



WORLDCONNECTORS THE ROUND TABLE FOR PEOPLE AND THE PLANET

Statement on Sustainable Development and Climate Change

19 June 2008

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We hereby present a statement on sustainable development and climate change. This statement is about the three Is –Innovation, Inspiration and Implementation; but the challenge is also to lead. This statement resulted from Worldconnectors thematic Working Group meetings, Steering Group comments and the Round Table of Worldconnectors meeting on 27 March 2008 in Zeist.

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During the drafting process of this statement, Worldconnectors – connecting the worlds of business, (non) governmental policies and politics, media, youth, culture and religious leadership – exchanged and discussed views, experiences and data related to climate change. The purpose of the statement is to present a vision on sustainable development and climate change, inspired by the Earth Charter and the UN Millennium Declaration and Development Goals.

On the basis of this statement, Worldconnectors will engage in public outreach activities, such as writing articles and participating in public debates. Worldconnectors intend to address opinion leaders and decision makers and hope to influence the political and public debate by sharing alternative views and encouraging dialogue.

The aim is to encourage improved policies and practices. Because avoiding dangerous climate change demands immediate action, positive initiatives are highlighted, both in this statement and on the Worldconnectors website (see: 'what can you do'). Worldconnectors believe that we can improve our quality of life by embarking on a new path towards true sustainable development.

Climate Change as responsibility and opportunity

I. Preamble

Climate change poses a vital threat to life on our planet. According to the latest data, the rise of global temperature will be even faster and more drastic than scientists thought before. Only through radical measures can we avoid dangerous climate change, i.e., global temperature rising with more than 2 degrees Celsius. Mitigating climate change is a common, though differentiated responsibility for all countries and all sectors of society. Responsibilities vary between countries, because of the different stages of economic development. Responsibilities also vary between the sectors of society – politics, business and civil society each play their own role in a form of ‘complementary governance’. To quote the Earth Charter: *“The partnership of government, civil society, and businesses is essential for effective governance.”*

We support the political process from Kyoto to Bali to Copenhagen and subscribe to both the ‘polluter pays’ and the ‘precautionary’ principle. We are inspired by the principles of the Earth Charter, which are based on the vision that environmental protection, human rights, equitable human development, and peace are interrelated. The Earth Charter conveys the following important messages: First, humanity stands at a critical moment in Earth’s history and there is a need to join together to develop a global society founded on respect for nature, universal human rights, economic justice and a culture of peace. Second, a fundamental change in people’s attitudes, values and ways of living is necessary if we are to win the battle against climate change. Third, we need a new ethos of multilateral collaboration and strong global partnership to ensure that the burden of fighting climate change is spread fairly around the world. Lastly, a real voice should be given to women and to marginalised groups, who are particularly vulnerable to climate change.

In this statement we would like to draw special attention to:

1. Climate change mitigation – in particular Carbon Capture and Storage (CCS) and Reduction of Emissions from Deforestation and Degradation (REDD).
2. Adaptation to Climate Change – in particular in developing countries.
3. New types of initiatives – in particular initiatives by businesses and initiatives by local governments.

There is a need to change the way in which we relate to our planet and its limited resources and absorption capacities. Rich countries must not only take the lead in innovating and implementing new technologies to mitigate climate change and to assist in adaptation, but they should also set the example by producing and consuming less and differently. This includes eating less meat, driving our cars less often, flying less often, saving energy in our houses, and shifting to environmentally friendly products. We all need to take responsibility to decrease our ‘footprint’.

II. Mitigation

Mitigation refers to actions to reduce human-induced global warming. Deep cuts in emissions are needed – 60% as a global average by 2050, which implies 80% in Annex 1 countries. To prevent dangerous climate change, maximum efforts to stimulate energy saving and the use of renewable energy sources are needed. Dutch policy in these fields should be consistent and progressive, aimed to drastically reform energy, transport and agricultural systems. The energy sector should invest heavily in renewable energy technologies such as solar and wind energy and sustainable biofuels¹. Spatial

¹ With regard to nuclear energy we follow the line of the SER, which recommends the Dutch government should research all energy options, including nuclear energy, on the basis of the criteria reliability, environmental impact, security and finances. See: http://www.ser.nl/-/media/DB_Advieszen/2000_2009/2008/b26650.ashx

planning needs to be adjusted to accommodate shorter supply lines for goods and services and shorter work-commuting distances and hydrogen should be promoted as the major fuel carrier of the future. It is also important to include consumers in the efforts to mitigate climate change, because consumer use of gas, electricity and fuel accounts for a significant part of the CO₂ emissions in developed countries. Consumers will need to be given realistic options for action in the areas of energy saving, renewable energy and climate compensation.

