



Private sector development – The Netherlands' policy and practice

Johan Veul

Sustainable Economic Development Department

Ministry of Foreign Affairs, The Hague, The Netherlands

Toronto, June 8th 2018

Also see our website: www.businessfordevelopmentworks.nl



Main objectives policy for trade & development cooperation

“Investing in global prospects – for the world, for The Netherlands”

- Prevent conflict and instability
- Reduce poverty and social inequality
- **Promote sustainable economic growth** & climate action worldwide
- Strengthen international earning capacity of The Netherlands
- Cross-cutting: gender equality & stronger position girls and women



Focus

Address root causes of poverty, terror, climate change, population growth and irregular migration

Focus regions:
West-Africa/Sahel, Horn of Africa,
Middle-East & North-Africa.



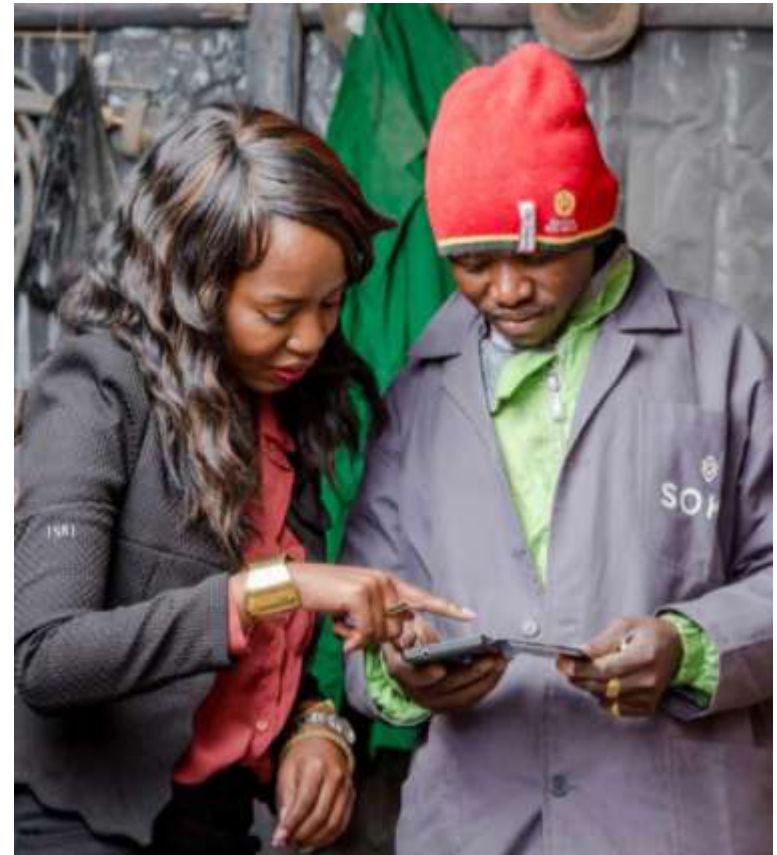


Guiding principles

Sustainable Development Goals
guiding our policy and programs



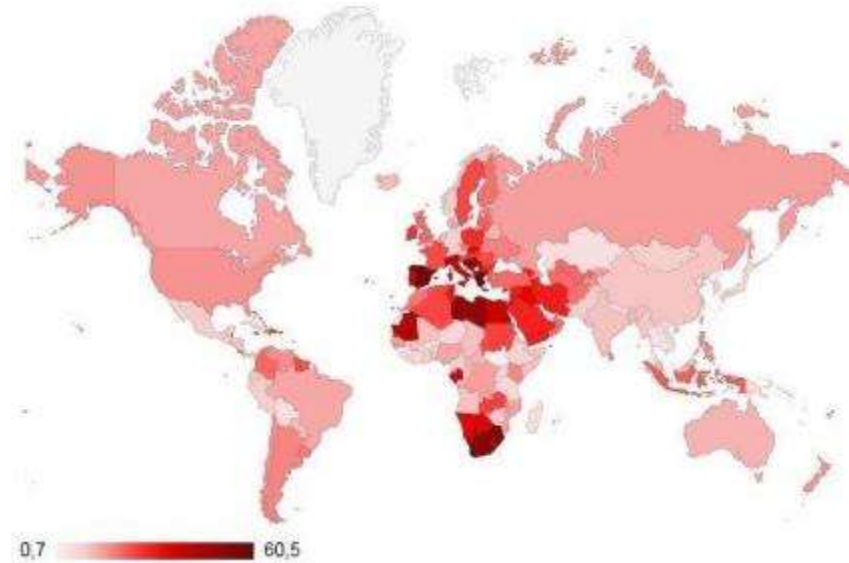
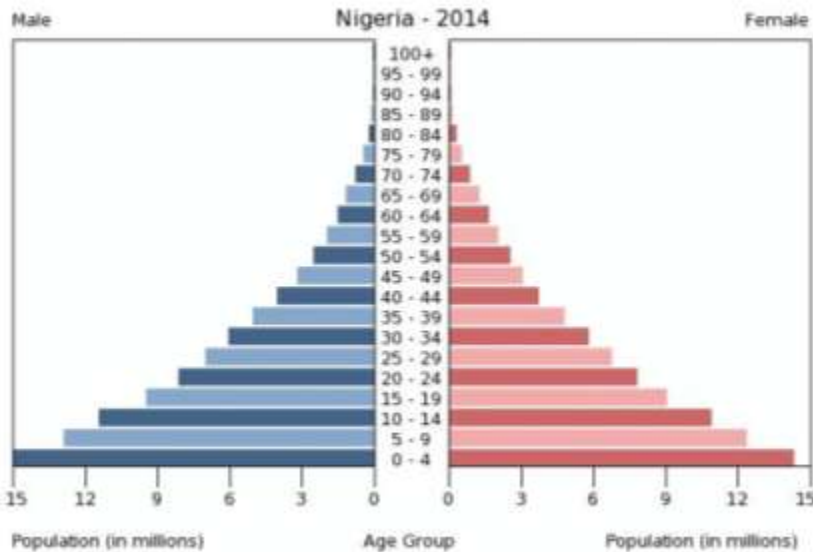
Innovative approach needed
in our way of working,
use of (digital) technologies,
partnerships, and financing





