

Study on EU member states operational development structures

VOL 2 - Country fiches

NETHERLANDS

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The country fiches contain information on the key aspects of the operational development structures and systems of each EU Member State. They are structured in a standard form to allow for easier comparison. The information contained in the country fiche is based on publicly available sources and data, including from relevant ministries and public administration websites, EU reports, OECD-DAC peer reviews and statistics. This information was also complemented by data and feedback gathered through questionnaires and interviews with EU Member States' focal points. Unless specified otherwise, all country fiches have been reviewed and approved by the Member States' focal points. The fiches provide a snapshot at a given moment in time, and will need to be updated regularly and as appropriate in order to remain relevant.

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This draft fiche has not been reviewed/approved by the Dutch focal point

At a glance

- **Investing in Global Perspective** (2018)
- **Directorate for Development Cooperation within the Ministry of Foreign Affairs**
- **Total ODA for 2017:** € 3,457.82 million
- **Share bilateral/multilateral ODA 2017:** 71% / 29%
- **Thematic priorities:** sexual and reproductive health and rights; water management; agriculture, incl. food security, and security and the rule of law.
- **Geographic priorities:** West African Sahel, the Horn of Africa, and the Middle East and North Africa (MENA)
- **SNV (1965):** main implementing organisation which manages development initiatives on behalf of governments or donors, including the Dutch MFA.
- **FMO (1970):** Dutch development bank which invests in businesses, projects and financial institutions, by providing capital, knowledge and networks to support sustainable growth. 2017: €9,155 million in total portfolio of 976 projects

1. Political and legal framework for development and international cooperation

i. Legislation

N/A

ii. Policy framework

The coalition agreement [Confidence in the Future](#) of 10 October 2017 (2017 - 2021) contains a section on development cooperation.

The objectives and priorities of Dutch development policy are laid out in the [Investing in Global Perspective](#) policy note, published in May 2018, also contains detailed information on Dutch policy with regard to development cooperation. The document stresses that development cooperation, as an integral part of foreign policy, aims to combat the root causes of poverty, migration, terrorism, and climate change within the framework of the SDGs.

- **Main priorities**

The current government's overarching objectives are:

1. preventing conflict and instability
2. reducing poverty and social inequality
3. promoting sustainable inclusive growth and climate action worldwide, and
4. promoting economic growth of the Netherlands. Gender equality and strengthening the position of women and girls is a cross-cutting objective of the policy.

The government highlights that gender equality (and the empowerment of women and girls) is a cross-cutting issue, which encompasses the above-mentioned objectives.

- **Thematic priorities**

The Netherlands place a focus on four key themes and stresses the interlinkages between them in its policies and programmes.

1. security and the rule of law,
2. water management,
3. agriculture and food security
4. sexual and reproductive health and rights (SRHR).

Moreover, the government works on improving International Public Goods, with an emphasis on trade, safety, migration, water, climate, food security, raw materials and energy.

- **Geographic priorities**

According to the 2018 development policy, the Netherlands will focus its cooperation on the regions of the West African Sahel, the Horn of Africa, and the Middle East and North Africa (MENA). At the same time, the Netherlands will continue its activity in the Great Lakes region (Burundi, Rwanda, Uganda and East Congo) and two Asian countries (Afghanistan and Bangladesh).

The Netherlands has fifteen partner countries:

1. Afghanistan
2. Burundi
3. Mali
4. Palestinian Territories
5. Rwanda
6. South Sudan
7. Yemen
8. Bangladesh
9. Benin
10. Ethiopia
11. Ghana
12. Indonesia
13. Kenya
14. Mozambique
15. Uganda

The Netherlands maintains 3 types of relationship with partner countries and focus countries:

- **Aid relationship** with: Afghanistan, Burundi, Mali, the Palestinian Territories, Rwanda, South Sudan and Yemen
- **Transitional relationship** with: Bangladesh, Benin, Ethiopia, Ghana, Indonesia, Kenya, Mozambique and Uganda
- **Trade relationship** with Colombia, South Africa and Vietnam, among others

Among recent / future changes, Rwanda has been transferred into a transition partner category, while Kenya, Indonesia and Ghana will be phased out as partner countries by 2020. Moreover, the focus of development cooperation will shift to the unstable regions of West Africa / Sahel, the Horn of Africa, the Middle East and North Africa.

