

Goals, sub-goals, actions and indicators

Appendix to the Revised Action Plan for Policy Coherence for Development

22 November 2022

This appendix contains an overview per theme of the goals and sub-goals, government actions and indicators for the revamped action plan for policy coherence for development, thus providing a basis for measuring progress. Progress is monitored using the qualitative and quantitative indicators, based on available information from existing studies. It is impracticable for the government to have separate studies carried out for the annual progress report to enable monitoring of all identified qualitative and quantitative indicators for each theme. If it transpires that for certain indicators no information is available (or available yet) for reporting purposes, alternative indicators will be used (as included in the following tables) for which information is actually available.

In line with the key role of the SDGs in the Netherlands' foreign trade and development cooperation (BHOS) policy, where possible a link is made to the SDG goals, targets and indicators and the Monitor of Well-being and the SDGs, which is published annually in May.

<p>1. Reducing the Netherlands' climate, land and water footprint* (*This goal will be updated once the National Biodiversity Strategy and Action Plan (NBSAP) has been compiled in 2023.)</p>		
<p>Overarching indicators: Development of the Dutch 1) material footprint; 2) carbon footprint; 3) land footprint; 4) water footprint.</p>		
<p>SDGs 6, 7, 8, 12, 13, 14 and 15</p>		
<p>Sub-goal 1 Dutch financial flows are consistent with the pathway towards low greenhouse gas emissions and climate-resilient development (Art. 2.1.c of the Paris climate agreement).</p>	<p>Actions The Netherlands is greening its trade and export instruments in line with the Paris and Glasgow outcomes.¹</p> <p>The Netherlands is gradually phasing out tax incentives which are contrary to the Dutch climate goals.²</p>	<p>Indicators 1) Measures taken to phase out public financial support to fossil fuel activities abroad</p> <p>2) Number of BHOS instruments that encourage green activities (e.g. by including green incentives in a scheme)</p> <p>3) Actions taken to phase out tax incentives, see below. The Netherlands is also pressing to phase out such schemes in talks on revising the Energy Taxation Directive, which is part of the Fit for 55 package.</p>
	<p>Dutch financial markets are a driving force for sustainability and are able to manage sustainability risks adequately, and the reporting standards applied provide insight into all relevant sustainability factors.³</p>	<p>4) Actions taken to develop the policy agenda for sustainable financing</p>

¹ Coalition agreement, amended motion by MPs Alexander Hammelburg and Tom van der Lee (Parliamentary Paper 35925 XVII, no. 59) and motion by MPs Jan Klink et al. (Parliamentary Paper 35925 XVII, no. 23).

² Motion by MP Tom van der Lee (Parliamentary Paper 30 175, no. 271) and motion by MP Lammert van Raan of 16 January 2018 (Parliamentary Paper 30 175, no. 274).

³ [kamerbrief-beleidsagenda-voor-duurzame-financiering.pdf \(overheid.nl\)](#) (Letter to parliament on the policy agenda for sustainable financing, in Dutch).

<p>Sub-goal 2 Dutch emissions are consistent with the 1.5°C target.</p>	<p>Actions The Netherlands is pursuing an ambitious climate policy aimed at reducing greenhouse gases by at least 55% in 2030 compared to 1990, in line with the Paris and Glasgow outcomes⁴ and the European Fit for 55 programme. In accordance with the Rutte IV coalition agreement the Netherlands is aiming for a reduction of 60% in 2030 compared to 1990. This will reduce the country's carbon footprint.</p> <p>One element of this climate policy is the improved pricing of fossil energy, including the gradual phasing out of schemes which could encourage the use of fossil fuels.⁵</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) % CO₂ reduction in 2030 compared to 1990 2) Measures taken to implement the coalition agreement, in which a number of exemptions from energy taxation are phased out. The Netherlands is also pressing to phase out such schemes in talks on revising the Energy Taxation Directive, which is part of the Fit for 55 package.
<p>Sub-goal 3 Dutch production, consumption and trade are increasingly taking place within planetary boundaries with a positive impact on combating poverty and inequality.</p>	<p>Actions The Netherlands is pressing to include high climate and environmental standards in EU trade agreements, and to effectively fulfil existing sustainability agreements in trade agreements.⁶</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) Actions in accordance with the activities set out in the assessment by the Working Group for the Assessment of New Commission Proposals ('BNC assessment') of the Communication on the Power of Trade Partnerships: Together for Green and Just Economic Growth.⁷ This Communication provides for revising undertakings on trade and sustainability in trade agreements.

