



30 years Netherlands Commission for
Environmental Assessment

Sustainability analysis

Improving governmental capacity to address sustainability dilemmas in global value chains

Case Netherlands

Translation from Dutch
June 17, 2024
Ref: 7367-01



Colophon

Title	Improving governmental capacity to address sustainability dilemmas in global value chains
Date	17 June 2024
Working group	Simone Filippini (chairperson) Frank Dietz Dennis van Peppen Louise van Schaik Katrien Termeer Sibout Nooteboom (technical secretary)
Contribute	Maarten Gischler George de Gooijer Peter van der Knaap André Loozekoot Hans Mommaas Louis Meuleman Sandra Pellegrom
Reader	Lineke Mook
Reference	7367-01

© Netherlands Commission for Environmental Assessment (NCEA). *Decisive governance in global value chains*. 2024. 18 pages.

Contact: w www.eia.nl
t +3130 234 76 60e susan@eia.nl

Table of contents

Foreword 2

1. Our livelihoods require action for a different global economy 3
 - 1.1 In the Netherlands and for the Netherlands 3
 - 1.2 Paying attention to the global effects of our economy 3
2. Timely action requires strategic capacity 4
 - 2.1 Where we are now 4
 - 2.2 Where gains can be made 5
 - 2.3 Looking for weak links in our strategic capacity 6
 - 2.4 Transition thinking 7
3. Increasing our strategic capacity 7
 - 3.1 The conversation between ministries and parliaments 7
 - 3.2 The conversation between policy services of ministries 8
 - 3.3 The conversation between policy services and policy implementation 9
 - 3.4 The conversation between government and civil society 10
 - 3.5 The conversation between government and citizens 11
 - 3.6 The conversation between citizens 11
 - 3.7 The conversation between levels of government 12
 - 3.8 The support of all these conversations by independent knowledge 13
 - 3.9 The leadership that makes all those conversations possible 13
4. What can we do now? 14
5. Sources 15

Foreword

The evidence is piling up: for the livelihoods of everyone on earth, transitions of global trade chains are necessary. Due to the interconnectedness of the world economy, this is necessary in the long term for peaceful and sustainable development in which there is room for everyone.

What can governments do to accelerate transitions towards sustainable global value chains? How do decision-makers gain a good understanding of the dilemmas involved and how do they expose these dilemmas without them being directly politicized? But also: And how do they really involve citizens in this, so that there is support for the choices that are made?

A working group of the NCEA has analysed these questions in a report entitled *Improving governmental capacity to address sustainability dilemmas in global value chains*. The analysis shows where governments can better organise themselves to deal with these questions. This methodology was then tested against Dutch practice. The conclusions seemed so relevant and topical to us that we decided to summarise them separately and explain them in this Dutch-language report¹.

Simone Filippini
Chair of the NCEA Working Group

¹ This is a translation

1. Our livelihoods² require action for a different global economy

1.1 In the Netherlands and for the Netherlands

*Out of self-interest alone, the Netherlands should do more to prevent the world from becoming unlivable for many.*³ In the Netherlands, as in all other countries, we depend on global production systems for our food, energy, clothing and industry and many other things. Without these globally branched value chains of production, trade and consumption, our prosperity would not have been possible. Not to mention our well-being in a broader sense.

We are now reaching the limits of what the earth can support. As these borders become more concrete, the competition for remaining earth's resources between countries and between people becomes more acute. We also see this happening in the Netherlands. Major changes to global value chains – from now on 'transitions' – aimed at long-term goals – are therefore unavoidable, also for our own livelihoods. The long-term goal is often summarised as a 'net zero economy': in order to emit no net greenhouse gases, all sectors must change radically. The energy transition, the food system transition, the transition to sustainable transport systems, the transition to a circular economy, the transition to a sustainable water cycle, to climate-robust use of space – nationally and internationally – are all needed. Transitions can be adjusted to allow the ship to change course in time. But initiating these transitions also hurts in the short term. We want to share that pain fairly. It will only succeed if we also reach consensus on difficult issues relating to livelihoods, equality, justice, security, human rights and the intrinsic value of biodiversity. All in all, this is a transition to sustainable development.

The longer we wait, the more difficult it will be to keep an eye on the effects of our economy on people and nature in poor and vulnerable countries. As a result, value chains become unsustainable in the long run and then collapse. With major consequences for everyone in the world. Because at the end of the day, we're all in this together.

1.2 Paying attention to the global effects of our economy

In its policy, the Netherlands has been paying attention to the global effects of its economy for decades. The most comprehensive agreement to which the Netherlands is currently committed is the pursuit of the United Nations Sustainable Development Goals, which are linked to Agenda 2030. These SDGs are about long-term livelihood security and quality of life in our world. The targets are relatively similar to the CBS Monitor of Well-being, which is used in the Netherlands to measure the well-being of the Dutch population, among other things. In line with the SDGs for climate and biodiversity, the

² 'Security of livelihood' is the translation of 'bestaanszekerheid' which (with migration) was the main topic of the 2023 national elections.

