1 The World Adrift

1.1 A fool’s paradise

Today’s world is rife with examples of uneven development, the unsustainable use of natural resources, the effects of climate change and cases of persistent poverty and malnutrition. Recent global crises highlight the need for new interactions between people, and between people and nature.

The current food system has neither led to the eradication of hunger nor provided sustainable livelihoods. The globalisation and industrialisation of food production has had a dramatic impact on food producers worldwide. The current food and agricultural system has left a legacy of dilapidated and abandoned rural areas, increasingly less diversity in agricultural production systems and conditions of diminished food security.

As a consequence of the public and political attention that’s being paid to climate change, awareness has also increased regarding the impact that our current economic system has on biodiversity and natural resources. There is increased recognition for the need to replace our current fossil fuel-based economy. However, instead of addressing the challenges of climate change and the broader challenge of sustainable development by focusing on fundamental changes in lifestyle and production patterns, the global debate has focused on technical solutions that will eventually have an adverse effect on our forests, land and water resources as well as on people’s livelihoods. For example, the replacement of fossil fuels with agro-fuels is already causing significant problems in the areas of land tenure and natural resource management, while increasing greenhouse gas emissions as a result of land conversion efforts in developing countries. The costs of the damage these types of solutions cause will simply be deferred to those who played no role in causing them.

Social, political, environmental and economic inequities are increasing at both the national and global levels, despite significant foreign direct investments in developing countries, a consistent flow of official development assistance (ODA) and worldwide economic growth. Trade liberalisation and global trade agreements have increased the global influence and rights of companies without ensuring the development of a parallel framework of corporate legal obligations in terms of transparency and public accountability. National-level oversight and control systems remain insufficient and international regulation is nearly nonexistent. Current accounting and pricing schemes do not include the costs of the unsustainable use of natural resources. The perks of current economic development trends are much less positive than they appear to be. For instance, there is no accounting for the costs of environmental damage, which, in turn, allows the current system to continue its degradation of our natural resources.

1.2 The buzz: Change is in the air

The food, financial and climate crises have opened the eyes of people worldwide. An increasing number of entrepreneurs, trade unions, producers, women’s organisations and young people have become aware that the current established systems of trade, consumption and production are based on serious flaws that threaten our current quality of life. People from all walks of life are demanding new rules and regulations, while initiatives for a different approach to current global needs are being introduced all across the globe. Today’s buzzwords at national and international forums are ‘sustainability’, ‘paradigm shift’ and ‘leadership’. Our challenge is to ensure that the buzz generates the right energy and initiatives that will sufficiently bridge the gap between all of these good
initiatives, and the ever-increasing pace of environmental degradation and marginalisation of people.

To convert lip service into action requires an organised political will. It is obvious that changes are necessary at the level of the global economic system. But decision makers have tended to focus on short-term, piecemeal solutions. Besides, business-as-usual approaches seldom, if ever, benefit the unempowered poor people and the world’s fragile ecosystems. If the basic premises of current economic structures and systems of government are not confronted, the solutions that the decision makers choose to implement will do nothing to resolve the current structural social, environmental and economic problems that hold the world in their grip.

1.3 Civil society
Over the past two decades, civil society has become substantially more powerful and diverse. Civil society organisations (CSOs) have benefited from the rapidly expanding capacities of affordable global communications media, which have fostered interactions and knowledge exchanges between local communities and CSOs around the globe. CSOs commonly interact with representatives from the academic, business and governmental sectors. Moreover, their capacity to mobilise public support and public pressure, for example, via rapid response e-campaigns in urgent rights abuse cases has only continued to expand. Southern CSOs, which often have a strong and active grassroots support base, are increasingly capable of developing their own viable, fair and sustainable policy proposals based on past successful experiences in the field.

In general, CSOs are in a good position to link local realities to policy discussions, to identify strategic issues and to set policy agendas that focus on poverty reduction, sustainable development and social justice issues. Furthermore, there has been an increasing willingness among the stakeholders and actors to discuss differences in perspectives amongst one another, and to develop joint initiatives based on ongoing experiences and shared ambitions. The combination of the networking capacity of CSOs at a global level, their increased capacity to develop viable alternatives, and a growing interest in cooperation with like-minded people from the government, business and science communities offers CSOs an important opportunity to replicate their sustainable development initiatives that focus on reducing inequities and poverty.
2 Both ENDS

Both ENDS is an independent organisation with knowledge and expertise in areas related to the challenges involved in the management of natural resources and livelihood development, especially in the areas of international capital flows, sustainable land use and water management.

Both ENDS contributes to strengthening civil society organisations in developing countries through:

- **Empowerment**: Sustainability implies a balance between social justice and ecological integrity. CSOs play a crucial role in identifying problems, analysing their causes and developing solutions (alternatives). However, CSOs often need support in their efforts to facilitate change. Both ENDS assists CSOs by increasing their capability to engage in decision-making processes with other stakeholders.