⁴ Coalition agreement, amended motion by MPs Alexander Hammelburg and Tom van der Lee (Parliamentary Paper 35925 XVII, no. 59) and motion by MPs Jan Klink et al. (Parliamentary Paper 35925 XVII, no. 23).

⁵ Motion by MP Tom van der Lee (Parliamentary Paper 30 175, no. 271) and motion by MP Lammert van Raan of 16 January 2018 (Parliamentary Paper 30 175, no. 274).

⁶ BHOS policy document.

⁷ [BNC assessment 4: Communication on the Power of Trade Partnerships: Together for Green and Just Economic Growth \(in Dutch\)](#).

	<p>The Netherlands is promoting international responsible business conduct (IRBC) legislation at EU level, and is introducing national IRBC legislation which takes account of the need for a level playing field with surrounding countries and the implementation of possible EU legislation. The Netherlands seeks to have a circular economy by 2050. The transition to a circular economy is helping with four societal challenges: tackling climate change, reducing environmental pollution, tackling the loss of biodiversity and increasing the security of supply of raw materials.</p> <p>As an indicative interim target, the Netherlands seeks to halve the use of primary abiotic raw materials by 2030.⁸</p> <p>While enlarging its role in the raw materials chain, the Netherlands will help make those chains more sustainable, given that they are necessary for, among other things, the Dutch energy transition, and will highlight these chains' climate and environmental impact.</p>	<p>2) The introduction of national IRBC legislation which takes account of the need for a level playing field with surrounding countries.</p> <p>3) The introduction of supplementary policy in the form of an IRBC support office and policy for sectoral cooperation.</p> <p>4) Actions in accordance with the activities set out in the BNC assessment of the Directive on Corporate Sustainability Due Diligence.⁹ This proposal by the European Commission is aimed at encouraging businesses to help respect human rights and the environment in their own operations and in their value chains.</p> <p>5) The measures taken at international level to encourage a fair transition from a linear to a circular economy, as formulated in the national Circular Economy programme¹⁰ which is expected in late 2022.</p> <p>6) The indicative interim target and indicators will be specified in more detail in the national Circular Economy programme which is expected in late 2022.</p> <p>7) Actions and results of programmes targeting mining companies and raw material chains (EPRM, CSM, EITI).</p>
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⁸ Target: A [Circular Economy in 2030 | Report | Rijksoverheid.nl \(in Dutch\)](#).

⁹ [BNC assessment: Directive on Corporate Sustainability Due Diligence \(in Dutch\)](#).

¹⁰ This will be supplemented following publication of the programme in 2022.