³ See chapter 5 for sources that substantiate this.

Netherlands has explicitly committed itself to international treaties (for climate in Paris (2015) and for biodiversity in Kunming (2022)).

Although the monitor acknowledges and endorses the interdependence of well-being goals 'here' and 'there', in most cases this does not lead to an impact on policy choices. At the same time, since 2001, the Netherlands has recognised that sustainable development requires global transitions that cannot be achieved without making bold choices that require decisiveness. Dilemmas at different levels play an important role in this stagnation. Consider, for example, questions such as:

- What is a fair distribution of burdens between here and there, now and in the future?
- What is the influence of choices on prices, geopolitical relations, nature and climate?
- How can the Netherlands adopt a constructive international stance without cutting its fingers? How much risk are we willing to take, especially when we see that the policies of other countries have an effect on the transition in the Netherlands (reducing emissions, critical raw materials, food markets)?
- Can we, as humanity, steer global transitions sufficiently towards long-term goals?

An underlying question is: how do we create consensus in the Netherlands about the answers to these questions and thus support for bold choices? The question of how to reach consensus seems to be more important than the more substantive question of what policy options there are, and what their advantages and disadvantages are in the long term. There is already a lot of substantive knowledge available, but without sufficient consensus, we have too little capacity to translate that knowledge into policy.

2. Timely action requires strategic capacity

Timely action requires strategic capacity to adopt a consistent international constructive attitude based on globally and nationally shared values, while at the same time being able to flexibly translate long-term goals into interests and appropriate short-term policies. This also applies to the Netherlands.

2.1 Where we are now

Fortunately, a number of important steps have already been taken. The energy transition in the Netherlands is getting underway. Our government is already doing all kinds of things to involve citizens in dilemmas and is getting better at accelerating transitions in the Netherlands itself. Here are a few examples:

- In the 1990s, several ministries ran the *Implementation Challenge programme*, about making good choices between development options in view of their environmental impact.
- Around the year 2000, the programmatic approach to policy emerged, in which several joint-up ministries entered into thematic discussions with interest groups.
- In 2001, transition policy was used as a management philosophy with the role of the government in leading a social dialogue about transitions and associated actions.

- This resulted, among other things, in SER agreements⁴, climate tables and transition tables, where parties discuss the implementation of transitions with each other and with the government. For example, the OFL facilitates administrative and social cooperation for the North Sea region across policy lines. These are specialised dialogue platforms that are part of the Dutch deliberative democracy – the polder model.
- In 2022 and 2023, NL has drawn up an unprecedented number of strategies that give direction to the interaction between Dutch and international transitions: the international climate strategy (2022), the National raw materials strategy (2022), the Africa strategy (2023), the National Circular Economy programme (2023), etc. All of them have been established interdepartmentally. Sometimes still exploratory, such as international climate strategy (writing down what we do per silo), sometimes also more integrated (such as Africa strategy).

These examples show that, in principle, we succeed in working together across official lines on far-reaching scenarios and also bringing companies, citizens and government together in the process. However, it is now high time to take this dialogue a step further and to include the international consequences of Dutch transitions. Recently, much more attention has been paid to these consequences and also to new solutions that distribute the pain of transitions more fairly. The next question is: how do we convert that attention into consistent choices with broad support? And how do we safeguard this policy, so that we don't have to come back to it after every election?