- **Innovation**: Both ENDS offers a comprehensive global overview of current issues that others are not privy to. We have a bird’s eye view of countless local and global developments. This allows us to identify initiatives that could potentially be applied beyond their direct local environments. The CSOs we work with are innovative and are involved in developing and promoting new approaches, which affords us ample opportunities to effectively identify and promote actions towards a green and fair society.

- **Advocacy**: Both ENDS works with civil society organisations in developing countries that raise awareness about sustainable development issues and propose solutions to various problems. Our advocacy work with these organisations and others operating in the Netherlands or internationally, helps to empower people and promote social justice and ecological integrity.

- **Solidarity**: Both ENDS trusts and respects the interests of voiceless people and oppressed communities and of the world’s many fragile ecosystems. It supports CSOs – particularly in developing countries – in their efforts to challenge the entrenched systems that work against their well-being. We engage in international cooperation efforts in order to promote a green and fair society that respects everyone’s interests and preserves ecological values.
3 Envisioning the future: Networks inspire diverse and sustainable development

3.1 Thinking in terms of systems change
There is a growing realisation around the world that our current lifestyles are unsustainable. Calculations of the Ecological Footprint, the IPCC’s predictions, the Human Development Index’s annual progress reports, and the IUCN Red List’s alarming observations regarding biodiversity loss indicate that current consumption and production trends in society are adversely affecting the earth’s ecosystems. Business as usual is no longer an option.

The response to current economic, social and environmental challenges until recently has been to focus on a ‘do no harm’ strategy. Governments, companies, academia, CSOs and international institutions are all involved in reducing the detrimental effects of current economic production and consumption trends. While these initiatives are welcomed, they will be insufficient to facilitate the necessary paradigm shift towards sustainable systems that allow the soon-to-be 9 billion people on earth to live dignified lives. These strategies to mitigate environmental degradation and ultimately foster improved labour conditions must be complemented with practical initiatives that will inspire more fundamental changes to current systems and will serve as stepping-stones in the societal transition towards a world that will improve the lives and prospects of all of the world’s people.

3.2 Our worldview
We envision a world that manages its natural resources in a sustainable way, which is characterised by economic systems that are biodiversity-based. This world will respect the diversity of local production systems and adjust consumption to actual needs. A systems change will require new innovative social and economic concepts. One characteristic of this new green and fair society will mean that local institutions will be able to effectively manage their own natural resources. These local institutions will have the authority to negotiate policies at both the national and regional levels, and will be connected to a variety of global networks. The combination of traditional and indigenous knowledge and conventional science will enable people to better understand their ecosystems and how they can best be utilised.

To properly manage the global commons – including the climate, marine fisheries, and clean air and water – a variety of community and national networks will need to share their data, knowledge and experiences. Any significant innovations in land and water management will inform and reform national and international policies and legal frameworks. They will also identify policies detrimental to social equity and environmental sustainability.

Networks of civil society organisations are a strong foundation for cooperation with higher educations, research, business and government. This level of cooperation has facilitated an increase in local innovations and has inspired others to take action within their own professional and public spheres of influence. These types of innovations, rooted in the South, have created significant stepping-stones toward a more sustainable world.
3.3 Both ENDS 2015: Network of change makers

Civil society organisations have promoted numerous innovative solutions for today’s environmental and social challenges. They play a pivotal role, mediating between people and government, between business and the public sector and between practice and policy in efforts to develop a green and fair society.

CSO networks continue to play an important watchdog role, monitoring national and international policy developments. CSOs build networks across ecosystems, regions and themes to facilitate the exchange of methods, concepts and experiences. They research, develop and document innovative social and economic concepts. All these activities contribute to the systems changes that are necessary to respond to today’s many challenges.

Both ENDS and its network of civil society organisations bring inspiration and stories, as well as facts and figures on issues regarding the sustainable management of natural resources and livelihood development. A broad spectrum of young and old people located in cities, villages, forests, rural areas, mountains and river basins are beginning to show their leadership skills, initiating and implementing policy changes to develop the sustainable lifestyles they seek by practicing the ethics of ‘being, not having’.

Both ENDS collaborates with various civil society activists, practitioners and innovators from around the world. This allows us to link people and their local realities to global developments and decision makers. We represent a global network that contributes to transition processes by:

- Sharing and communicating our vision and stories of a diverse, inclusive and sustainable society in important fora;
- Implementing our vision by supporting promising initiatives that inspire and become an essential part of lifestyles, policy making and implementation;
- Cooperating to create and enhance initiatives that function as stepping-stones in the various transition processes;
- Mainstreaming our vision so that we can influence policies, rules and regulations that determine the key characteristics of tomorrow’s economic and social systems.
4 Strategy 2015: Local inspiration and global interconnectedness for systems change

4.1 Both ENDS operational strategy 2015
The (international) global social-environmental movement, and especially local organisations working on sustainable and inclusive development, effectively contribute to a world that manages its natural resources in a sustainable and socially equitable way and is characterised by economic systems (that are biodiversity) in which local institutions effectively manage and control their own natural resources.

Both ENDS will continue to provide tailor-made support and cooperate with national and regional, socially and environmentally minded CSOs, particularly those in the South, because we firmly believe that a diverse civil society is necessary to successfully implement significant changes that will foster sustainability.