We strongly support the further development and extension of a **CO₂ market**. The Clean Development Mechanism (CDM) and Joint Implementation (JI) are important tools for mitigation. These mechanisms should be recognised as commercial transactions at market prices rather than 'aid', as non-Annex 1 countries have an asset (carbon credit) which they can sell to buyers with CO₂ emissions surplus.

An important topic of discussion at the moment is the **potential role of biofuels**. Production of biofuel from food crops such as sugar cane, corn, wheat, sugar beet and oil palm has been increasing in the last couple of years, largely driven by policies and subsidies to stimulate biofuel use as a measure to reduce CO₂ emissions and to become less dependent on fossil fuels. When promoting biofuel use it is important to consider the 'greenhouse gas balance', because some biofuel production processes may consume so much energy that they do not result in real net CO₂ reductions. When the right biofuels are produced on marginal and degraded lands, it may help to reduce emissions while providing higher incomes to farmers. When biofuel production competes with food production, rising food prices may negatively affect food security. Also, increased demand for land for biofuel production may create incentives to deforest land or use pasture land of pastoralists. To minimise such negative effects, haste is needed in relation to the introduction of social and environmental standards for imported biofuels, like the criteria developed by 'Commission Cramer'. At the same time there is a need to invest in other, more advanced technologies, e.g., the production of biofuels from non-crop organic material such as wood, organic waste and algae – the second generation biofuels. Organic solar cells may become the third generation of biofuels. Despite the recent negative media attention, we believe there still is reason to further investigate the possibilities of biofuels. The issue of biofuels will be further discussed at the Worldconnectors' Round Table on New Scarcities.² An integrated and inclusive approach of climate change and water scarcity is needed.

Energy saving and renewable energy are not enough to reach our targets. In this statement we therefore highlight two complementary approaches that are necessary to achieve effective mitigation, i.e., Carbon Capture and Storage (CCS) and Reduction of Emissions from Deforestation and Degradation (REDD).

Carbon Capture and Storage (CCS)

Carbon Capture and Storage (CCS) is a technology that can be used to minimise climate change impacts of fossil fuel use. Without downplaying the importance of energy saving and renewable energy, we believe that it is crucial for the Netherlands to support the development and implementation of this technology, because fossil fuels will still remain the most important source of energy in the world in the foreseeable future. In the report Green4Sure, six Dutch Civil Society Organisations (ABVAKABO FNV, FNV Vakcentrale, Milieudefensie, Stichting Natuur en Milieu, WWF and Greenpeace) acknowledge CCS is necessary to reduce Dutch emissions by 50% in 2030. CCS technology will not only help to reduce our own emissions, but could also be exported to countries like China and India, where the use of coal to produce electricity is currently growing spectacularly.

² At the combined meeting of the Annual SID Senate conference and the Round Table of Worldconnectors on New Scarcities, which will be held on 24 September 2008, the Worldconnectors will gather to discuss the implications of emerging scarcities of food, energy and water for developing countries and international power relations.

The Netherlands should be willing to take on the 'first mover disadvantage', which means that we should bear the costs of developing technologies.

The Netherlands is well equipped to play an important role in the development of CCS technologies for the following reasons:

- a. The presence of a large port and industrial complex (mainly around Rotterdam), that produces large quantities of surplus heat and CO₂;
- b. The presence of an extensive pipeline infrastructure built for the delivery of natural gasses to private homes and companies, as well as the OCAP-pipeline to transfer CO₂ from the Botlek area to the Dutch greenhouse market gardening sector in the Westland, which can be expanded to Barendrecht's empty gas field and to Q8 in the North Sea providing storage for up to five megaton of CO₂ within a few years.
- c. The proximity of small (nearly) empty oil and gas fields both under land and under the North Sea.

Reduction of Emissions from Deforestation and Degradation (REDD)

Between 18 and 25% of the global emissions are caused by loss of forests and land clearing activities. Reducing emissions from deforestation and degradation (REDD) can therefore contribute significantly to climate change mitigation. We think that payments for the reduction of CO₂ emissions from deforestation can become an important instrument in the fight against human-induced climate change, while simultaneously contributing to the conservation of biodiversity.³ The crediting of avoided deforestation will generate the resources needed by developing countries to invest in sustainable forest management and reforestation. This capital will encourage developing countries to engage in forest protection, while at the same time helping the world at large to mitigate climate change more effectively. Carbon projects should represent a means for poor communities to participate in, and benefit from the European CO₂ market.

