

Background Note on Official Development Assistance and the Netherlands

The Netherlands has a reputation for responding positively to challenges and setting trends for new approaches in development cooperation. It is one of only five DAC members to have achieved the United Nations target of allocating 0.7 per cent of its gross national income (GNI) as official development assistance (ODA). Since 1975 it has consistently surpassed this target.

The Netherlands' ODA disbursement in 2012 fell 6.6 per cent in real terms from US\$6.3 to 5.9 billion (in 2011 dollars). This is equivalent to a fall from 0.75 per cent of its GNI to 0.71 per cent. The Dutch Government, however, plans to further reduce its ODA to 0.55 per cent of its GNI by 2017.

The Netherlands is now revising its approach to development cooperation, formulating new policies and strategies to respond better to changes in the developing countries. While retaining its emphasis on the Millennium Development Goals (MDGs), the focus of Dutch aid is shifting away from social development towards economic sectors, supporting the self-reliance of developing countries and promoting the relationships between development objectives; global public goods, such as climate policy or protecting biodiversity; and Dutch national interests. Consistent with this shift, the Government is also actively supporting the work of the OECD DAC on the redefinition of ODA.

The Government also aims to assist fewer partner countries from 33 to 15 to make aid less fragmented. It aims to focus its bilateral aid on 4 areas: security and the legal order, water, food security, and sexual and reproductive health and rights. All are areas in which Dutch businesses, civil society organisations, and knowledge institutions can offer expertise.

Although, the government is keen to stress the importance of international organisations, owing partly to reductions in the budget for development cooperation, it has made a critical assessment of the value added by these organisations, scoring their effectiveness and relevance to Dutch foreign policy affecting the size of the contribution they receive.

On the basis of their scores, the World Bank, the UN Development Programme (UNDP) and the UN Children's Fund (UNICEF) will remain central to Dutch international development efforts. Other organisations deemed to provide more value for money when implementing Dutch development policy include the African and Asian development banks (AfDB and AsDB), the International Fund for Agricultural Development (IFAD), the Global Fund to Fight AIDS, Tuberculosis and Malaria, the UN Refugee Agency (UNHCR) and the World Food Programme (WFP).