We will continue to expand our outreach efforts to engage a variety of stakeholders including CSOs, ministries, companies, banks and international institutions to increase the impact of our innovative initiatives and to further stimulate the development and implementation of policies that will contribute to the establishment of a genuinely sustainable economic system.

Our work will build on our positive field experiences and on the expertise and commitment of the architects of initiatives. Both ENDS will identify and further groom any sustainability initiatives that have public and inspirational value. Both ENDS will continue to collaborate with civil society organisations, among others, to replicate, translate and promote these initiatives and experiences via policies and practices. We will also introduce innovators and their potential added value to likeminded people in government, business, academia, CSOs and international institutions.

We recognise that sustainable development can only survive in a system that ensures that economic, social and environmental values are actually integrated into society, the economy and various government policies. We will analyse and identify any policy proposals that promote sustainable development and contribute to their effective implementation. We will also not hesitate to challenge any rules or regulations that institutionalise non-sustainable developments and socio-economic inequities.

4.2 Operational strategies 2015
Messaging and broadcast capacities
Both ENDS sets out to both inspire and support decision makers and investors in their initiatives that promote a green and fair society. In other words, Both ENDS combines vision with action.

The essence of our message is that a New World is within our reach. We will collaborate with innovators who have exhibited their expertise and supplement our main message with actual examples of initiatives that effectively address the issue of systems change. We will present our message in a variety of ways in various media to better communicate with a broad spectrum of involved parties. The key here is to diversify our outreach program, where major roles are reserved for Both ENDS staff and various partner organisations in the effective dissemination of our message.
**Scouting**
We will work in close cooperation with our local partner organisations to identify innovators and support their activities to the best of our capacity. Our network will thus benefit from continued diversification. Support will focus on enhancing personal leadership and strengthening CSO-led sustainable development initiatives.

Both ENDS has developed a decentralised funding and capacity-building system that can aid grassroots organisations find the particular services they need. Together with local partner organisations, we will utilise storytelling methods, as well as documentation techniques, a certification process for innovations, and engagement strategies to effectively engage other actors.

**Networking for change**
Both ENDS actively participates in a number of innovative, policy-related networks consisting of Southern CSOs. These networks have shown their capacity and expertise for reaching out and connecting to other like-minded players to help promote their potential contributions to systems change. We will continue to bolster these networks, supporting them in their efforts to engage Dutch actors and stakeholders via our uniquely inclusive conferences that are always based on solid proposals.

**Both ENDS advocates for systems change**
We aim to significantly change current policy to ensure long-term sustainable development. We use a two-track approach toward that end: 1. we will analyse unsustainable policies against the backdrop of the need for systems change; and 2. we will identify, draft and make use of policies that lead to effective systems change. We also actively oppose unsustainable policies by drafting counter-proposals that are based on innovations developed within the Both ENDS network. Moreover, we invest in long-term relationships with policymakers and politicians by developing opportunities to establish direct dialogues with the major stakeholders. We will also continue to seek out new individuals, groups and organisations who can champion our common cause.
## Strategy 2015: Summary table

<table>
<thead>
<tr>
<th>CENTRAL OBJECTIVE</th>
<th>GOALS</th>
<th>TACTICS</th>
<th>MEASURES OF SUCCESS</th>
</tr>
</thead>
</table>
| **Communication** | Broadcast the Both ENDS message | Primary:  
- Both ENDS positioned as practical visionary  
- Create, package and sustain overall message  
- Engage with a variety of actors |  
- Integrate communication into all activities, including fundraising  
- Diversify communications and outreach program  
- Increase Both ENDS staff capacity to engage in ‘inclusive conversation’ with diverse actors through training  
- External communication focuses strictly on central message |  
- Communication strategy 2011-2015  
- 5 annual publications that sustain overall message, including stories from the field  
- Staff members must carry out 2 external presentations and/or panel debates annually  
- Communication tools and processes engage 50 new business, government and academic actors annually  
- Produce tailor-made message for 5 private donors annually |
| **Scouting** | Global network of Southern innovators for sustainability | Primary:  
- Identify and strengthen innovators  
- Support and stimulate leadership of active groups and individuals within the global environmental movement  
- Diversity existing CSO network  
- Generate stories that sustain overall message |  
- Engage existing partners to identify innovations and innovators  
- Strengthen CSO storytelling and engagement capacities by engaging other actors  
- Develop decentralised and non-conventional funding strategies  
- Delegate responsibilities to Both ENDS’ partner organisations to strengthen local NGOs and grassroots organisations |  
- Identify 40 groups and individuals annually that can champion the common cause and contribute to sustaining Both ENDS message  
- Amount of funds raised through decentralised systems doubles each year  
- 5 stories annually  
- 5 Southern partners prepared and supported in their local service work, reaching out to 50 local organisations annually |
| **Networking for change** | Link like-minded people to catalyse the potential for systems change | Primary:  
- Diversify Both ENDS networks with new Southern CSOs and other actors  
- Catalyse the ‘take-off’ phase of system innovations  
- Generate stories that sustain overall message  
- Inspire others to engage in acting for systems change |  
- Represent and introduce Both ENDS networks to Dutch actors  
- Engage relevant actors and stakeholders through inclusive conversation based on solid analyses and propositions  
- Identify policy opportunities and threats |  
- 5 networks with the active involvement of Dutch business, government and/or academic innovators  
- Network members annually disseminate message via external presentations and/or panel debates  
- Identify 10 policy opportunities annually  
- Engage in at least 5 Dutch-based multi-stakeholder dialogues related to sustainable development with active and long-term participation of Southern civil society representatives |
<table>
<thead>
<tr>
<th>Advocating for systems change</th>
<th>Primary:</th>
<th>Secondary:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy change for long-term sustainable development</td>
<td>Identify, create and use opportunities for effective systems change</td>
<td>Advocate against unsustainable policies signalled by Both ENDS network</td>
</tr>
<tr>
<td></td>
<td>Develop policy proposals based on innovations within the network</td>
<td>Identify and analyse unsustainable policies against the backdrop of the need for systems change</td>
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<tr>
<td></td>
<td>Inspire to engage in acting for systems change</td>
<td>Invest in strong, in-depth relationships with policymakers and politicians through direct conversations</td>
</tr>
<tr>
<td></td>
<td>Generate stories that sustain overall message</td>
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</tr>
</tbody>
</table>