There is a need for a globally accepted and robust forest carbon standard, which should include a transparent monitoring and evaluation system. We emphasise that clear and binding agreements on a forest carbon standard will need to be made in Copenhagen and we support current efforts to develop such a standard. Also, carbon forest projects need testing. WWF Netherlands has made a start with its Forests and Climate Initiative. The initiative aims to link municipalities in the Netherlands that have committed themselves to reduce their CO₂ emissions, to southern municipalities with large carbon forest stocks. This joint effort is expected to generate knowledge and input for the post-Bali policy discussions on REDD. Also, Peace Parks, Birdlife International and IUCN have started pilot projects. We urge the Dutch government to support the development of a forest carbon standard and to start a substantial pilot programme in this field with the objective to contribute to the development of an effective and standardized mechanism for REDD as part of the Copenhagen agreement.

The REDD agenda is interesting for the Netherlands, because Dutch governmental and non-governmental organisations are important donors for forest conservation initiatives around the world, while Dutch universities and research institutes have a long tradition of forest research. Furthermore, we have a special relationship with two countries with large areas of forest, i.e., Indonesia and Suriname.

³ The fact that the Clean Development Mechanism (CDM) of the Kyoto Protocol has so far excluded avoided deforestation has created perverse incentives. In the current situation it is, for example, possible that an Annex-I country imports biofuels to meet its Kyoto targets, while the biofuel was produced at the cost of the forest. Payments for avoided deforestation would address such inconsistencies.

III. Adaptation

Climate change effects are already being felt in the daily lives of men, women, and children in many parts of the world. Moreover, the climate change effects of green house gasses that were emitted into the atmosphere during the last decade will take place in the decades to come. This means we should expect more serious effects of climate change in the near future. Hence, in addition to drastic mitigation, we need to adapt to the inevitable effects of global warming as well.

Adaptation and water – the role of the Netherlands

Approximately 70% of the world's population lives in delta areas, and climate change affects these areas in particular. The Netherlands, being one of these highly populated delta areas, has been investing in a 'climate proofing' approach. Climate proofing is based on the principle that we should develop and implement strategies to deal with the future effects of climate change now, to avoid being forced to take drastic actions in the future. A main element of the climate proofing approach is 'living with water', implying that extreme climate events should be accommodated. For example, river floods can be accommodated in designated flood areas. Likewise, taking into account rising sea levels, delta regions will need to plan accordingly.

Climate change results in a surplus of water at certain times, and water shortages at other times. It is becoming increasingly important that urban and landscape planning is based on a profound understanding of local consequences of climate change and the range of options available for adaptation. There is a need to exchange information and experience at the international level. Dutch knowledge centres on water and adaptation are well positioned to play a role in this.

Adaptation in developing countries

Developing countries – and especially the most marginalised people within developing countries – are most vulnerable to climate change. First, developing countries face more natural disasters such as cyclones, hurricanes and flooding. There is an urgent need for strategies to prepare people to cope with such events. Second, rainfall patterns are changing and becoming increasingly unpredictable, which affects the availability of drinking water and agricultural production patterns. These physical changes in their turn increase the probability of violent conflict, refugee flows and the outbreak of diseases.

Effects of climate change in developing countries exacerbate existing inequalities between men and women, as they result in more pressure on women's roles, which typically focus on the unpaid reproductive economy, i.e., providing food, providing fuel and water, cooking, and raising children. At the same time there are also opportunities; women can play a positive role in adaptation programmes.⁴ Adaptation programmes and policies must address the different impacts of climate change on women and men. They must be gender-sensitive and ensure that interventions help to empower women as part of building community resilience against climate change.

The success of adaptation strategies depends to a great extent on the initiatives of local individuals, organisations and enterprises. Capacity building among these actors is therefore essential. As people tend to develop inventive ways to cope with the effects of climate change, adaptation assistance should focus on local empowerment and build on local expertise, experience and initiatives. The Drought Cycle Management programme developed by Cordaid, for example, aims to reduce vulnerability in the Horn of Africa through local capacity building in the areas of income diversification and water storage.

⁴ On a more general note we would like to stress that women are key in achieving reproductive and sexual health and rights, which also proves to be an effective path to 'responsible birth control'.