According to the policy, funding for bilateral programs is set to increase by at least a third compared to 2017 levels in each of these focus regions during this government's term of office.

iii. Overall institutional setting

- Main actors and how they relate to one another

The Director-General for International Cooperation (DGIS) works under the Minister of Foreign Affairs, and supervises seven entities: the International Cooperation Office (BIS); Sustainable Economic Development Directorate (DDE); Stability and Humanitarian Aid Directorate (DSH); Social Development Directorate (DSO); Inclusive Green Growth Directorate (IGG); Taskforce Global Partnership (TGP); and the Taskforce for Women's Rights and Gender Equality (TFVG).

The Netherlands do not have a development agency. The implementation of Dutch bilateral programmes in partner countries falls under the remit of Dutch Embassies. They do so according to the Multi-Annual Strategic Plans (MJSPs), developed by the MFA for all partner countries.

iv. Key figures for country ODA

- Total ODA annual volumes 2015 to 2017¹

	2015	2016	2017
Million € (% of GNI)	5162 (0,75%)	2144491 (0,65%)	43950 (0,60%)

According to the Coalition agreement (and yet to be confirmed) "ODA will increase by €119 million in 2019, rising to €331 million in 2021, and the budget will once more amount to 0.7% of GNI, minus €1.4 billion"².

Although the Netherlands was already the 8th biggest development donor globally in 2017, the current Dutch government acknowledges that steps must be taken to work towards reaching the 0.7% target by 2030. Minister Kaag underlined this goal by saying that getting back to 0.7% will be her personal goal. However, due to the structural cutbacks of the former cabinet (Rutte II) - which totaled to €1,4 billion - this commitment remains out of sight, according to Partos.³ Although the government has agreed on an additional investment of €1.7 billion over their four year term, the actual ratio of the GNI in 2021 will only be 0,55.

- See also⁴:

Table 1: shows the impact of the measures in the coalition agreement on annual net ODA expenditure:

Net ODA as a percentage of GNI	2018	2019	2020	2021	2022
Second Rutte government based on 2018 draft budget	0.54	0.51	0.48	0.49	0.48
Third Rutte government after incorporating the coalition agreement	0.59	0.56	0.55	0.55	0.54

- share bilateral/multilateral

In 2017⁵, 71% of ODA was provided bilaterally. The Netherlands allocated 29% of total ODA as core contributions to multilateral organisations.

¹ European Commission, Investing in Sustainable Development, The EU at the forefront in implementing the Addis Ababa Action Agenda, Staff Working Document, April 2018 <https://ec.europa.eu/europeaid/sites/devco/files/report-investing-sustainable-dev-20180423-2_en.pdf>

² *Confidence in the Future* p. 53.

³ <https://www.partos.nl/leestafel/artikel/financiering-van-ontwikkelingssamenwerking/>

⁴ *Investing in Global Perspective* p. 100.

⁵ https://public.tableau.com/views/AidAtAGlance/DACmembers?:embed=y&:display_count=no?&:showVizHome=no#1

- top 10 recipient countries

The Netherlands traditionally places a priority on sub-Saharan Africa: the region received 56% of bilateral ODA between 2015 and 2017.

In 2016-2017, Bilateral ODA was primarily focused on sub-Saharan Africa (18.6% of bilateral ODA), followed by Middle East and North Africa. 14% of bilateral ODA went to the Netherlands' top 10 recipients, seven of which are among its 15 priority partner countries, including: Ethiopia, Afghanistan, Turkey, Rwanda, South Sudan, Bangladesh, Lebanon, Iraq, Yemen, Mali.