- Identify policies that provide systems change opportunities
- Develop policy proposals based on existing experiences and initiatives within Both ENDS network
- Identify and analyse unsustainable policies against the backdrop of the need for systems change
- Invest in strong, in-depth relationships with policymakers and politicians through direct conversations
- Identify 3 policy areas annually that urgently need to be changed in order to avoid non-sustainable developments
- Analyses of key threats and opportunities in 3 identified policy areas annually
- 5 Both ENDS key messages annually that sustain overall message
- 3 Both ENDS-led discussion fora that implement 3 policy frameworks that foster sustainability
6 Good to great: Transition pathways

The Both ENDS Strategy 2015 concentrates on five major challenges that all take into account our sole non-negotiable principle – to include both national and regional, and both socially and environmentally minded CSOs as partners in all of our work –.

The Both ENDS Message
From: Do no harm To: Do Good
From ‘this is how we can mitigate the damage.’ to ‘this is how a new economic and social model benefits us all.’

The Both ENDS Communication Style
From: Analytical and informative To: Inspiring and challenging
From: Rational and realistic To: Visionary and ‘missionary’
From: Ad hoc communication To: Loyalty and consistency related to our long-term agenda
From ‘this is why current approaches do not work.’ to ‘our Southern network can inspire and demonstrate that activities that generate high-impact results exist.’

Both ENDS Scouting
From: Reactive, service oriented To: Pro-active and selective
From ‘let us know what you need to continue?’ to ‘how can we increase the impact of what you are doing?’

Both ENDS Networking
From: South To: Global
From ‘let us strengthen ourselves using our own means.’ to ‘let our strengths grow exponentially by connecting to others.’

Both ENDS Advocacy
From: Critical and problem spotting To: Opportunity spotting and constructive
From: Following existing agendas To: Being one step ahead through anticipatory actions
From ‘this is what is wrong and why it is wrong.’ to ‘this is correct, doable, and necessary for achieving sustainable development.’
STRATEGY2015: THEMES AND FOCUS

In our globalised economy, the majority of poor people live in countries and regions that are rich in natural resources and are undergoing rapid economic growth. Both ENDS tells the stories of people who live and work on sustainability issues in these areas, and then links them to other peers and stakeholders involved in promoting global sustainable development. Their experiences form the basis for our work as advocates for economic and international policies for a sustainable world.

We focus on three themes at the environment and development nexus: Sustainable land use, integrated water management, and international capital flows.

7 Sustainable land use

Global economic development currently depends on the unrestricted availability of water and land. Meanwhile, global markets are engaged in the search for economies of scale and ways to stimulate specialisation. This model has, since the 1960s, led to increased agricultural production on a global scale and increases in total gross national incomes.

People have benefited unevenly from these developments. Small producers around the world have generally ended up as the losers. Despite the availability of sufficient food for everyone, nearly 1 billion people lack secure access to food due to varying degrees of poverty.¹

In general, national and international policies and decision-making structures exacerbate these developments. Wetlands, forests and savannas are commodified in the interests of international agribusinesses, timber companies and state enterprises, often at the expense of the formal and informal land rights of the inhabitants. Any existing legislation that was drafted to prevent the negative social and environmental impacts of large-scale production has usually been poorly implemented.

The damage caused by current production methods to local inhabitants and ecosystems is well documented. These conditions have led to the introduction of numerous initiatives to force commodity supply chains to become more sustainable.

People all over the world are engaged in local efforts to increase the sustainability of commodity flows, while other stakeholders invest time, money and expertise in restoring degraded ecosystems, often combining this with innovative, income-generating strategies to increase local food security.