2.2 Where gains can be made

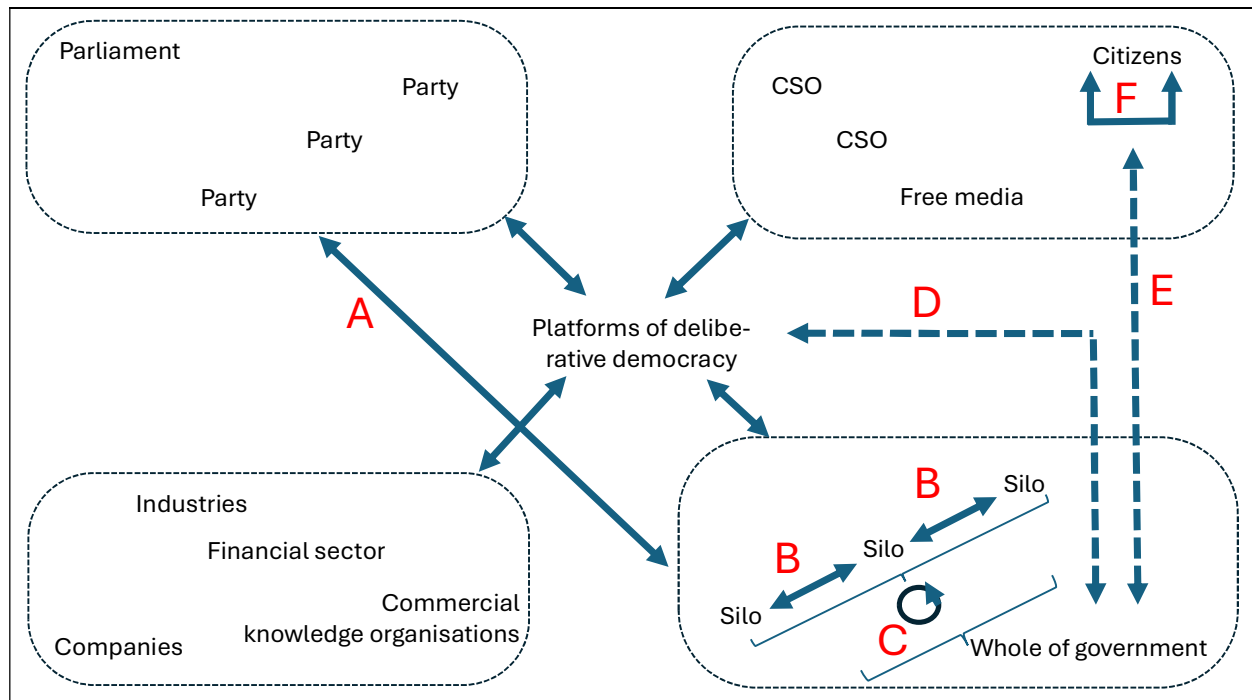
The starting position is therefore favourable: the Netherlands endorses the SDGs and monitors well-being in-house. The Netherlands has promised in international treaties to contribute to the transitions that are necessary for the climate and biodiversity and is also monitoring this. This means that, at least 'on paper', there is an eye for the well-being of people and nature here and there, now and in the future. Inclusive for one's own well-being without this being at the expense of people or nature elsewhere, for example through water management and climate change. We also already have examples of working methods that prove that it is possible to make complicated choices together as a society. In addition, more is known about dilemmas surrounding the development of global value chains than most people know.

Gains can still be made by maintaining an ongoing dialogue between the different parts of the governance system. In chapter 3 we will go through the different parts of the governance system. Figure 1 shows which parts the system has, and how they form a chain of beads, as it were, in which the beads are connected to each other by links: the conversations A to F. The governance system is only as strong as its weakest link. For each link, we determine what is going well and what can be improved. The components of the governance system form a chain with strong and weak links that

⁴ The SER (Social Economic Council) was established by law in 1950. It advises the Dutch Government and Parliament on social and economic policy. It functions as a platform for dialogue between employers, employees and independent experts ('crown members'). It is considered to be the heart of the Dutch deliberative democracy.

Figure 1 (we distinguish six indispensable links A to F between parts of the system). In chapter 3 we analyse how strong or weak each link is.

Figure 1. Links in the governance system where dialogue is needed in order for a country to agree on its role in global development dilemmas. All of these dialogues in this diagram can benefit from the knowledge of independent institutions (see 3.8).



2.3 Looking for weak links in our strategic capacity

Strategic capacity is an ability of individual policymakers in government, businesses and interest groups and their governance systems as a whole. It is the ability to take action that serves short-term and long-term goals at the same time. To reconcile short- and long-term goals, policymakers must be able to agree on how everyone can make a reasonable contribution. Agreeing on this requires a lot of dialogue between the different parts of the governance system. Each component has a crucial contribution to the strategic capacity of the overall governance system:

- Citizens can exert influence in this system through their voting behaviour, their activism and their consumption behaviour.
- Companies can become more sustainable themselves if this does not affect their continuity and develop more ambitious scenarios that depend on a playing field created by the government.
- The government as a whole can steer businesses and citizens through regulations and tax systems.
- Government implementing organisations can support the silos around dilemmas in their thinking process in a policy-neutral way and they can create platforms of deliberative democracy, such as transition tables.
- The civil society field (interest groups of citizens and companies) can enter into dialogue with each other and with the government.

- The parliament can initiate legislation and make decisions about legislation and short-term policy in line with long-term goals.

These are parts of the governance system that can use influence and power to steer towards long-term goals. In chapter 3 we analyse the links between these parts of the governance system and discuss the role of independent knowledge institutions and leadership.

2.4 Transition thinking

Transition thinking focuses on long-term goals and helps the dialogue about values, futures, change and actions. If we better understand each other's values that matter in the long term, we can also understand our interests in the shorter term better. It substantiates policy by assessing its expected contribution to accelerating transitions that realize shared values that are unattainable without a transition. This can be done by reasoning back (1) from social values such as forms of livelihood security that can only be realised in the long term, to (2) possible scenarios in which a global economic value chain can be established ('transition paths') to (3) the small, feasible steps that the Netherlands can take on those transition paths. This dialogue helps to coordinate policy in multiple sectors with transitions, and to quickly provide insight into the dilemmas that arise. Knowledge institutions that are sufficiently independent of politics can feed the dialogue with scenarios.