Since the industrialised countries are responsible for most of current climate change they have the responsibility to help finance the adaptation measures needed in developing countries. Developed countries should finance a special Adaptation Fund, in addition to the recently established UNFCCC Adaptation Fund.⁵ In this respect there are several key questions: i) what are the costs of climate adaptation in developing countries? ii) who should pay? and iii) how should this money be delivered? We principally believe that assistance for adaptation should neither be paid from ODA, nor in the form loans. In stead, a significant part of the necessary finances can be obtained by reserving part of the revenues of the auctioning of emission rights for this purpose. Using the revenues from the auctioning of emission rights for financing climate adaptation is a straightforward use of the 'polluter pays' principle.

Climate change negatively affects the Millennium Development Goals, and calls for new ways of development cooperation. The shared interest in adaptation between institutions in 'the North' and in 'the South' can provide a basis for new forms of cooperation. Knowledge institutions from the North should collaborate on climate change issues with knowledge institutions from the South and with practitioners in development programmes and projects.

IV. New types of initiatives

To address climate change challenges, national and international governing institutions need to make drastic regulatory changes. Through this statement, however, we want to stress that companies, civilians, cities and provinces don't have to wait for these regulatory changes – they can and should move faster and take their own initiatives. For example, businesses, can voluntarily take up climate change mitigation as part of their Corporate Social Responsibility (CSR) strategies. Moreover we would like to stress that climate change mitigation is not only a moral responsibility, but also offers interesting opportunities for businesses – our society is transforming, and this implies new chances, both for large multinationals as well as for small and medium size enterprises (SMEs).

In the Netherlands many local governments are active in one way or another. A network of local governments ('het Klimaatverbond') was established to facilitate joint projects and knowledge exchange, and to lobby for effective climate policies. The network already has 123 municipalities and 11 provinces as members. Also, in 2007 the Association of Netherlands Municipalities (VNG) signed an agreement with the Dutch national government ('Klimaatakkoord Gemeenten en Rijk 2007-2011') in which both parties promise to work together towards the aim of making our country more sustainable.

Local governments can move faster than national governments. Rotterdam, for example, has taken the lead in supporting the development of green ports and green shipping (both ocean and hinterland shipping). The Rotterdam Climate Initiative is a joint initiative of the Port of Rotterdam, the Rotterdam municipality, Deltalinqs, and DCMR Environmental Protection Agency. In November 2007, delegations of a group of major ports met in Rotterdam and agreed on ambitions and measures to reduce green house gas emissions. In July 2008, a declaration and plan of action will be developed at the World Ports Conference in Rotterdam. Ports can take the lead in effective action partnering with shipping companies and terminal operators. IMO and other institutions will follow suit. In this way Rotterdam, being a key player in the global shipping sector, aims to function as a catalyst to reform the sector. This initiative can have a major impact, given the fact that global CO₂ emissions from shipping are larger than those from flying. This Port initiative is a second line of action next to CCS. Because of the specific composition of the Rotterdam port and industrial complex, to achieve CCS as fast as possible means that already in 2025 CO₂ emissions can be reduced with 50% compared to 1990.

⁵ There are plans to create a global climate financing mechanism (for both mitigation and adaptation) which may be housed at the World Bank, but at this point in time the discussion between donors and the Bank have not yet been finalised.

These examples underline that more impact can be achieved when different stakeholders work together and strengthen each other. Working in isolation will not bring about the fundamental shift needed to prevent dangerous climate change.

V. In conclusion

Though addressing climate change is only one part of the wider sustainable development agenda, we decided to focus this statement entirely on climate change because it is one of the biggest threats facing humankind. Moreover, climate change is interrelated with many other aspects of sustainable development such as wealth transfer and global justice. Here we present our main conclusions.

Energy saving and renewable energy

Saving energy and the use of renewable energy sources are key to combating climate change. There is a need for drastic governmental measures, including large-scale projects. Consumers will be more susceptible to adjusting their consumption behaviour when they see that other sectors of society are taking their responsibilities too.⁶ Businesses are encouraged to change their business from reactive regulatory compliance to pro-active voluntary and value-creating codes of conduct. Wider use of the carbon footprint concept will help to make the transition to a truly low-carbon⁷ society.