	<p>The Netherlands is committed to an effective EU-wide Carbon Border Adjustment Mechanism (CBAM) that also takes account of its effects on developing countries and least developed countries.</p> <p>The Netherlands is committed to preserving the generous nature of the Generalised Scheme of Preferences (GSP) and to adopting the amendments aimed at reinforcing the scheme's social, employment and climate aspects.</p>	<p>8) Actions in accordance with the activities set out in the BNC assessment of the Carbon Border Adjustment Mechanism Regulation.¹¹ This proposal is intended to prevent the carbon leakage that is undermining EU climate policy and to encourage businesses and countries outside the EU to develop more ambitious climate policy.</p> <p>9) Actions in accordance with activities set out in the BNC assessment of the Review of the Generalised Scheme of Preferences Regulation.¹² The current proposal is aimed at continuing the current GSP for the 2024-2033 period, while making changes aimed at supporting the development of development cooperation countries and strengthening the scheme's social, employment and climate features.</p>
<p>Sub-goal 4 Supply chains of agricultural raw materials and wood to the Netherlands which fall under the Regulation on deforestation-free products are entirely deforestation-free by no later than 2025. Other supply chains of agricultural raw materials will follow suit in the period up to 2030, as part of the Netherlands' commitment to stop deforestation worldwide in 2030.</p>	<p>Actions The Netherlands is committed to drafting an ambitious EU Regulation on deforestation-free products, with supplementary policy for producer and consumer countries outside the EU.¹³</p>	<p>Indicators 1) Dutch actions in relation to the EU Regulation on deforestation-free products</p>
<p>Sub-goal 5 The business community and financial sector use natural capital accounts and are transparent with regard to their impact and dependence on biodiversity and natural capital.</p>	<p>Actions The Netherlands is implementing the Nature-Inclusive Agenda which includes (a) surveying public money flows and redirecting them so that they have a positive effect on biodiversity, as well as (b) encouraging businesses to report on their biodiversity</p>	<p>Indicators 1) Relevant actions taken, results achieved and additions made to the Nature-Inclusive Agenda 2) Measures taken to support further development and application of the Ecosystem Services Valuation Database</p>

¹¹ [BNC assessment 13: Carbon Border Adjustment Mechanism Regulation \(in Dutch\)](#).

¹² [BNC assessment 13: Review of the Generalised Scheme of Preferences Regulation \(in Dutch\)](#).

¹³ [Parliamentary Paper 22112, no. 3281 | Overheid.nl > Official announcements \(officielebekendmakingen.nl\) \(in Dutch\)](#).

	<p>impact in accordance with the framework of the Taskforce on Nature-related Financial Disclosures. The Agenda is currently being further developed and broadened.</p> <p>The Netherlands supports the further development and use of the Ecosystem Services Valuation Database which allows businesses, financial institutions and others to better identify their impact and dependence on ecosystem services in development cooperation and other countries so that this can be reflected in their decision-making.</p>	
<p>Sub-goal 6 Dutch policy has no possible negative consequences for food production, access to water, forests and biodiversity in developing countries.</p>	<p>Actions The Netherlands is actively applying the biomass sustainability framework.</p> <p>The Netherlands is linking biodiversity more strongly as a cross-cutting issue to other development cooperation issues, particularly food security, water and climate, and is paying particular attention to biodiversity in trade policy.</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) Measures taken as part of the biofuels implementation agenda¹⁴ 2) Actions taken to mainstream biodiversity within BHOS policy

**2. Tackling illicit financial flows and tax avoidance
SDGs 16 and 17**

Taxation and illicit financial flows are significant policy issues for domestic resource mobilisation. Tackling them is one of the goals of the revamped policy coherence action plan. Various sub-goals and indicators have been formulated to this end. It should also be noted that, in addition to the following, the State Secretary for Tax Affairs and the Tax Administration will report annually to the House about the effects of the anti-tax avoidance measures which have already been initiated or will be in the future.¹⁵

¹⁴ [duurzaamheidskader-biogroondstoffen.pdf \(overheid.nl\) \(on the biofuels sustainability framework, in Dutch\)](#).

¹⁵ Parliamentary Papers, House of Representatives, 2021-2022, 25087, no. 294.