The more transition thinking we apply in dialogue, the more strategic capacity we can develop together in the Netherlands. However, because everything is connected to everything else in the long term, transition thinking is not easy.

3. Increasing our strategic capacity

3.1 The conversation between ministries and parliaments

In 2022 and 2023, a relatively large number of strategies were discussed in parliament, possibly related to the many uncertainties felt in society (such as Corona, climate, invasion of Ukraine).⁵ However, there are still few debates in parliament about long-term dilemmas surrounding global issues, in which parliament makes new choices with a view to effects elsewhere in the world, and which also affect effective policy. The strategies are only a first step in strategic thinking, but they need to be made concrete in their implementation. This continues to affect multiple portfolios. Ministers submit everything that has legal consequences to parliament, but the debate that takes place there is still incompletely informed by transition thinking. Official decision notes⁶ are an underused opportunity to feed that debate, and conversations often remain within standing parliamentary committees that look at a single ministerial portfolio, so that a dilemma cannot be discussed from all sides. Organising

⁵ In addition to the aforementioned, we can add a global health strategy (2023), a policy paper on human rights, democracy and international rule of law (2023) and a security strategy for the Kingdom of the Netherlands (2023).

⁶ Decision notes (beslisnota's) have long been made in most policy areas as a view of civil servants on what political options are, and what the general impacts of these options are. For proposals sent to parliament, the underlying decision note must also be published.

discussions in parliament along the lines of transitions is difficult if the documents are prepared by a single ministry. An example that things can be done differently is the international climate strategy that was submitted and discussed by two ministers on behalf of five ministries.

To change this, it is obvious that ministries should now also take the lead in the integration of global transitions in a more structural and concrete way about the content, so that the MPs involved from several standing committees can discuss the dilemmas together. In order to be able to take that lead, a meeting between the policy services of ministries is therefore first needed, which together prepare the documents. Even if a minister prefers to keep things simple, civil servants must point out alternative options and their effects.

At the interface between ministries and parliament, the government can increase the strategic capacity of the Netherlands with the following measures:

- Inform parliament in a more comprehensive way about the relationship between decision-making, its impact on the transitions of global trade chains and the long-term effect on social values (3.2 explains how).

3.2 The conversation between policy services of ministries

Lack of cooperation (compartmentalisation) between and within ministries (silos) may prevent parliament from being sufficiently comprehensively informed about decision-making options that would make a difference for each transition. This is also visible in the mentioned strategies that have been drawn up. Each department provides its own chapter or paragraph. Sometimes we do see steps towards joint decision-making. In the international climate strategy, ministries work together on the hydrogen agenda.

That's understandable. The work programming of civil servants takes place in the hierarchy and not per cross-policy transition. Not only does the time available to civil servants limit the overarching dialogue about global dilemmas and transition thinking, but the necessary knowledge is not always available in a silo in time to be able to respond to political opportunities. Confidentiality is necessary in order to be able to freely seek a joint analysis of ministries as a counterweight to possible one-sided lobbies. Dialogues should be able to contribute to synergy between services, but not necessarily to joint strategic decisions: they can also be reflected as knowledge in individual documents and decision notes. As soon as an analysis is sufficiently shared, it can also be translated into a concrete goal – a long-term vision that is also attractive to politicians. Withdrawing behind the scenes to freely discuss the government's strategy does not hinder transparency towards citizens. A clear strategy makes it easier to communicate unambiguously and transparently.

Silos can improve their mutual synergy by jointly requesting support from executive services that take policy-neutral work off their hands. (Ministry-neutral is actually a better word, because the resulting government strategy is not policy-neutral in the eyes of society, even if that government strategy is based on dialogue with social partners.) Policy departments can inform a support service about their ongoing activities to identify opportunities for synergies, and to facilitate meetings to capitalise on

potential synergies they see. Where this requires a lot of flexibility and trust, it is better to keep it within the government.

At the interfaces between the policy services of ministries, the government can increase the strategic capacity of the Netherlands with the following measures:

- Setting up a transition-oriented joint support (3.3 explains how), assuming that every aspect of a transition is currently assigned to a policy service that can also free up some capacity to analyse the transition interdepartmentally with that support.

3.3 The conversation between policy services and policy implementation

A great deal of cooperation between ministries is needed to identify long-term dilemmas and to better substantiate policy in the silos, taking into account the transfer of knock-on effects to foreign countries. This is complex, can be sensitive in the cabinet, and there is no service that has the task of supporting this process behind the scenes. Such a service could increase the strategic capacity of the government by relieving the overburdened policy officers without taking over their responsibility to support politicians. This can be done by actively introducing transition thinking. This creates a conversation between policy services and policy implementation about strategically sensitive policy options around transitions that they can jointly inform their ministers about, and then parliament.