Strategy 2015

Both ENDS is working towards a world that will feed 9 billion people without any degradation of drylands, savannahs, wetlands or forests, where water, food and incomes are fairly distributed. Both ENDS contributes to the necessary transition to a sustainable world by demonstrating that the stepping-stones to a fair and green economy are already in place, and by showing how these stepping-stones can function as building blocks towards that end.

Our main focus will be on:

A. **Enhanced accountability and public control of the commodification of resources**

The production processes that once produced many of our commodities is gradually adopting land and water use strategies that are less detrimental to the local inhabitants and their environment. Meanwhile, the commodification of ecosystem services is being promoted through various PES schemes, including REDD+. The implementation of social and environmental criteria for production and trade, and related certification mechanisms are the key to ensuring that these types of initiatives contribute to a more sustainable world.

The inclusion of local actors in the setting of the criteria, as well as the monitoring and certification activities of private companies, investors and governments is key to ensuring that local realities reflect the goals of the various proposals and agreements. A policy of inclusiveness ensures more sustainable commodity chains, stimulates both empowerment and innovation. Moreover, these activities will reveal the limits of these initiatives in terms of sustainable development.

Both ENDS and its partners have a wealth of experience in designing and facilitating partnerships whose goal is sustainable and fair development. We will continue to develop these sustainability initiatives that target international production chains. In order to ensure the practical implementation of voluntary sustainability criteria, we will monitor their implementation and impact. This will allow Both ENDS to close the information gap that now exists between local actors and their realities, and representatives of national and international business, government and consumer enterprises.

B. **Fair rehabilitation of ecosystems**

Global processes such as urbanisation and the increased demand for consumption goods, agro-fuel and meat industry developments in emerging economies, have put increased pressure on ecosystems and habitats of indigenous peoples and the lands of smallholders and small-scale producers.
When natural resources are ultimately depleted, governments, investors and even conservation organisations often lose interest in degraded ecosystems. As a consequence, the capacity of these ecosystems to provide adequate water and food security for present and future generations is severely diminished.

Individuals and local organisations have responded to the needs of local people by initiating various initiatives that aim to rehabilitate these severely degraded ecosystems. These initiatives have had a positive impact on local natural resources as well as the well being and economic development of the inhabitants.

Both ENDS will continue to support these types of initiatives. We will show that these rehabilitation and restoration efforts are economically sound approaches to sustainability. Both ENDS will facilitate closer contacts between the initiators and leaders of these initiatives with investors and entrepreneurs as well as representatives of national, regional and international governments and institutions. We will advocate policy and legal frameworks that support rehabilitation efforts and secure tenure and user rights for the local inhabitants who have assisted in restoration efforts, and should thus benefit from the improvements.
<table>
<thead>
<tr>
<th>Strategy 2015</th>
<th>Enhanced accountability and public control over the commodification of resources</th>
<th>Fair rehabilitation of ecosystems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadcasting the message</td>
<td>Build the case for inclusion of local actors and CSOs in commodity chains and PES schemes</td>
<td>Share positive examples of ecosystem rehabilitation and improvement of people’s lives to encourage change</td>
</tr>
</tbody>
</table>
| Scouting for innovators | - Identify local actors participating in sustainability criteria development, monitoring and control of voluntary initiatives in the commodity sector  
- Identification of examples of functional and potential participatory certification mechanisms and PES schemes  
- Identify multi-stakeholder platforms and voluntary initiatives in the area of commodities and PES schemes that include local actors | - Identify CSOs engaged in the rehabilitation of ecosystems with significant positive effects on local well-being and the environment  
- Strengthen local leadership to ensure rehabilitation  
- Advocate policymaker and investor support |
| Networking for change | - Cooperate and increase capabilities to ensure influence in, and control over, agreements reached in global voluntary initiatives at local round tables  
- Cooperation for enhanced influence of local actors in discussions over PES  
- Development of inclusive partnerships in which local organisation representatives are the equals of private and public partners. | - Analyse the impacts of rehabilitation initiatives on people and the environment  
- Network to create financing mechanisms to support the development of locally-led rehabilitation initiatives and upgrading efforts  
- Develop networks for influencing policy to put locally led rehabilitation initiatives on the agenda of national and international governments and institutions |
| Advocating for change | - Formalise the inclusion of local actors in land-use plans and management  
- Monitor the implementation and impact of voluntary agreements and PES schemes on livelihoods  
- Advocate the inclusion of ‘voluntary’ criteria in economic, trade and investment policies  
- Contribute to successful voluntary agreements and PES schemes by closing the information gap | - Advocate the formal inclusion of local stakeholders in land-use planning and management  
Advocate the increased financial and institutional support to upscale local rehabilitation initiatives  
- Advocate against policies and investments that threaten further degradation of ecosystems |
8 Integrated water management

The demand for water continues to grow exponentially. Water-intensive commodity production, increased urbanisation, increased mining and energy production all require large amounts of water plus climate change also has a significant impact on water availability. Meanwhile, changes in land use patterns and mining activities near aquifers have caused dramatic decreases in global groundwater levels. 80,000 dams disrupt 66% of the world’s rivers and wetlands, adversely affect the people’s socio-economic and indigenous rights.

