. In general, the rental of capital goods, whereby the supplier remains the owner and the consumer simply pays for its use, stimulates the recycling mindset and thereby sustainable development.

PRIORITY 8. Sustainable education

Sustainable education means being able to learn from mistakes and having the ability to cope with insecurities. The acquisition of knowledge and skills needed for this are one of our priorities. They have to be given a place in the curriculum of schools and in staff training programs: from low-end to high-end jobs.

Core qualities are:

- Awareness of one's own value(s) and that/those of other people
- The ability to think in terms of systems
- The ability to distinguish between facts, opinions and suspicions
- The ability to learn from one's mistakes.

The relevant knowledge and skills can largely be taught through the normal curriculum and through regular on-the-job training, and informally through the media. This would require an adaptation of the educational system, for example by incorporating sustainable development themes into all subjects. It also requires adaptation in company culture and a focus in the media and marketing on sustainable development.

PRIORITY 9. Empowering people

People feel a responsibility towards their own environment (and towards future generations), but do not always see the opportunity to substantiate that feeling. Priority should be given to social innovations that allow people – together with others – to regain control over their direct environment; for example, through urban agriculture. Here nature management is combined with food production. Although the contribution to the food supply is rather modest (approximately 5%), urban agriculture does make an important contribution to the restoration of the relationship between city dwellers and their food sources.

The Internet is responsible for connecting people in an intelligent manner. This has created a new balance between local and global activities and can give a worldwide sense of shared responsibility for our planet. It means a great opportunity to mobilise the knowledge and creativity of the masses and use it to generate ideas for sustainable development, even outside one's own direct living area. For example, games or social media can be used to collectively develop sustainable products and services.

PRIORITY 10. Stimulate dialogue

Developing a green, sustainable economy and at the same time eradicating poverty can only be achieved if a dialogue takes place between various parties at various levels. A strategic dialogue, where a general course for the coming years is determined, as well as an operational dialogue, where the requirements for a sustainable product are developed, are both important. In order for the dialogue to be constructive, all involved parties should join the debate. If necessary, parties should be assisted in formulating and defending their interests.

It is important that all parties in the debate are aware of their own value and the value that other parties bring to the table. Only then is it possible – despite having different values and interests – to develop a common strategy or to reach a common goal. A distinctive feature of constructive dialogue is the occurrence of ‘integrated negotiation’; when the various parties are not just dividing up the cake, but are working on baking a new cake together.

PRIORITY 11. Accessible healthcare

In both the Northern and Southern hemispheres the number years lived in good health is strongly dependent on a person’s wealth. The gap between rich and poor is increasing. One of the ways to bridge this gap would be to make healthcare accessible to all, irrespective of income. Health insurances and health trusts could make an important contribution. On the one hand by reimbursing costs made by their members and on the other hand by using their capital to invest in improving the healthcare system. A sustainable health care system that is accessible to people with low incomes, based on the model of collective health insurance funds, can then be created.

PRIORITY 12. Multiple land use

Growing cities are absorbing more and more agricultural land, as are the creation of new infrastructure, the production of energy (mining, damming, wind parks, CSP) and of course the production of food and plant-based raw materials. Increasing acreage by encroaching on nature is detrimental to ecosystems, species diversity and thus to the proper functioning of spaceship earth’s life support systems.

Multifunctional land use is necessary to cope with the growing need for space. It is a challenge to combine the diverse uses, such as living, working, recreation, nature, intensive agriculture and water management in such a way that not only people and planet will flourish, but that prosperity does not suffer.

The challenge should be met for urban areas as well as for the countryside. Innovations are needed in town planning and management to combine multiple uses of land, such as metropolitan agriculture, agricultural nature management, home care farms and industrial ecology systems. Focus should not only be on dealing with a growing population, but also on dealing with shrinking populations, as is happening in some areas.

PRIORITY 13. Intensifying agriculture (in an ecological manner)

Food demands will double over the next few decades as a result of an increase in wealth and the growth of the world’s population. On top of that, agriculture will become a supplier of construction materials and raw materials for the chemical industry as well. This calls for an intensification of agriculture in areas where the soil, climate and water supply allow for it. Intensification alone, however, is not sufficient. A drastic ecological modernization is also needed in order to prevent an equal growth of pressure on the environment, e.g. exhaustion of nutrients and the threat of water shortages. The yield per acre, per litre of water, per kilogram of nutrients, per gram of pesticide and per man-hour needs to be improved.