<p>Sub-goal 1 To take unilateral, bilateral and multilateral measures to tackle worldwide tax avoidance, including reducing the use of the Netherlands as a conduit country.</p>	<p>Actions The Netherlands is working for better international agreements on collecting taxes on real economic activities and on combating tax avoidance.</p> <p>The Netherlands is taking unilateral measures to prevent tax avoidance.</p> <p>The Netherlands is including effective anti-abuse provisions in tax treaties to combat their abuse, including with developing countries.</p> <p>The Netherlands supports OECD and EU policy calling on countries to comply with the rules on global minimum tax.</p> <p>The Netherlands also supports EU policies to place countries that refuse to comply with these rules on the list of non-cooperative tax jurisdictions.</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) The number of developing and other countries participating in the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting 2) The introduction of conditional withholding tax on dividends in low-tax jurisdictions and tax abuse situations 3) Annual interest, royalty and dividend flows from the Netherlands to low-tax countries 4) The number of tax treaties with developing countries with anti-abuse provisions in accordance with the minimum standard on the prevention of treaty abuse 5) Overview of countries on the EU list of non-cooperative tax jurisdictions
<p>Sub-goal 2 To tackle worldwide illicit financial flows (SDG 16.4), including corruption (SDG 16.5).</p>	<p>Actions The Netherlands is working for improved international agreements on combating illicit financial flows, for example via the Financial Action Task Force (FATF) and the Extractive Industries Transparency Initiative (EITI).</p> <p>The Netherlands is working to prevent agreements and standards to combat illicit financial flows from having negative consequences for civil society organisations.</p> <p>In accordance with the motions by MPs Sjoerdsma, Omtzigt and Jetten, the Netherlands is also exploring options for creating an EU sanctions framework against people and entities that are responsible for serious corruption.</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) The number of developing and other countries participating in the Financial Action Task Force (FATF) 2) The number of developing and other countries committed to implementing the Extractive Industries Transparency Initiative (EITI) standards

<p>Sub-goal 3 To ensure that developing countries have good tax policies and tax collection systems and are able to combat tax avoidance (SDG 17.1).</p>	<p>Actions The Netherlands is helping to build structural capacity for effective tax policy and tax collection in developing countries.</p> <p>The Netherlands is not asking developing countries for tax exemptions for development aid projects and programmes.</p> <p>The Netherlands supports developing countries' participation in the OECD/G20 Inclusive Framework.</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) Total Dutch expenditure (in millions of euros) on technical assistance with taxation ('domestic resource mobilisation'). 2) Tax revenues compared to developing countries' gross domestic product.
<p>Sub-goal 4 To ensure that developing countries are resilient to, and are able to combat, illicit financial flows.</p>	<p>Actions The Netherlands is working to build structural capacity for combating illicit financial flows in developing countries.</p> <p>The Netherlands is exploring how missions can best be enlisted in combating illicit financial flows. In 2023 various country-specific action plans will be developed to lay down the actions.¹⁶</p>	<p>Indicators</p> <ol style="list-style-type: none"> 1) Total Dutch expenditure (in millions of euros) on technical assistance with combating illicit financial flows and tax avoidance. 2) The number of low and middle income countries and countries on the FATF grey list that the Netherlands supports via the IMF Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Thematic Fund in implementing the FATF standards.

3. Reducing vaccine and health inequalities

SDGs 3 and 3B

<p>Sub-goal The Netherlands will help increase global access to vaccines and medicines by encouraging both knowledge sharing and local production.</p>	<p>Actions The Netherlands is working actively for fair global sharing of knowledge on developing and producing vaccines and other healthcare products.</p>	<p>Indicators Dutch campaigns in WHO and the WTO aimed at encouraging and increasing global knowledge sharing.</p> <p>Active sharing of knowledge in the partnerships with the business community, the life</p>
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¹⁶ These country-specific plans will then be used as a basis for formulating indicators.

	The Netherlands is helping to increase local production capacity for medicines and vaccines.	sciences and health top sector, civil society organisations and knowledge institutions/academia. Dutch participation in, and progress within, one of the multilateral initiatives on access to/ production of vaccines and medicines. ¹⁷
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Use of the SDG assessment tool in accordance with the Policy Compass (Integrated Assessment Framework)

Sub-goal	Actions	Indicator
The Netherlands will apply the SDG assessment tool in evaluating new legislation of the Ministries of Agriculture, Nature and Food Quality, Foreign Affairs/Foreign Trade and Development Cooperation, Finance, and Ministry of Economic Affairs and Climate Policy.	Together with the five ministries, a semiannual survey will be carried out of the legislation on the agenda and the SDG assessment tool's proper application to it.	Progress with applying the SDG assessment tool, with a specific focus at the ministries involved on the impact on development cooperation countries.

¹⁷ Decision expected in the spring of 2023.