Netherlands

The European Economic and Social Committee (EESC) of the Netherlands was referred to in June 2009 to advise the Government on its sustainable development policy. In May 2010, the <u>advisory</u> report <u>Making sustainable growth work</u> was released. The environmental and nature protection organisations represented in the preparatory committee supported its recommendations.

A) Work on the issues of progress, development, and well-being

In February 2009, the Netherlands Bureau for Economic Policy Analysis (CPB), the Netherlands Environmental Assessment Agency (PBL), the Netherlands Institute for Social Research (SCP), and Statistics Netherlands (CBS) presented the <u>Sustainability Monitor for the Netherlands 2009</u>. The <u>capital approach</u> was used to tackle the concept of sustainable development. This approach identifies available resources (natural, social, economic, and human capital) that are important for future and present generations in their quest for prosperity.

The Monitor has chosen indicators for <u>twelve different themes</u>: <u>Climate and energy</u>; <u>biodiversity</u>; <u>soil, water and air</u>; <u>social participation</u>; <u>trust</u>; <u>labour utilisation</u>; <u>education</u>; <u>health</u>; <u>physical capital</u>; <u>knowledge</u>; <u>distribution and inequality</u>; <u>and an international dimension (the impacts of Dutch consumption on the world)</u>.

The SER considers that the use of an indicator set makes it possible to make fairer decisions in the face of the complex nature of sustainable development. The Committee believes that the indicator set of forthcoming editions of the Sustainability Monitor should go into further detail, and shed light on progress on sustainability and social responsibility policies. Future editions should also give more attention to take from a European and global perspective.

B) National interest for work in this field

The economic and financial crisis, and the crises that preceded it, are signs that clearly demonstrate the necessity of global structural changes. The Committee believes that the crisis is an excellent opportunity to reconfirm the importance of sustainable development. The Government recognises that a radically different approach is required, and is working on a transition to a sustainable economy and society. As for the business world, it has already started several initiatives for a more sustainable economy.

The view of the Economic and Social Committee on sustainable development

Sustainable development can be achieved if the concept of prosperity is applied. This concept implies more than <u>material progress (higher standard of living, increased purchasing power)</u>: It also includes <u>social progress (welfare, social cohesion</u>), and <u>a quality environment (spatial and environmental</u>). This not only implies accomplishing three aspects "here and now", but also aspects that are "elsewhere" (internationally, with a detail focusing on developing countries), and "later" (for future generations).

Sustainable development has several different dimensions. As it is a long-term process, it is full of uncertainties. It is not very likely that different sustainability criteria can be immediately respected. Choices will need to be made: for example, between the degree of environmental damage considered acceptable, and the price that society is ready to pay for this (ecological sustainability vs

economic sustainability). A choice of this type requires a political assessment. Sustainable development is intrinsically a socially driven phenomenon that requires research, examination, commitment, and evaluation of the pros and cons.

It is the government's role to create an environment that allows for, encourages, and, if necessary, makes <u>innovation</u> and a change toward sustainability mandatory. It can intervene in many ways. For example, it can create a large political structure that provides sufficient financing. Following the crisis, it must ensure that spending on sustainability is as profitable as possible.

The Committee has observed that several political programmes mainly focus on <u>economic and</u> <u>ecological themes</u>, <u>particularly on energy</u>, <u>climate</u>, <u>and the environment</u>. Nevertheless, the Committee believes that it must protect itself from an approach to sustainable development that is too narrow. The European sustainability policy thus encompasses <u>social issues</u>, while the Dutch approach is limited to environmental themes. Dutch policy should also place more emphasis on the <u>social aspects of sustainability</u>—<u>employment</u>, <u>health</u>, <u>security</u>, <u>and the fact that employees are stakeholders</u> for example. The quest for sustainable solutions should always take place in the largest possible context, including conflicts of interest and potential related dilemmas.

C) Propositions relating to future work on these themes

Sustainable development requires that various conflicts of interest be settled. It is important to use the right indicators when these choices are made. In the political debate, emphasis has traditionally been placed on the national revenue and economic growth, but the Committee believes that decision makers should emphasise <u>other environmental</u>, <u>social</u>, <u>and economic indicators</u>. There is also a need to take into account the relationship between these different indicators. Such a set of indicators should be used to arrive at a compromise between the different visible interests.

These conclusions have driven the SER to recommend other authors of the Monitor to define a <u>set</u> of indicators compatible with the EU approach. This set of indicators should play an important role in the political process, during the negotiation of the coalition agreement and the annual budget for example.

2009 Monitor Indicators

Headline indicators

Natural capital

A1 Greenhouse gas emissions (tonnes CO2eq. (GWP) pp) A2 Energy reserves (GJ pp) B1 Mean species abundance (%) D1 Urban exposure to particulate matter (μg/m3)

Social capital

E1 Social participation (hours pw) F1 Generalised trust (score out of 10) F2 Discrimination (%)

Human capital

G1 Hours worked (hours pp py) H1 Education level (% with sse) J1 Female life expectancy (years)

Economic capital

K1 Capital stock (1,000 euro (2005) pp) L1 Knowledge capital (R&D) (1,000 euro (2005) pp)

Natural capital A1 Greenhouse gas emissions (tonnes CO2eq. (GWP) pp) A2 Energy reserves (GJ pp) A3 Energy intensity (oil eq. per 1000 euro GDP) A4 Renewable energy (%) B1 Mean species abundance (%) B2 Red list (number of species) B3 Preservation of species (%) B4 Area of nature and forest (%) D1 Urban exposure to particulate matter $(\mu g/m3)$ D2 Acidifying emissions (kg acid eq. pp) D3 Nitrogen deposits (mol per ha. py) D4 Phosphorus in soil (kg per ha) D5 Phosphorus in water (g per l)

Social capital

Sub-indicators

E1 Social participation (hours pw)
E2 Voluntary work (%)
E3 Contacts with family and friends (%)
F1 Generalised trust (score out of 10)
F2 Feelings of discrimination (%) 2)
F3 Trust in institutions (%)

Human capital

G1 Hours worked (hours pp py)
G2 Labour participation (%) Hours worked by workers (hours pw pwkr)
G4 Retirement age (age)
G5 Over-65s (%)
H1 Education level (% with sse)
H2 Education level of young people (% sse)

Distribution and inequality

Social capital

E1 Social participation (hours pw) F1 Generalised trust (score out of 10)

Human capital

G1 Hours worked (hours pp py)
G2 Labour participation (%)
G3 Hours worked by workers (hours pw pwkr)
H1 Education level (% with sse)
H6 Lifelong learning (%)
J1 Female life expectancy (years)

H3 School leavers (%)
H4 Maths skills (PISA score)
H5 Education expenditure (% GDP)
H6 Lifelong learning (%)
J1 Female life expectancy (years)
J2 Healthy female life expectancy (years)
J3 Health expenditure (% GDP)

Economic capital

K1 Capital stock (1,000 euro (2005) pp) K2 Capital stock per unit of GDP (proportion) K3 Investment (% GDP) L1 Knowledge capital (R&D) (1,000 euro (2005) pp) L2 Private sector expenditure on R&D (% GDP) L3 Public sector expenditure on R&D (% GDP) L4 Patents (number pmp)

International dimension

N1 Depletion of natural capital (% GDP) of which: energy sources (% GDP) minerals (% GDP) forest (% GDP) CO2 emissions (% GDP) A5 CO2 trade balance (mln kg CO2) A6 GG emissions in aid of consumption B5 Land use in aid of consumption C1 Imports (% total imports) C2 Imports from region (% imports of natural resources)