

To the Minister of Infrastructure and Water Management
Ms B. Visser
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Reference: Rli-2021/3124
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Enclosures/Attachments:
Subject: Rli work programme 2022-2023

Dear Ms Visser,

The Council for the Environment and Infrastructure (Rli) met several times in the past year to discuss possible subjects for its 2022-2023 work programme. The council took into account the interests expressed by the departments and in the contacts with you and your colleagues. Because of the strong interconnection of the challenges in the physical environment, most of the council's advisory reports will extend beyond the borders of the four departments in the physical domain.

Several subjects from the 2021-2022 work programme will continue into 2022:

- Position and future of the system of housing associations
- Reviewing nature policy
- Nuclear energy

The council proposes five new themes for its 2022-2023 programming. These themes are briefly explained in this letter:

- Finance and sustainability transitions
- Green recovery - Green Deal
- Policy for business parks
- Forgotten Netherlands?
- Water Framework Directive.

In 2022, the council also wishes to consider, in consultation with the departments, whether it is desirable for the council to advise on the implementation of the energy transition. For example, there may be added value in an advisory report on the role of risk policy in the energy transition, more specifically on how the health and safety risks of new energy technology and the declining risks of fossil fuel phase-out are weighed.



At the request of the Minister of the Interior and Kingdom Relations, the council has expressed its willingness to act as an independent evaluation committee for the Dutch Environment and Planning Act (*Omgevingswet*) in the period from July 2022 to July 2027. Agreements will be made with the Ministry of the Interior and Kingdom Relations for the implementation of this additional task, so that it does not detract from the existing scope for solicited and unsolicited advice.

As the council has not yet had the opportunity to speak with the members of a new fully-fledged government about their advisory needs, we would like to reserve the right to adjust our programming accordingly in due course.

Yours sincerely,
Council for the Environment and Infrastructure,



J.J. de Graeff

chair



Dr R. Hillebrand

general secretary

Advisory report subjects for 2022- 2023

For information purposes, the sustainable development goals addressed by the theme in question are indicated for each subject.

1. Finance and sustainability transitions



Sustainability transitions are increasingly impacting the financing of business activities that are largely financed with debt. Banks including the Waterschapsbank and the Bank Nederlandse Gemeenten, pension funds and other investment funds, investors and insurers are increasingly facing financial risks in investments that are sensitive to the depletion of natural resources, biodiversity loss and climate change.

The financial world is debating how to deal with investment risks related to unsustainability and how the financial world can contribute to making economic activities more sustainable in order to reduce risks. Internationally (IMF, ECB), this debate is taking place under the umbrella of ESG (Environmental Social Governance); the EU is working on measurement methods to operationalise ESG objectives. Returns on non-sustainable financing are currently often higher, but in certain sectors (e.g. energy supply) this situation is beginning to tilt. In the Netherlands, this is evident for instance, in shareholder activism (Shell, Follow This), in critical reflections on Rabobank's role in agricultural issues¹ and in warnings from the Dutch Central Bank (DNB)².

Do we leave this development to 'the market', or does the government have a full or partial responsibility for sustainable financing by investors? How can the government make more use of the financial world as a partner in sustainability transitions in the physical environment? What does this require from institutional structures?

What measures can and should the government take to optimally promote sustainable financing? What institutional changes does this require?

¹ Trouw (2021). *Rabobank: we contributed to agricultural issues*. 28.1.21.

² DNB (2021). *Climate change and biodiversity must play a bigger role in the deliberations*, [Klimaatrisico's - De Nederlandsche Bank \(dnb.nl\)](https://www.klimaatrisico.nl)

2. Green recovery – Green Deal



In July 2020, the Rli published its advisory letter 'Green Recovery', on linking the post-COVID-19 economic recovery to the objectives of making society more sustainable. In its response of 18 March 2021, the government endorsed the approach chosen by the council in this advisory letter and called on the Rli to contribute further to the development of perspective for recovery and renewal following COVID-19.

At the same time, Europe has set the goal of becoming the world's first climate-neutral and sustainable continent. A roadmap, the European Green Deal, has been drawn up for this purpose. The Green Deal will succeed only if the tackling of the climate and environmental problems in all policy domains is used as an opportunity to make the transition fair and inclusive for all Europeans.

