The Development Assistance Committee (DAC) of the OECD met on 4 February 1992 under the chairmanship of Mr. Alexander R. Love to review the development assistance efforts and policies of the Netherlands. The Delegation of the Netherlands was led by Mr. R.J. Treffers, Deputy Director-General for International Co-operation of the Ministry of Foreign Affairs. The examining countries were Denmark and Japan.

The Committee appreciated the Netherlands good record on aid volume performance. In 1990 ODA disbursements amounted to $2.6 billion. The ODA/GNP ratio in 1989/90 averaged 0.94 (1) per cent which puts the Netherlands second in rank among DAC Members after Norway. The national target to devote the equivalent of 1.5 per cent of net national income to the budget for development co-operation (including certain non-ODA expenses) has contributed to maintaining the aid volume at this high level. The level of contributions made by non-governmental organisations is also relatively high at 0.05 per cent of GNP compared to a DAC average of 0.03 per cent. However, in recent years there has been a tendency for the ODA/GNP ratio to decline somewhat. This was due to budgetary constraints and growing use of the aid budget for purposes other than ODA in the DAC definition.

The Committee expressed its satisfaction with a number of qualitative aspects of the Dutch aid programme: the high concessionality of its aid terms; the high share of aid for least developed and other low-income countries; a stronger emphasis on social infrastructure, human resource development, environment and women in development.

Regarding the Dutch development strategy in the 1990s "A World of Difference", the Netherlands Delegation explained to the Committee the implications of the new policy orientations for recipient countries such as the impact on geographic allocation including a strengthened regional approach, conduct of policy dialogue, sectoral priorities and the issue of popular participation.

1. See footnote c) on page 4.

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participation in the development process. The Committee noted with interest that a number of initiatives are being taken by the Dutch authorities in order to adapt the Dutch aid programme to the evolving world situation and to enhance its aid effectiveness. Among the most important elements of such initiatives are:

- i) A reinforced emphasis on recipients’ policy performance supported by a more flexible aid allocation by country;
- ii) A sharpening of project eligibility criteria combining poverty, environment and Women in Development (WID);
- iii) The introduction of "spearhead" programmes in the areas of environment, WID, urban poverty and development research.

The Committee expressed interest in learning about the experience with implementing this new development strategy.

The Committee welcomed the Netherlands strategy aiming at increased aid effectiveness by adopting more selective approaches taking account of recipients’ policy performance and through more careful screening and preparation of projects in priority areas. The Committee noted with appreciation that the new mixed credit programme will be subject to the same development criteria as applied to other aid financed activities. It noted that the Dutch authorities are prepared to take a firmer position in respect of good governance, in particular human rights issues and excessive military expenditures. In this connection, the Committee thought it useful if the Netherlands kept other DAC Members informed about the progress in their policy dialogue with recipient countries with a view to enhancing co-ordinated approaches. A major increase in staff resources with expertise in various fields relevant to the effective implementation of the strategy is under way, accompanied by reinforcement of the field representation. The Netherlands Delegation explained recent experience of implementing the innovative programmes under the new strategy, in particular concerning the new tasks for Dutch embassies in recipient countries. The Committee appreciated the considerable progress made in the field of environment (environmental assessment efforts and reinforcement of staff capacity in particular) and noted with interest steps taken or envisaged to reinforce Women in Development (WID) aspects. In the field of population, which was one of the five priority areas of the earlier Dutch aid programme, the Committee felt that a more active participation by the Netherlands, especially in policy dialogues with developing countries as well as in bilateral aid activities, was desirable.

The Netherlands Delegation informed the Committee of recent discussions in the Council for Development Co-operation at ministerial level and in the Interministerial Co-ordination Committee, both of which are mechanisms for internal co-ordination to ensure policy coherence. The Committee recognised the positive contribution of these mechanisms for incorporating developing country dimensions into a broader policy context in the Netherlands. It expressed interest in the agreement reached in the International Conference on the European Political Union in Maastricht on development co-operation and related co-ordination and the Netherlands Delegation explained the significance for the future orientation of Dutch aid of the outcome of the Maastricht Conference.