Despite a global trend towards urbanization, the livelihood of millions will continue to depend on – mostly small-scale – agriculture and livestock farming. Ecologically focused modernization not only demands an improvement of crops and other technical measures custom-made to different local circumstances and farm sizes, but also education, (micro)-investments and an improvement of infrastructure.

PRIORITY 14. A consolidated approach to water management

Nearly a billion people worldwide have no access to safe drinking water and three billion people lack basic sanitation. At the same time damages due to flooding are on the rise, as more and more people work and live in low-lying river deltas. Damage due to droughts – often in these same areas – is also increasing as a result of climate change and the exhaustion of aquifers.

Even though water is our most essential human need, we treat it carelessly. To meet water needs of humans and ecosystems in future, we need a more consolidated approach to water management. Techniques are needed to use water more efficiently, and institutional mechanism to decide on the different ‘water priorities’. These can range from drinking and industrial water needs and irrigation to preventing water pollution and the conservation and improvement of aqueous ecosystems.

PRIORITY 15. Promoting human-powered transport

Transportation of people and goods is a large burden on available energy resources. Even if we were to switch from fossil fuels to electricity as a source of energy this would still be the case, as the energy still has to come from somewhere. If the electricity can be produced sustainably – which is not the case at the moment – electric transport will still take up a lot of natural resources including (rare-earth) metals and space.

It should therefore be a priority to promote human-powered transportation, i.e. walking and, in particular, especially cycling. This is not just good for the environment and the climate, but also for the general health of the population; something particularly poignant as today there are more obese than starving people. Making half of all transport events human-powered should be feasible, especially in flat areas. This not only requires infrastructure to allow for safe walking and cycling, but also economic and planning policies that actively promote these types of transport.

PRIORITY 16. Creating an enabling environment

Sustainable development will bring forth extensive technological and social innovations. Scientific research and the development of new ideas and concepts, and the translation of these into new products and services, should be given priority. The creation of an ‘enabling environment’ will provide start-up companies and those wishing to expand with the opportunity to get involved with new developments from a very early stage, so that great social challenges, such as underdevelopment, poverty, an aging population, making society more ecological, and limited natural resources, can be met.

Governments can make an important contribution by letting social and ecological aspects determine its purchasing policies and – together with industry and NGOs – develop standards for sustainable purchasing. It has to be taken into account that these standards will be ever changing, due to the evolution of the insights into what sustainable development actually entails.

PRIORITY 17. Deploying sustainable technologies

Twenty years ago many people believed that rapid technological development was the driving force behind the exhaustion of natural resources and the uneven division of wealth in the world. It has now become clear that technological developments form at least part of the solution. Scientific research and technological developments are essential for efficiently using natural resources (e.g. solar energy). However, scientific research and technology do not lead to a sustainable society per se. That requires embedding of research and technology in society and the development of technologies that stimulate people to act sustainably. In practice, the success of innovations (including sustainable ones) is largely dependent on the interplay between knowledge institutes, NGOs, businesses and government. The conditions needed for new technological development to become a hit in society can be created by exchanging information and by forming strategic alliances, also across the equator. A new covenant between science, politics and society can lead to a kind of communal design process based on a widely supported set of demands.

PRIORITY 18. Sharing knowledge

Sustainable developments are often delayed by the restricted access to results of scientific research and technological developments to those organisations and individuals who can benefit from them. A lack of research infrastructure and financial means in developing countries can result in local researchers lacking awareness of new scientific and technological developments.

Intellectual property legislation is another way in which access to new developments is prevented, as it means that new developments cannot be used at all, or only after large licence payments.

The first hurdle can be overcome by publishing new scientific breakthroughs on the Internet and making these articles accessible at little or no cost. Research funding agencies have an important part to play in this by including open access requirements in their contracts with researchers. Collaborations and exchanges can be used to improve scientific infrastructure in developing countries.

Protection of intellectual property rights cannot simply be abolished, as they are an important stimulus for researchers as well as for venture capitalists. The only thing that can be changed is the price one has to pay for a licence. A few years ago it was, for example, decided to keep the licence cost for anti-HIV/AIDS medication low. A more structural solution would be to set up a court of arbitration that can force companies to issue licences and can determine the licence costs.

FINAL NOTE

As stated in the preface, this set of priorities is a living document. It will be debated in meetings to come, on our website and via social media. Although it is not final, it already sets ambitious goals and shows us the paths towards realising them.

Sustainability is not a fixed state but a learning process and our goals will shift as we know more. But we must begin – now.