In this follow-up advice to Green Recovery, the council is pleased to contribute to what is needed after the crisis for a green prospective that is in line with the ambitions of the Green Deal. What does this mean for public-sector investment and the renewal of government policies, including in light of the current uncertainties? In its Green Recovery advisory letter, the council formulated a simple assessment framework for evaluating recovery investments from a broad welfare perspective and outlined possible measures. In its follow-up report, the council will detail specific measures and policies for a green recovery and link these to the opportunities and risks of the Green Deal for the Netherlands. The report therefore builds to some extent on the Van Geest Commission's report Destination Paris.

What opportunities and risks does the Green Deal entail for the Netherlands? In view of this, what is the best recovery and sustainability policy for the Netherlands?

3. Policy for business parks



While housing is at the top of the agenda in the national political debate, business parks have faded into the background. The focus is on where people live, with hardly any attention paid to where they work. That is unjustified. There are several developments that demand a policy renewal for business parks. This relates to the locations where business parks are or will be located, the sustainability challenges for business activity, changes in logistics chains in the Dutch economy and the concern for the quality of the Dutch landscape.

In many parts of the country, new business parks are being developed to attract new companies, while at the same time, a large area is occupied by existing business parks, some of which are in danger of becoming obsolete and in need of restructuring. Available locations and financial incentives for municipalities reinforce this development. The problems of business parks are also related to changes in logistics chains. The digitalisation of society affects, for example, the choices people make about how they shop. This, in turn, has consequences for the nature and extent of goods flows and for the desired locations for logistics centres. The emergence of business parks for new functions such as XL distribution centres and data centres is causing concern about the quality of the Dutch landscape.

Business parks are currently the responsibility of local governments, while they are of great significance to the quality of the living environment and for the major spatial issues at stake in the Netherlands.

What opportunities and barriers are there for a coherent redevelopment or development of existing and new business parks, including in relation to changes in logistics chains, so that they contribute to transition challenges and the quality of the landscape? What does this mean for the roles, responsibilities and instruments of central government and other public authorities, market players and society?

4. Forgotten Netherlands?



In its advisory report 'Access to the City', the Rli indicated that for more and more people, participation in life in the city is unattainable and unaffordable. The converse to this is that elsewhere in the Netherlands, outside the city, essential amenities and functions such as care, education and work, are sometimes not available at all or are difficult to reach.

Many see a two-speed Netherlands emerging. A Netherlands of well-connected cities and regions that are doing well economically and other parts of the Netherlands that are lagging behind in terms of public amenities, health and municipal financial clout. Demographically, this may result in highly educated people increasingly living in the larger successful cities, where there is also an increasing concentration of facilities. This is partly the result of market forces, but partly also of policy choices aimed at reducing costs within policy sectors through economies of scale and strengthening what is already strong. At the same time, there seems to be a reverse movement (regarding some aspects), with the quality of the environment in the well-connected cities and regions under more pressure than elsewhere.

In which areas in the Netherlands is broad prosperity actually declining? What does this mean for the development of these areas and the Netherlands as a whole, and to what extent does this require an adjustment of central government policy?

For this advice, we will cooperate with the Council for Public Health & Society (RVS) and the Council for Public Administration (ROB).

5. Water Framework Directive



The Water Framework Directive (WFD) aims to protect inland surface water, transitional waters, coastal waters and groundwater. In 2027, the Netherlands shall meet the objectives of the framework directive and this involves a considerable quality enhancement challenge. The environmental objectives of the WFD consist of a protection objective, an enhancement objective and the principle of preventing the existing water quality to deteriorate. The Netherlands must ultimately ensure that all waters are in 'good status'. Where this is not the case, efforts should be made to improve water quality. The 'no deterioration principle' also applies, which means that measures must be taken to ensure that the existing status does not deteriorate. When defining 'good status', a distinction is made between good chemical status and good ecological status for surface water, and good chemical status and good quantitative status for groundwater.³

The Netherlands is at risk of not achieving the objectives in time. To avert this an integrated approach is required. After all, water quality is linked to developments in several other sectors, such as agriculture, nature and domestic water use. This makes the approach complex, and various factors and circumstances seem to be causing serious delays. The question of what the consequences might be if the WFD is not met by 2027 is not high on the political agenda of the national government, provinces, water boards and municipalities.

How is the implementation of the WFD progressing? What are the consequences if the requirements of this directive are not met? What can be done to prevent that?

³ Annelie Freriks, Niels Koeman and Marleen van Rijswijk (2020) Eindrapport Naar een effectieve rolverdeling bij de mestproblematiek, Centre for Water, Oceans and Sustainable Law.