If this gap is filled, ministries will be able to inform politics in a more integrated transition way, show the coherence between sectoral policies, respond to opportunities, and parliament will also be able to better organise its own dialogue around these transitions and long-term questions. This is an effective and efficient way to increase the strategic capacity of the government itself and subsequently the entire governance system, from parliament to businesses and citizens.

At the interface between policy services and implementation, the government can increase the strategic capacity of the Netherlands with the following measures:

- Have services (better) support policy-neutral policy processes per transition with knowledge, organizational memory and conversation facilitation. There are examples like the Netherlands Enterprise Agency (RVO), the Overlegorgaan Fysieke Leefomgeving⁷ (OFL) or the LEF Future Centre. This facility can 'unburden' the policy services with their own partial interests in terms of institutional memory (knowledge) and can facilitate cooperation in a policy-neutral way. This may require interdepartmental assignment and also requires sufficiently qualified personnel.

⁷ Translated literally into 'deliberative organ physical living environment'. Note that the term 'environment' in Dutch translates as 'milieu' which is about pollution, whilst 'leefomgeving' can only be translated to English as 'living environment', meaning pollution but also other spatial qualities that matter to people. This distinction has emerged to emphasise that 'living environment' overarches the responsibility of the government silo responsible for abating pollution ('milieu') and silos responsible for other aspects of the environment that people experience, like the protection of nature, recreation, space for housing and attainability of destinations.

- Make use of the many lessons learned from the past and the instruments that have been developed and institutions that already exist to structurally support official processes, but which are underused as far as the Dutch contribution to global transitions is concerned.

3.4 The conversation between government and civil society

In the Dutch deliberative democracy, also known as the Dutch polder model, the partners from civil society talk to each other. It takes place on platforms that the government often enables, such as the Social and Economic Council, the OFL and Transition Tables. The social partners on these platforms represent businesses, workers, consumers and citizens, insofar as they are affected by a transition and insofar as they are organised at national level. Together, they advise the government, which means they can transcend unilateral lobbies. Ministries can also ask questions and respond to content. Of course, these platforms do not have a monopoly on contact with the government, but they can use authoritative analyses that may force unilateral lobbies to come up with good arguments if their wishes do not seem to contribute to desirable transitions.

Transition thinking is applied on many of these platforms. The platforms are often given a long-term assignment by the government (a mission), but mainly determine their own agenda. There is explicit discussion of possible transition paths aimed at shared long-term values, which require major interventions. Because this can have unexpected consequences, these are very active networks that make connections with each other informally. However, it remains difficult to represent, at the table, people who have not organised themselves or who do not live in the Netherlands even if the global interconnectedness makes their interests our own.

To ensure that affected groups that can contribute constructively are represented at these tables as much as possible, the Dutch government traditionally supports civil society organisations. Despite a membership base in the Netherlands, they may need additional budget, especially if the group represented has little financial clout. In the past, this was true for the environmental movement, but now it is still true for organizations that make the voice of the world's poor heard in the Netherlands. In the case of global transitions, this concerns both the organisations that are active in low- and middle income countries and those that are active in the field of environment and justice in the Netherlands itself. These organisations can reach their constituencies better than the government can, and they can provide complementary perspectives at the transition tables.

The government must be able to support these platforms at the same time without expecting anything in return other than their active participation in the dialogue and involving their constituencies. At the same time, the government must participate in policy from all policy areas that touch on what is discussed on a platform in order to collect arguments for its own policy, or its adjustment, and also to indicate if policy is not feasible.

At the interface between government and civil society, the government can increase the strategic capacity of the Netherlands with the following measures:

- Financially support Dutch organizations that autonomously represent global interests so that these interests can be represented on the platforms of deliberative democracy (the support that the government traditionally gives to this now seems to be eroding).
- Increasing the ability of ministries to be present and to translate transition thinking into their own hierarchy, and then more about this as a whole government to discuss global dilemmas with citizens or directly or through consultation platforms that you can support if necessary. The solution to this is discussed above (in 3.3).

3.5 The conversation between government and citizens

If the government organises itself more integrally around transitions, as described above, it can also discuss its dilemmas more easily with citizens and jointly make resources available for them. This is crucial in order to look for strategic choices that have support. The government has its own responsibility, but platforms of deliberative democracy can provide valuable inspiration to determine what is presented to citizens.

Conducting a policy-neutral dialogue with citizens is still a weak point in the Dutch governance system. Experiments are being carried out – especially in a decentralised manner – with citizens' assemblies that should facilitate a lot of dialogue in a short period of time and give an impulse to the understanding of as many citizens as possible for the dilemmas in policy. In the public debate, politicians will then have an easier time connecting with facts that these citizens already know. In addition to citizens' assemblies, dialogue about global dilemmas can also include organizing the smaller and more permanent citizens' panels, and referendums on value dilemmas that follow from transition thinking.