The development of large-scale infrastructure projects, in conjunction with increased demand fuelled by an economic system that thrives on the notion of unlimited resources, often has a devastating effect on the lives of the inhabitants who are directly dependent on the smooth functioning of its ecosystems.

There are countless Latin American, African and Asian plans for additional infrastructure projects such as dams, river diversions and port developments. The projects are often financed and actively supported by international financial institutions such as the European Investment Bank and the African Development Bank, as well as national funds such as Brazil’s BNDES and China’s sovereign wealth funds.

These projects exacerbate water scarcity problems worldwide. Social instability as a result of water scarcity is a very serious problem in Northern China, Northern Brazil, and major parts of Africa, the Middle East, India and Mexico. Here water is not only scarce, but access to and control over water has become extremely skewed. This is partly due to the fact that private and institutional investors and national governments develop these infrastructure projects without including local stakeholders in the essential decision-making processes. As a consequence, small-scale producers and both the urban and rural poor people – a majority of whom are women – have very little influence on the decisions that affect essential resources like water.

The implications of the non-sustainability of current water usage trends and its skewed cost-benefit distribution are increasingly being recognised by most stakeholders. Meanwhile, Integrated River Basin Management strategies are being implemented in several river basins as a response to the looming water crisis. Based on past experiences, policymakers and water management experts now recognise that the major challenge of these initiatives is the inclusion of local stakeholders in all of the planning, implementation and monitoring phases.

Countries worldwide have implemented legal and institutional frameworks, which require Environmental Impact Analyses before any decisions on large-scale infrastructure interventions are made. Formal decision-making processes often require the participation of local stakeholders. In 2005, the UN recognised the Right to Water and Sanitation (RTWS) as a basic human right. An increasing number of countries, including Paraguay, Indonesia and South Africa, have instituted national laws that recognise this new right.
Local actors and civil society organisations benefit from these developments. The recognition of the RTWS and new legislative frameworks have increased their capabilities to negotiate with other stakeholders, which means they can develop their own water management and adaptation strategies and negotiate these with policymakers. Their initiatives show that bottom-up, locally drive water management strategies are often socially more equitable and environmentally and economically more sustainable than large-scale, centrally planned initiatives.

**Strategy2015**

Both ENDS and its Southern partners will focus on gaining political and public attention for ecologically and socially unwise investments in infrastructure, forestry, mining and land use that have detrimental effects on freshwater resources. We will continue to support local actors to ensure inclusive and participatory decision-making processes that respect the norms and standards entrenched in international and national laws and policies. We will continue to strengthen civil society’s capacity to establish its claims and negotiate its own water management plans.

**A. Negotiated, climate-proof water management for all**

Both ENDS and partner organisations will utilise a Negotiated Approach to enable local communities to protect their rights and propose and negotiate viable long-term strategies to enhance water and food security, increase their resilience to climate change, and ensure healthy ecosystems.

We will also reach out to civil society organisations, water management experts and governments to cooperate on the up-scaling and replication of the Negotiated Approach, while continuing to increase the capabilities of local organisations to negotiate their own water management strategies with other stakeholders, and up-scale them through national policies.

Moreover, Both ENDS will work with civil society partners, international institutions and national governments to advance the implementation of international human rights standards in the area of water management at both the national and local levels.

**B. Stopping the tide of unsustainable investments**

Despite a number of positive developments, most water sector investments do not take into account the interests of the poor and their habitat. International and regional discussions seldom acknowledge the impact of these investments. Despite improved rules and regulations, decision-making processes continue to exclude local stakeholders, and short-term economic benefits prevail over the long-term environmental and social impacts.
As a consequence, Both ENDS and its partner organisations will continue to highlight the enormous problems related to current investments in water systems. We will combine analyses and storytelling, with coordinated advocacy efforts directed at international financial decision makers and other investors.

<table>
<thead>
<tr>
<th>Strategy2015</th>
<th>A. Negotiated, climate-proof water management policy for and by one and all</th>
<th>B. Stopping the tide of Non-sustainable investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadcast the message</td>
<td>• A message of hope: Sustainable and equitable water management is no longer a pipedream; it already exists throughout the world, protecting people and nature</td>
<td>• Getting real: Document the effects of unwise land, forestry, extractive industries and infrastructure investments on water systems and livelihoods</td>
</tr>
<tr>
<td>Scouting for innovators</td>
<td>• Identify local actors who implement sustainable water management initiatives and link to policymakers • Identify local actors who claim their rights to water and sanitation and record their experiences and achievements • Strengthen the capacity of local actors to manage their own water resources by implementing the Negotiated Approach</td>
<td>• Identify grassroots organisations that target unwise investments, and narrate their stories</td>
</tr>
<tr>
<td>Networking for change</td>
<td>• Share Negotiated Approach knowledge amongst civil society organisations to develop concrete policy recommendations • Link civil society to water management experts in order to replicate the Negotiated Approach through cooperation</td>
<td>• Strengthen local organisations via knowledge sharing and aiding in the monitoring of unwise investments • Support national and regional networks that advocate against non-sustainable and inequitable investments</td>
</tr>
<tr>
<td>Advocating for change</td>
<td>• Advocate for adequate international and national frameworks for the inclusion of local actors as full-fledged stakeholders in water management • Advocate a rights-based approach in water management and decision-making processes</td>
<td></td>
</tr>
</tbody>
</table>
9 Strategy2015: International capital flows