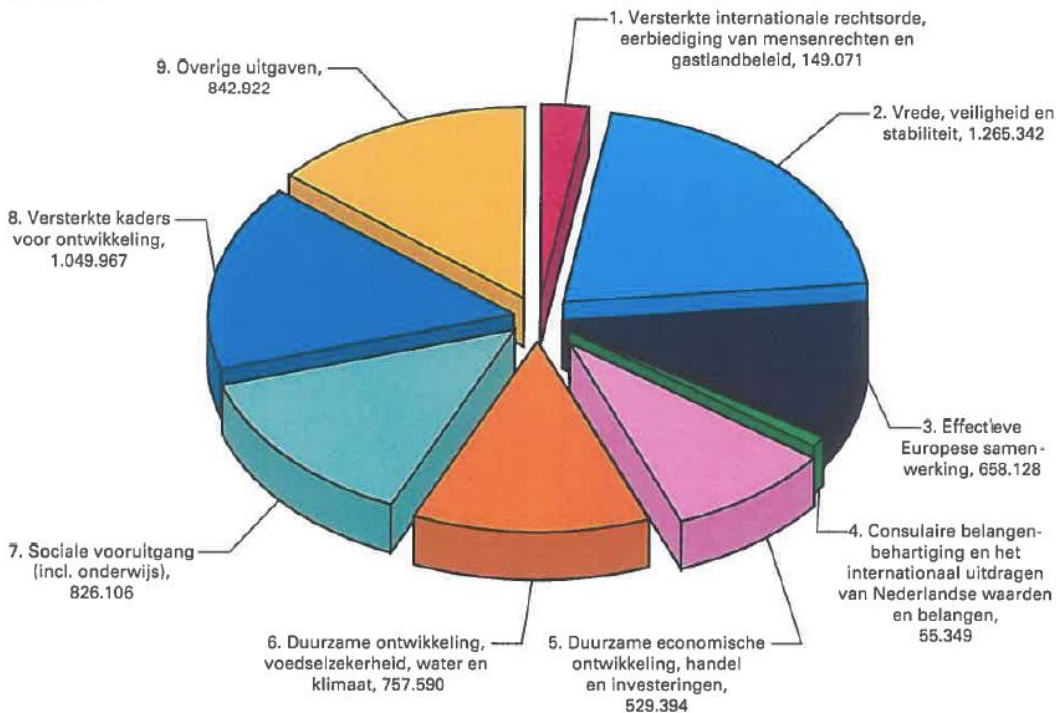
- sectoral distribution of aid

- See the following overview⁶:

3. HGIS NAAR BELEIDSTHEMA'S

De HGIS is ingedeeld langs een 8-tal beleidsthema's en een categorie overige. Het HGIS budget voor 2019 komt uit op ca. EUR 6,1 miljard. Hiervan kwalificeert ca. 70% als *Official Development Assistance* (ODA). In onderstaand overzicht is de verdeling schematisch weergegeven.

HGIS 2019



- An overview is also available of sector to which additional funding will be channeled⁷:

⁶ 'Homogene Groep Internationale Samenwerking -HGIS- nota 2019', p. 12. Full details available as of p. 38 a.f.

⁷ [Investing in Global Perspective](#) p. 102.

Table 2: presents an overview of the areas to which the additional funding from the coalition agreement will be channelled:

Measures (amounts x €1 million)	2018	2019	2020	2021	Longterm from 2022
Humanitarian aid	162	162	162	162	162
Reception in the region of origin	103	128	128	128	128
Migration	25	25	25	25	25
Climate	40	60	80	80	80
Climate Fund	40	40	40	40	40
Climate financing		20	40	40	40
Root causes	80	80	80	80	80
Women's rights and reproductive health	10	10	10	10	10
Education	30	30	30	30	30
Employment	30	30	30	30	30
Security and the rule of law/Preventing violent extremism	10	10	10	10	10
Innovation	5	5	5	5	5
Voluntary agreements on international corporate social responsibility	7	6	6	6	3
Combating child labour	5	5	5	5	5
Scholarships for focus regions	3	3	3	3	3
Total	429	474	493	493	490

Notes:

- From 2018 onwards, the humanitarian aid budget will be raised from €205 million per year to €367 million per year, thereby returning it more or less to its previous level.
- A significant share of the extra resources will be invested in reception and protection of refugees in their region of origin (€128 million annually). The existing budget for cooperation on migration will be raised by €25 million per year.
- Within the BHOS budget, the budget for climate action will be scaled up gradually. We expect to reach €400 million in public climate financing in 2018 within the BHOS budget. In addition, we aim to raise €350 million in private climate financing in 2018. A new national climate fund will distribute €40 million annually (ODA). In addition, climate financing within the BHOS budget will be increased by €20 million (in 2019) and €40 million (annually from 2020 onwards). According to current predictions, total public climate financing within the BHOS budget will thus rise to €480 million annually by the end of the government's term of office.
- Extra resources will be deployed to tackle specific root causes by investing in education, work, women's rights, the rule of law and preventing violent extremism.
- The government will set aside €5 million a year to stimulate the innovative capacity of businesses in developing countries and the Netherlands.