Mandatory reporting of carbon footprint

To “make business and markets work for climate” it is important that companies quoted at the Dutch stock exchanges (AEX and AMX) disclose their carbon footprint in accordance with the Environmental Performance Indicators of the Global Reporting Initiative (GRI) Reporting Guidelines version 3.0. The number of companies producing this type of data is increasing and we believe such reporting should be made mandatory for all quoted companies. By measuring their footprint, companies increase their climate awareness, and, hence, strengthen their risk mitigation and climate business opportunity. Through disclosing this data, analysts will have better insights and peer comparison data, while civil society may, in the public interest, comment and challenge the efforts made.

Forest protection

Exclusion of avoided deforestation from the global carbon trading regime would render meaningless efforts on climate change mitigation. Payments for the Reduction of Emissions from Deforestation and Degradation (REDD) offer important possibilities for climate change mitigation, rural development, and biodiversity conservation. Dutch research institutions in collaboration with civil society organisations are encouraged to work on: the development and testing of an international forest carbon standard; ways to improve the accuracy of carbon accounting; and ways to ensure that local communities will benefit from REDD schemes.

Carbon Capture and Storage (CCS)

Carbon Capture and Storage (CCS) is not only relevant for the area of Rotterdam – where it is currently being tested – but for the whole of the Netherlands. Netherlands is a ‘gas-country’ and therefore particularly well equipped to develop and implement CCS technologies. The government, in collaboration with the private sector, should develop pilot-projects to capture CO₂ – starting with new energy plants. There is a need to realise CO₂ transport facilities as soon as possible and to use CO₂ for productive purposes as much as possible. The remaining CO₂ needs to be stored in the empty gas

⁶ Consumers can find practical suggestions to adjust behaviour under the section ‘What can you do?’ on our website (www.worldconnectors.nl).

⁷ The term ‘climate neutral’ was introduced by Dutch civil society organisations. It has been a useful term that has grabbed many people’s attention. Here we use the term ‘low-carbon’ as this seems more realistic.

fields under the ultimate responsibility of the State. Also, we call upon the Dutch government to push within the EU context for closer collaboration with China in the area of CCS.

Adaptation

Assisting adaptation in the South is a responsibility for mature economies and should not be financed from the ODA budget. Instead, at least part of it should be paid for with money from the auctioning of emission rights, which could fall within the total HGIS budget of 1.5 per cent of the GNP.⁸ Civil society organisations are encouraged to establish a joint adaptation compensation fund to offer the public the possibility to compensate through donating to tangible adaptation projects such as drought cycle management projects and early warning training. The HIER⁹ coalition could offer a good starting point for such a compensation fund. Adaptation projects should focus attention on local capacity building for adaptation and risk management, based on local experience and challenges, and with a particular focus on the key role of women and the empowerment of marginal groups.

Sustainable Development Council

The climate challenge may serve as a catalyst for creating institutions suited to meet the demands of the 21st century. The SER (Sociaal Economische Raad, The Social Economic Council) – one of the most important advisors to the Dutch government in the field of social and economic issues is, in its present form, not suited to deal with the most important challenges of the contemporary world. The SER's primary focus still is on social-economic issues, with little attention to the environmental dimensions. Moreover, the working field of the SER does not encompass the broader international development agenda. We make a plea for a transformation of the SER into a Sustainable Development Council, which should serve as a new, permanent advisory council.

Climate negotiations on the road to Copenhagen

Needless to say, the negotiations towards and in Copenhagen will be important. The mature economies will need to take the lead and should take their responsibility. We call upon the Netherlands to move to the frontline of a progressive alliance of EU countries, which will not give up when other countries are reluctant to make far-reaching commitments. All over the world, States, cities, companies and civil society initiatives are evidencing the courage needed to take the lead in Climate Change and Sustainable Development and they do not hide away by using the 'level playing field' argument as an excuse not to move forward. In addition to these efforts, a priority for mature economies and democracies will have to be to include emerging economies in a climate deal. The final agreement will need to contain clear commitments, amongst others related to the further development of the CO₂ market, avoided deforestation and adaptation assistance in the South.

⁸ In our statement on 'policy coherence for development' we called for a clean official budget for development assistance (ODA) of 0.8 per cent of the GNP, while increasing the general budget for foreign assistance (HGIS) to 1.5 per cent of the GNP.

⁹ 'HIER' is the name of a large Dutch public campaign on climate change, involving over 40 charity organisations, the government, and businesses. HIER is an initiative of the National Postal code Lottery in the Netherlands. The question is 'where do we start with solving the climate problem?' The answer is 'here', to stress that every person can contribute. The other dimension is 'there' – referring to the need for support of adaptation in developing countries.