Focus: youth employment

- = 3x average unemployment
- 2 in 5 young women/men unemployed, or work with income below poverty line



- Generation at risk?
- Problem: stability / migration
- Also: huge economic potential



Cross-cutting: **gender** in private sector development

Entrepreneurship:

- equal rights to start a business
- fair access for all to public procurement
- access to financial services



Employment

- protection against violence
- equal and decent payments (gender pay gap)
- career opportunities

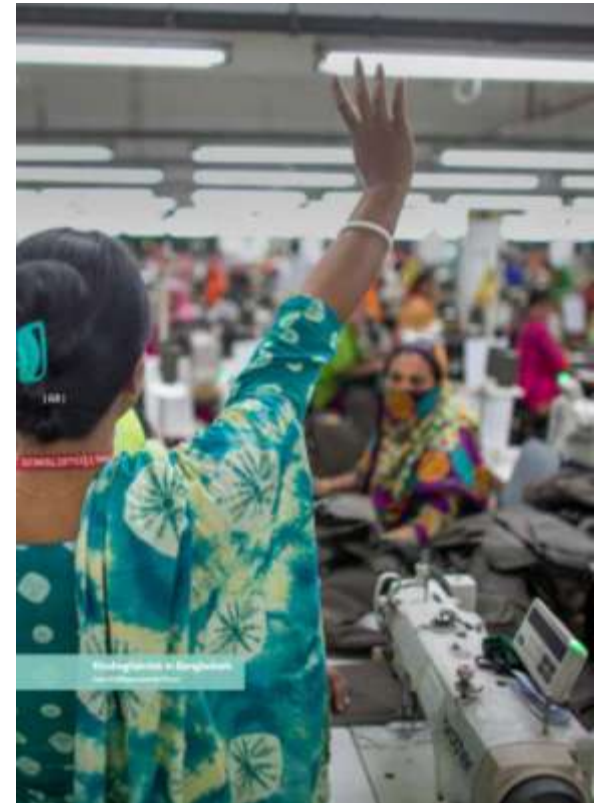
“where the number of women on the board where higher, the companies thrived”

[World Bank, Doing Business 2017](#)



New policy document - intensification (1)

- Support public-private partnerships to realize Sustainable Development Goals -> SDG-partnership facility
- Expand work & impact to make value chains sustainable; broaden alliances for sound production, trade and consumption of goods (incl. Covenants); promote agreements for living wage
- Increased support for companies to prevent & help eradicate child labour





New policy document - intensification (2)

- employment, in particular for young people and women and vocational education & training, in focus regions
- support for SMEs in their capacity to innovate in goods and services addressing SDG-challenges in developing economies





Annual budget

- Budget private sector development: € 300 mln
- Extra:
 - youth employment + € 30 mln
 - innovation + € 5 mln
 - eradication child labour + € 5 mln
- & innovative finance – Dutch Good Growth Fund (DGGF)
 - available budget in total € 700 mln
 - revolving: loans, equity, guarantees
 - focus on SMEs





Eligible **countries** for financial support

Afghanistan	Filipijnen	Libië	Peru
Albanië*	Gambia	Macedonië*	Rwanda
Algerije	Georgië	Madagaskar	Sierra Leone
Angola	Ghana	Malawi	Sao Tomé en Príncipe
Armenië	Guatemala	Maldiven*	Senegal
Bangladesh	Guinee	Mali	Somalië
Benin	Haïti	Marokko	Sri Lanka
Bhutan	India	Moldavië	Suriname
Bolivia	Indonesië	Mongolië	Tanzania
Bosnië-Herzegovina *	Ivoorkust	Mozambique	Thailand*
Burkina Faso	Jemen	Myanmar	Togo
Burundi	Jordanië	Nepal	Tsjaad
Cambodja	Kaapverdië	Nicaragua	Tunesië
Colombia	Kenia	Niger	Vietnam
Democratische Rep. Congo	Kosovo	Nigeria	Zambia
Djibouti	Laos	Oeganda	Zimbabwe
Egypte	Libanon	Pakistan	Zuid-Afrika
Eritrea	Liberia	Palestijnse Gebieden	Zuid-Sudan
Ethiopië			

* Until mid 2016