2. Operational structures for aid implementation/management

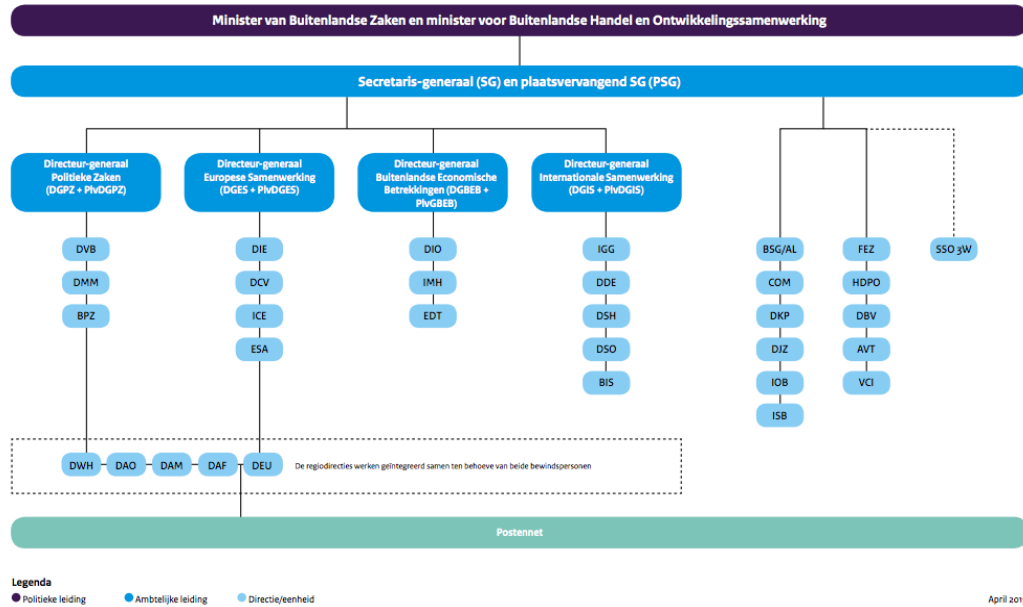
i. MFA

- **Management structure and responsibilities (specialised units, etc):** See organigramme



Ministerie van Buitenlandse Zaken

Organogram ministerie van Buitenlandse Zaken



- **Mandate:** The Ministry of Foreign Affairs draws up Multi-Annual Strategic Plans setting out the details of development cooperation policy in each country.
- **Staff and resources (HQ and field level):** budgetary figures are available in a [2017 report](#) (Rijksverslag 2017 Buitenlandse Zaken).
- **Country presence (through Embassies):** The Dutch Embassies implement development cooperation according to the Multi-Annual Strategic Plans (MJSPs), developed by the MFA for all partner countries. New embassy offices will be opened where necessary to increase the Netherlands' visible presence (especially in the Sahel), and existing embassies in focus regions will receive increased support from local experts and diplomats with development experience.

Full list available [here](#) (about 140 delegations worldwide⁸).

⁸ "Nederland heeft over de hele wereld ruim 140 vertegenwoordigingen: ambassades, consulaten, permanente vertegenwoordigingen bij internationale organisaties en een aantal bijzondere kantoren". Cf. Introductiedossier Ministerie Buitenlandse Zaken, <https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/rapporten/2017/11/06/bz---introductiedossier/introductiedossier+2017+definitief+%28002%29.pdf>.

ii. Implementing entity - SNV

[SNV Netherlands Development Organisation](#) is a not-for-profit international development organisation. SNV manages development initiatives on behalf of governments or donors, including the Dutch MFA.

- **date of creation and legal status**

SNV was established in 1965 as a foundation (Stichting) under Dutch law. SNV is governed by a supervisory board consisting of representatives from public and private sector.

- **governance and type of relations with supervisory Ministry**

Relations with the Directorate of International Development (DGIS) of the Ministry of Foreign Affairs are regulated by program/project agreements and overarching coordination mechanism.