At the interface between government and citizens, the government can increase the strategic capacity of the Netherlands with the following measures:

- Working more integrally on global transitions (see 3.2 and 3.3) and thus also more easily organize the conversation with citizens in an integrated and policy-neutral way, for example in citizens' assemblies.
- Encouraging citizens to participate. Many citizens have time and interest in global sustainability. They can also stimulate each other (see 3.6), and seek knowledge and transfer knowledge to each other (see 3.8). Their leaders can encourage this (see 3.9).

3.6 The conversation between citizens

The strategic capacity of our country can be increased if groups of citizens have contact with each other, are aware of the situation of the other and understand each other's values and considerations. The role of informal relationships and trust is crucial here and this seems to be eroding in the Netherlands. It can lead to a vicious circle: less trust in the media, science and government itself can lead to less budget for these crucial links in our strategic capacity. A self-reinforcing effect.

At the interface between citizens, the government can increase the strategic capacity of the Netherlands with the following measures:

- Pursue active policies to foster trust between citizens, including through independent knowledge (3.7 and 3.8) and the right leadership (3.9).

3.7 The conversation between levels of government

The Netherlands also has an in-house task to accelerate global transitions in the areas of value chains such as energy, materials (circularity) and agriculture. The construction of wind turbines, energy infrastructure, infrastructure for circularity and agriculture with a better 'global footprint' has consequences for our scarce space. The spatial decisions that we have to make in the Netherlands with a view to our contribution to global transitions may come up against different views on fairness of the redesign of the Netherlands. The question is whether we, as a country, have thought through these dilemmas and these choices properly when we, together with the EU, promised the rest of the world that we would contribute to global transitions for climate and biodiversity.

Many global dilemmas are only really on the table when the spatial elaboration is being made, and those dilemmas run right through the Dutch population. There are many local transition initiatives by citizens and businesses. Their initiatives often require permission and support from governments. This means that governments must not only be aware of these social initiatives, but also give them direction in the light of possible injustice that other Dutch citizens may experience, for example because their energy bills go up, meat becomes more expensive, or there is no room left for housing construction. Governments must weigh these injustices against international injustice and loss of credibility in the world due to non-compliance with international agreements. The substantive logic of this management therefore does not respect administrative boundaries: an area-specific approach is needed. In addition to facilitating movement in society, there is also a call for more control by the government on spatial development with a view to national and international interests if it is otherwise not possible to achieve transitions locally. This can be done, for example, by setting priorities in the overarching (inter)national interest. Attempts are being made to direct the situation, but this is extremely complex. For example, the areas that the national government has designated to be more actively involved in the National Environmental Vision⁸, the areas of the National Programme for Regional Energy Strategies, and the Integrated River Management programme. The complexity sometimes seems so great that it seems impossible to organise and direct it 'from above'.

At the interface between the levels of government, the government can increase the strategic capacity of the Netherlands with the following measures:

- Giving neutral facilitators of area-oriented development processes more space. Collaborating developers can talk to users of an area together. Environmental impact assessment⁹ can be a unifying and a justifying and legitimizing tool if you let it run along with those processes.

⁸ Nationale Omgevingsvisie, the view of the national government on the development of the use of space.

⁹ In The Netherlands, 'environmental impact assessment (EIA)' (milieueffectrapportage, in short 'mer') refers both to EIA (i.e., for project consent decisions), and SEA (Strategic Environmental Assessment, i.e, for plans and programmes). They are called project-mer and plan-mer.

- Where an existential interest is affected and there is little time to react, spatial choices cannot wait. These can then only be justified afterwards.
- To support more preventive structural dialogue with and between citizens about the conditions for acceptance of spatial interventions and to make citizens less sensitive to misinformation.

3.8 The support of all these conversations by independent knowledge

Because citizens participate in decision-making on policy through elections and through their behaviour as consumers and sometimes as developers or investors, their role in strategic capacity is important. In dialogues, knowledge is exchanged and that influences our points of view. Nowadays there is also misinformation. There is a lot of reliable knowledge available, but due to this complexity, that knowledge does not reach large groups of people. Many dilemmas cannot be solved in the short term. If you want to deal with this constructively in the short term, then dialogue must also be about the long term (transition thinking). The focus of the conversation on the short term becomes stronger when the public debate becomes more polarised around short-term policy decisions: this draws attention away from sustainability dilemmas.

Reliable long-term knowledge comes from numerous sources that are largely facilitated and/or regulated by the government with a view to independence, such as education, science, and media. In the Netherlands, there are all kinds of knowledge institutions that make scenarios of possible futures, analyse policy and make or check the substantiation of policy, such as advisory councils, planning agencies and the NCEA. Increasingly, and if their target group can and wants to do something with it, knowledge institutions and media are also applying transition thinking, especially advisory councils and planning agencies. Availability of knowledge does not seem to be the weakest link in our strategic capacity.