The financial crisis that erupted in late 2008 in the US and other industrialised nations brought the global financial system close to the brink of total collapse. This led to dramatic efforts to control the damage and facilitate an internationally coordinated response to restore confidence in the international financial system. Net global capital flows to developing countries fell dramatically while International Financial Institutions (IFIs) managed to enhance their already advantageous positions. Meanwhile their essential role in the developing world has become the leveraging of private sector investments.

The economic impact of the financial crisis was most dramatically felt by the developing countries that had liberalised their markets. Their economies continue to face tremendous challenges in the generation of economic growth. Growth ambitions are being met through natural resource exports, which immediately threatens the livelihoods of scores of local communities. Thus, the crisis confirmed the urgency of seriously addressing the growing asymmetrical relationship between rich and poor in the context of related crises of food, water, energy and climate change.

Policy interventions that were intended to resolve the financial crisis were instead used to rescue the very financial institutions responsible for the crisis. Meanwhile, measures aimed at reducing the possible recurrence of these kinds of events have obtained substantially less support. However, CSO efforts to promote reforms such as the introduction of a Financial Transactions Tax (FTT) have been encouraging, although, more structural reforms have yet to be introduced.

The sovereign debt crisis within the Eurozone, and the US and Japan’s large public debts have highlighted the increased global role of emerging economies like China, India and Brazil. These countries have displayed strong growth objectives and have paid relatively little attention to the issues of global sustainability.

Donor countries increasingly consider development cooperation as ‘investment for the future’. Funding policies that traditionally govern grants and loans (credits) are becoming increasingly complementary to investment policies that involve purchasing assets that can then be converted into favourable returns. International financial institutions (IFIs), meanwhile, continue to focus on further supporting the national private sector. Institutional investment firms such as sovereign wealth funds, hedge funds and pension funds are seeking out new investment opportunities in developing countries. Meanwhile, development banks and donor agencies tend to cooperate with investment banks to establish private equity funds for the financing of (regional) infrastructure development. Multilateral and bilateral development banks have made increased use of intermediary financial institutions that handle loans in bulk. This allows development institutions to defer their due-diligence responsibilities to third parties that are not bound by safeguard policies and are not subjected to public monitoring.
The Dutch FMO and pension funds reflect these developments: The FMO has steadily expanded its business operations and now plays a leading role in the EDFI, the Association of European Development Finance Institutions. Dutch pension funds are among the largest in their class and, as institutional investors, have a significant global impact. Many pension funds find themselves needing to strengthen their capital bases, and are looking for new attractive investment opportunities in developing countries in sectors such as land and commodities. The development banks and pension funds are both quite dependent on financial markets for the sustaining of their operations and have consistently lobbied against EU efforts to introduce stricter financial market regulations.

Many international trade and investment agreements in recent decades have concentrated on liberalising the markets, including capital markets. Since the crisis very few new rules and regulations have been introduced that address the issue of more effective control of the unstable international financial markets and capital flows. Many current trade liberalisation agreements between the EU and developing countries continue to include clauses against capital controls. Very few checks and balances have been introduced that ensure that investment returns remain behind in the host countries to benefit local economies. International regulations that prioritise the broader public need for environmental protection and sustainable development policies over the demands of private investors, particularly in developing countries, need further attention.

**Strategy2015**

Both ENDS believes that the fundamental rights to sustainable livelihoods and development of local communities need to be respected and supported by various financial and investment policies. Furthermore, international financial policies should not impose the development interests of outsiders, instead, they should insist on becoming more responsive to local needs and aspirations.

Many of Both ENDS’ activities over the years have been guided by CSOs in developing countries that represent communities that have adversely affected by the activities of international financial institutions. Both ENDS has cooperated with local CSOs in the South and with international as well as regional CSO networks to advocate alternative proposals that will lead to structural policy improvements enabling capital flows to positively contribute to sustainable development efforts. Skill sharing and joint advocacy efforts have concentrated on multilateral development banks (MDBs) and export credit agencies (ECAs). Many of these institutions have since elaborated a body of social and environmental safeguard policies. In addition to work on the policies of financial institutions, Both ENDS has also been cooperating with CSOs to raise concerns regarding related policy areas such as rules and regulations in the fields of trade, investments, sovereign debt and taxation policies. The strength of Both ENDS has been its ability to combine concrete capacity-building efforts through skill-sharing meetings and (international) seminars in various parts of the world with joint CSO-driven advocacy campaigns. Both ENDS has been an active member in various formal and informal networks, and will continue to play that role.
A. *International regulations that guarantee that sustainable and equitable development policies will govern international capital flows*

Both ENDS has an international capital flows program that focuses on the implementation of effective international regulations that guarantee sustainable and equitable development.