- **type of instruments/tools and means of implementation**

SNV mainly provides advisory services, project management, grant management, evidence based advocacy.

- **sources of funding**

SNV is funded through long term and short term project and subsidy agreements with the Dutch Government and wide range of other bilateral and multilateral donors.

- **staff and resources**

Total staff: 1,100 professionals worldwide (HQ: 70; Field: 1,030)
1,200 local partners

- **field presence**

SNV is active in 32 countries in Africa, Asia and Latin America. In 26 of these countries, SNV has a country office and official representation:

Asia: Bhutan, Nepal, Cambodia, Bangladesh, Laos, Vietnam, Indonesia

Africa: Burkina Faso, Benin, Cameroon, DRC, Ghana, Mali, Niger, Kenya, Ethiopia, Mozambique, Rwanda, Tanzania, Uganda, Zambia, Zimbabwe

Latin America: Honduras, Nicaragua, Peru, Bolivia

In addition, SNV has a support office in Washington DC, operating under a separate legal entity (SNVUSA).

- **Priority sectors**

Focus on 3 sectors:

Agriculture: sustainable markets (value chain development; inclusive business); food and nutrition security; climate, business and landscapes.

WASH: rural and urban sanitation and water supply services

Energy: sustainable markets (cooking energy; off grid p/v; mini-grids); climate, business and landscapes

Cross-cutting themes:

Youth Employment

Gender - Balancing Benefits

iii. Development finance Institution - FMO

FMO is the Dutch Development Bank. It was founded in 1970 as a Public Limited Liability Company (N.V.) and operates with a banking license.

The majority shareholder is the Dutch government (51%), while the remaining shares (49%) are held by private sector entities such as Dutch banks, employers' associations and trade unions.

FMO's mission is to empower entrepreneurs to build a better world. FMO invests in businesses, projects and financial institutions, by providing capital, knowledge and networks to support sustainable growth.

FMO manages several funds on behalf of the Dutch government: The Access to Energy Fund promotes access to energy services; MASSIF supports financial services for MSMEs through financial intermediaries; The IDF for infrastructure.

Regions covered:

- Sub-Saharan Africa: 33%
- Latin America & Caribbean: 21%
- Europe & Central Asia: 16%
- South Asia: 13%
- East Asia & Pacific: 13%
- Middle East & North Africa: 4%
- Other & multi-country: 7%

IFU can invest in all sectors. Sectors covered include:

- Financial sector: 35%
- Power: 26%
- Multi-sector: 16%
- Other infrastructure: 11%
- Agribusiness: 9%
- Industry/manufacturing: 2%

Financials for 2017:

€1,837 million in new annual commitments to 157 projects

€9,155 million in total portfolio of 976 projects

€432 million in investment funds

42% equity and quasi equity

56% loans

2% guarantees

The Netherlands are in the process of setting up **Invest-NL**: "The Dutch cabinet intends to encourage investments in sectors where the Netherlands has not yet seized all opportunities. To this end the investment institution Invest-NL is established, with €2.5 billion in capital. Invest-NL offers a single contact centre for entrepreneurs seeking risk capital, guarantees, export credit insurance and international finance programmes. In addition, Invest-NL will develop and, where necessary, co-finance major public projects at home and abroad. With this measure the Netherlands follows in the footsteps of other EU countries with similar investment institutions"⁹.

iii. Other relevant actors

- **The role of Parliament** is to scrutinize development policy and budget allocations. All expenses in the field of development cooperation are monitored by the '**Homogene Groep Internationale Samenwerking**'.¹⁰

⁹ <https://www.government.nl/latest/news/2017/02/20/cabinet-draws-out-investments-by-establishing-invest-nl>.

¹⁰ Cf. Introductiedossier Ministerie Buitenlandse Zaken, <https://www.rijksoverheid.nl/binaries/rijksoverheid/documenten/rapporten/2017/11/06/bz---introduciedossier/introduciedossier+2017+definitief+%28002%29.pdf> p. 15.

- **Civil society organisations:** Dutch CSOs play an active role in Dutch development cooperation. The development CSO umbrella association, [Partos](#), represents over 100 organisations. They engage with the Parliament and the MFA to influence policy and funding decisions. Many CSOs implement their own programs in developing countries and are funded by the Dutch government and through private donations.