At the interface between the governance system and the independent knowledge institutions, the government can increase the strategic capacity of the Netherlands with the following measure:

- Facilitate that reliable knowledge is understood and trusted again. This means investing in all other links of strategic capacity where necessary, which depends on leadership (3.9). This analysis by the NCEA can be seen as a substantiation of the urgency of this issue, which is linked to major questions about the education system, the media and manners in politics.

3.9 The leadership that makes all those conversations possible

Leadership must emerge. You can't organize that. So, this is a call.

The government, as analysed above, can invest in the connections between organisations and people and in the dialogue needed to increase our strategic capacity. Dialogue is a prerequisite, but not a concrete result in terms of social interests and values.

Investing in dialogue therefore requires an own initiative, a type of leadership, that is not only looking for visible results in the short term, other than the dialogue itself. In a context of polarisation around short-term policy choices, the government is more likely to be suspected of serving a one-sided

interest. The personal importance of committing oneself to dialogue as an end in itself then diminishes. You need all your time and attention to hold your own in the polarised debate about the short term. Dialogue is time-consuming: you first need a partner to engage with, and that means investing in the relationship.

In politics this is especially difficult: you are under a magnifying glass of a constituency that wants to see results, not dialogue. After elections, the scene changes and you have to invest in relationships again. Political leaders who want to connect people in dialogue around global transitions are therefore highly dependent on servant, connective leadership. Civil servants have more time – if they are given space by their political leaders. Rather than merely supporting the polarised debate, they can also enable connections and strategic capacity within the administration (see in particular 3.1, 3.2 and 3.3). Although there is an SDG ambassador for low- and medium income countries and an SDG coordinator for the Netherlands, it is also proving difficult for them to put global transition thinking sufficiently on the agenda and to draw attention away from the polarised short term through their process interventions. The Netherlands also has 'envoys' who have more focus, but with a mandate over several departments. Think of climate envoy, water envoy, raw materials envoy. Many envoys are either focused on foreign countries (climate envoy) or on the Netherlands (raw materials envoy).

An ambassador, coordinator or envoy can never work alone, and has to deal with a chicken-and-egg situation: in order to enthuse other leaders to take initiative, there must first be a common perspective; a long-term 'mission' that gives enough perspective. But in order to develop that mission, you first need dialogue in which enough parties are connected so that there is room for the values of enough citizens.

To increase the strategic capacity of the Netherlands:

- Officials can make proposals to elaborate on the above-mentioned measures. Together, they can show the political administrators that this is an opportunity for them to facilitate the strategic capacity of the Netherlands, starting with the government itself and with a mission as a recruiting perspective. That mission must be long-term and in line with the values of most citizens. What this means in the short term must remain open in order to allow for dialogue on the subject.
- Political leaders can give civil service leaders the space (and resources) to develop these proposals.

4. What can we do now?

In order to make knowledge about the long term with transition thinking relevant to policy, the entire chain of dialogues is needed (see 3.8). Perhaps the greatest leverage for dialogue can be achieved if the government thematically links three types of arrangements: support for cooperation between policy areas (3.3) support for deliberative democracy platforms (3.4) and support dialogue with and between citizens, (3.5 in 3.6). We can start with the first: starting a facility within the government to facilitate global transition thinking across silos. This facility should have a clear mandate, objectives on the necessary transitions, be staffed with representatives from different silos and be funded for a minimum of five years.

The analysis shows that the capacity of the Netherlands to make conscious strategic choices regarding our role in global sustainable development is declining rather than increasing. The weakest links to invest in first seem to be the dialogue between policy silos that touch on the same global transition (see primary 3.3) – the basic condition. If that condition is met, the dialogue between ministries working together on specific transitions and citizens (3.5) and dialogue between citizens, (3.6). 3.5 stands out: the support of civil society that represents justice for citizens in the Netherlands and in the world.

All these investments depend on leadership, especially civil service leadership (see 3.9). However, this official leadership can take full advantage of the existing lively deliberative democracy that the Netherlands still has. There is no shortage of ideas about transitions, and people in all corners of 'the polder' can help each other in the interest of transitions that as many people as possible see as just. The first thing they can do is to start a facility within the government that supports transition thinking across silos and does so for each transition. The NCEA can provide ideas from the Sustainability Analysis programme.

Transitions are extremely complex and will have to be narrowed down to a handful of silos that together can analyse the future for urgent themes and translate them into the short term, starting with a further analysis of the weaknesses in the Dutch strategic capacity around that transition, and then investing in them.

5. Sources

A selection of the sources referred to in the main report.

Biesbroek, Robbert 2021. Policy integration and climate change adaptation. In: Current Opinion in Environmental Sustainability 2021, 52:75–81.

Bolhuis, Wilmar (2023). Economists must know what transition failure is. ESB.

Bouckaert, Geert & Werner Jann (2020). European Perspectives for Public Administration: The Way Forward. Leuven University Press.

EC 2022 Proposal for a Directive on corporate sustainability due diligence for corporate investments

Evans, Peter (1995). Embedded Autonomy: States and Industrial Transformation. Princeton University Press.