The role that Both ENDS plays depends on the specific dossier and ranges from facilitating and connecting CSOs that lead content-driven advocacy initiatives. These advocacy efforts will focus on the policies of IFIs and other relevant multilateral institutions – including UN agencies, the WTO and OECD – as well as EU policies and the role that the Dutch government plays within these institutions. We will continue to work on strengthening safeguard policies and on monitoring their implementation. These policies are vital if unnecessary social and environmental damage are to be prevented. As the responsibility for the implementation of safeguard policies is gradually shifting towards the developing countries themselves, networking efforts to strengthen the advocacy capacity of CSOs within these countries will receive more priority.

B. *Local actors ensure sustainable financing and investments in water- and land-related projects*

Although formal safeguards and guarantees need to be in place and need to be monitored to ensure their implementation, the tension between economic and financial sustainability, on the one hand, and environmental and social sustainability, on the other, is often played out at the project level, where options for more sustainable forms of financing can also be made available. Both ENDS will continue to support local actors to ensure that financing and investment in water- and land-related projects are indeed sustainable.

The specific initiatives of CSOs abroad will further be identified and strengthened by elaborating their financial rationale in close collaboration with Both ENDS’ land-use and water clusters. Attention will focus on the articulation and strengthening of conditions that contribute to the financial and economic sustainability of these initiatives. These conditions will be elaborated whenever possible in policy frameworks that cover issues such as trade, investment, taxation and alternative financial institutions.

C. (-2012): *Research on alternative financial policies and institutions*

In light of the financial sector’s complexities, Both ENDS will start exploring potential new leverage points and other initiatives that will allow for the promotion of international capital flows that respect and strengthen sustainable livelihoods and development.

As the distinctions between the public and private sector and between financial policies and investment policies become increasingly vague, Both ENDS will explore and assess the roles that various bilateral development banks (FMO, EDFI), pension funds, sovereign wealth funds, private equity and hedge funds play in the area of financing development projects. Both ENDS will reach out to concerned
financial sector stakeholders, including ethical financial institutions. Moreover, it will also explore alternative ideas to hold the financial markets and international capital flow players more accountable to the needs for community-driven sustainable development.

Both ENDS will identify and document existing alternative ways of financing community-driven development efforts, and, wherever possible, elaborate up-scaling proposals through joint advocacy efforts aiming to reform mainstream financing and investment policies.
<table>
<thead>
<tr>
<th>Strategy2015</th>
<th>A. International regulations guaranteeing sustainable and equitable development govern international capital flows</th>
<th>B. Local actors ensure sustainable financing and investments in water- and land-related projects</th>
<th>C. Identification and research on alternative financial policies and institutions</th>
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</thead>
<tbody>
<tr>
<td>Broadcast the message</td>
<td>• Show that sound universal standards that ensure sustainable and equitable international capital flows contribute to sustainable development for one and all</td>
<td>• Document and disseminate alternative ways of financing community-driven sustainable development efforts, highlighting their distinction from conventional development finance mechanisms</td>
<td>• Document, compare and expose the role and significance of private sector involvement in financing of development in relation to the needs and aspirations of community-driven sustainable development efforts based on existing literature and 3-5 case studies</td>
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<td>Scouting for innovators</td>
<td>• Identify and support CSOs in developing and emerging economies that advocate effectively for incorporating social and environmental standards into the regulatory frameworks of international banks, investors and export credit agencies</td>
<td>• Identify innovative projects that advance inspiring examples of sustainable land-use and/or water management, and collaborate with the CSOs involved in these initiatives to articulate the financial and economic sustainability of these initiatives • Identify and support CSOs that are confronted with unsustainable land and water management projects as a consequence of insufficient respect of existing safeguards and development criteria</td>
<td>• Identify concerned financial sector stakeholders, including ethical financial institutions, to jointly explore options for reorienting international capital flows towards the promotion of sustainable and equitable development • Engage with formal and informal multi-stakeholder initiatives that address financial sector accountability and the needs of socially just and environmentally sound sustainable development (e.g., UNEP-Finance Initiative, TWN Info Service on Finance and Development, Banco del Sur). • Identification of and research on opportunities to expand the policy involvement of community-driven and controlled financial institutions regarding policies of bilateral development banks (FMO, EDFI), pension funds, sovereign wealth funds, private equity and hedge funds</td>
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<td>Networking for change</td>
<td>• Cooperate with and contribute to regional and international CSO networks that promote international regulations and seek evidence of its effectiveness</td>
<td>• Develop and strengthen networks of community oriented CSOs through capacity building focusing on the financing aspects of locally rooted sustainable development efforts, and ways in which to halt non sustainable investments</td>
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<td>Advocacy for change</td>
<td>• Advocate the implementation and development of environmental and social safeguards and criteria at IFIs and other relevant multilateral institutions (UN agencies, WTO and OECD), the EU, and the Dutch government to achieve sustainable international financial policies</td>
<td>• Advocate for community driven financial institutions or mechanisms and by expanding the policy space for these alternatives in international regulatory agreements and IFI</td>
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24