EZK, 2022. Dare to learn, continue measuring. In search of frameworks and methods for the evaluation of system and transition policies. Ministry of Economic Affairs and Climate.

IOB 2023 Better tuned? Evaluation of the Policy Coherence for Development Action Plan. Report on progress of the Dutch policy coherence action plan.

Kahneman Daniel (2011) Thinking fast and slow. Farrar, Straus and Giroux.

Kingdom of the Netherlands (2022) Voluntary National Review on the Sustainable Development Goals.

United Nations High–Level Political Forum on Sustainable Development 2022.

Maas, Timo & Paul Lucas (2023). Well-being and the SDGs. Similarities, differences, and roles for policy. Netherlands Environmental Assessment Agency.

Mazzucato Mariana (2022). Mission economy. A moonshot guide to changing capitalism. Allen lane.

Mazzucato, Mariana & Rosie Collington (2023). The big con. How the Consulting Industry Weakens our Businesses, Infantilizes our Governments and Warps our Economies. Penguin Allen Lane.

Mintzberg, Henry (2014). Rebalancing society.

National Government, 2024. Policy Compass. Government of the Netherlands, knowledge centre for regulation and policy, 4 January 2024 (accessed May 2024).

OECD (2019) Equal access to justice for inclusive growth: Putting people at the centre. Paris: OECD Publishing.

OECD (2019). Policy Coherence for Sustainable Development. Empowering People and Ensuring Inclusiveness and Equality.

OECD Guidelines on international Responsible Business Conduct (RBC).

PBL (2018). Using planetary boundaries to support national implementation of environment-related sustainable development goals. Paul Lucas and Harry Wiling. PBL publication 2748.

Pörtner H.-O., R. J. Scholes; A. Arneeth; D. K. A. Barnes; M. T. Burrows; S. E. Diamond; C. M. Duarte; W. Kiessling; P. Leadley; S. Managi; P. McElwee; G. Midgley; H. T. Ngo; D. Obura; U. Pascual, M. Sankaran; Y. J. Shin; & A. L. Val (2023). Overcoming the coupled climate and biodiversity crises and their societal impacts. Science Vol 380, Issue 6642.

Pot, Wieke D. 2022. The governance challenge of implementing long-term sustainability objectives with present-day investment decisions. Journal of Cleaner Production Volume 280, Part 2, 20 January 2021, 124475.

Putters, Kim (2023). Speech on 17 May 2023 by Kim Putters, chair of the SER.

Raworth, Kate (2017). Exploring doughnut economics. Webpage.

RLI 2022. Advice on financing transitions. Dutch Council on Environment and Infrastructure

RLI, 2023. Exploration of system failures in environmental policy. An exploration of the problem. Council for Environment and Infrastructure.

SCP, 2023. Citizen Perspectives 2023. Message 3. Netherlands Institute for Social Research.

Termeer Catrien J. A. M.; Art Dewulf Gerard Breeman & Sabina J. Stiller. (2013). Governance Capabilities for Dealing Wisely With Wicked Problems. Administration & Society Volume 47, Issue 6.

Termeer, C. J., & Metzger, T. A. P. (2019). More than peanuts: Transformation towards a circular economy through a small-wins governance framework. Journal of Cleaner Production, 240, 118272.

UN CEPA 2023. Urgently transforming institutions for a greener, more inclusive and more resilient world at a time of multiple crises. Contribution by the Committee of Experts on Public Administration to the 2023 high-level political forum on sustainable development. Economic and Social Council Committee of Experts on Public Administration.

UN Department of Economic and Social Affairs (webpage) The Sustainable Development Goals.

UN Statistics 2022. Sustainable Development Goals Progress Chart 2022. Statistics Division, Department of Economic and Social Affairs, United Nations.

UN Sustainable Development Council (2023). The Global Sustainable Development Report (2023).

van Twist, Mark; Rik Peeters; Martijn van der Steen (2007). Balancing between encapsulation and divestment An essay on the strategic function in the Dutch government. NSOB

VROM (2001). National Environmental Policy Plan 4. Ministry of Housing, Spatial Planning and the Environment. The Hague, Sdu.

WBCSD, 2011. Collaboration, innovation, transformation: Ideas and inspiration to accelerate sustainable growth – A value chain approach. World Business Council on Sustainable Development.

World Bank Group. 2023. The Big Push for Transformation through Climate and Development—Recommendations of the High-Level Advisory Group on Sustainable and Inclusive Recovery and Growth. Washington, DC: World Bank. License: Creative Commons Attribution Non-commercial (CC BY-NC 3.0 IGO).

WRR (2023). Grip. The social importance of personal control. National Scientific Council for the Government.

Zouridis, Stavros; Eva Wolf & Feie Herkes (2022). Dissolving and binding governance of the environment. Legalisation in the practice of environmental decision-making. Tree Public Administration.