



CHOOSING A **STRONG**
NETHERLANDS



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AmCham wants to contribute to maintaining and strengthening the public-private foundation.

This starts with sharing our vision on themes that we believe are most relevant for the Netherlands and that will play an important role in policy-making in the coming years. It is more necessary than ever for public and private to join forces even more to face societal challenges. AmCham considers the following six themes to be crucial to maintain the leading position of the Netherlands in Europe and in the world.



One for all, all for the European Union



We can only achieve economic recovery after COVID-19 *together*



Innovating is investing



Get started now with sustainability and climate policy with equal rules for the whole of Europe



Inclusion - because every voice counts



Tax policy that stimulates inclusive employment, innovation and sustainability



I ONE FOR ALL, ALL FOR THE EUROPEAN UNION

The European Union provides an indispensable framework for the development and growth of the Netherlands. A strong Europe is not only good for the Dutch – it is good for every European citizen. The pandemic demands a lot from all Europeans and recovery should work for everyone in Europe. On the world stage, the Netherlands, together with its social partners, but also with the other member states, must strive for a strong economic position and an attractive investment climate. The alternative is that other global powers seize the investment readiness and economic growth in the wake of COVID-19 and well beyond.



- ★ As the Netherlands, strive for a **careful balance between following and leading** in Europe, while keeping the Dutch business climate in mind. This is essential for the confidence ‘the market’ has in government and will encourage investment;
- ★ Continue to **collaborate on innovation** in academia, industry and government, including in a wider European and global context;
- ★ **Take advantage of Horizon Europe**, the EU’s investment program for research and innovation for the period 2021-2027. This program offers opportunities for innovation in academia, business and government, both within the Netherlands and internationally;
- ★ Create a **Capital Markets Union** with more funding options for the investments needed for the recovery, for the green transition and for technological innovation. It will also help the Netherlands and Europe develop capital markets needed to serve Europe’s key investors, including savers and retirees;
- ★ Work on an **unambiguous sound** from Europe to the rest of the world. As an economic power bloc, pursue strong economic values and low trade barriers with the rest of the world. Avoid protectionist tendencies that unfairly disadvantage traditional trading partners such as the US. Strive for *Open Strategic Autonomy*.



2 WE CAN ONLY ACHIEVE ECONOMIC RECOVERY AFTER COVID-19 TOGETHER

The COVID-19 crisis is a major threat to the global economy and has consequences for, among other things, the willingness of foreign companies to invest in the Netherlands. The choice for the Netherlands is not self-evident and must be cherished and preserved. The trade relationship with the United States is the largest in size and indispensable for the Dutch economy.

Maintaining our position in the global economy and a strong public-private foundation are the basis of the economic recovery after COVID-19.



- Ensure **coordination and consistency in policy** between ministries. Transparency, coherence and clarity of policy and decision making is necessary for all stakeholders in the Netherlands, including companies;
- Not only support companies in their R&D, but also during the **roll-out phase of innovations**. This will support the sustainable transition and recovery after COVID-19;
- Promote **sustainable careers** that contribute to job security for people and give companies access to the right talent. Invest in public-private partnerships and a labor market infrastructure that is aimed at strengthening the agility and resilience of people and companies, and that facilitates transitions in the labor market;
- Increase **employee resilience** by stimulating retraining as a result of technological changes or a recession. Encourage continuous (digital) learning and further training;
- Deal with **increasing pressure** on infrastructure before it becomes a limiting factor for future sustainable growth. Focus on the future: invest in efficient energy and digital infrastructure that meets growth needs; use (vacant) office space smarter and more sustainably; invest in expansion of housing and international schools in large cities; continue the improvement of traffic flows.

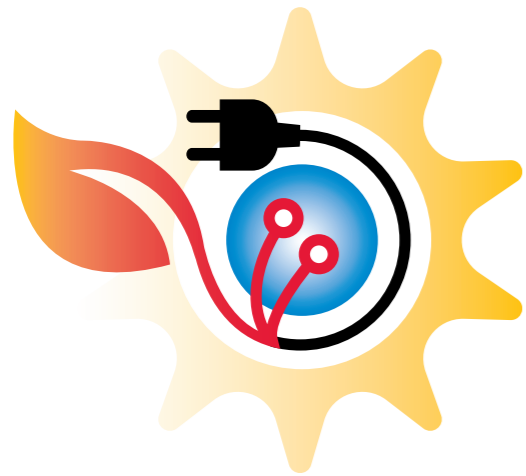


3 INNOVATING IS INVESTING

In 2018, American companies invested more than € 3.6 billion in material goods and more than € 600 million in R&D in the Netherlands (source: CBS). However, R&D investments in the Netherlands are lagging behind compared to the rest of the world, and that position is getting worse. The COVID-19 crisis is also causing a decrease in the investment capacity of the business community. As a result of stricter regulations, the Netherlands is in danger of losing its leading position in terms of innovation and economy. The Netherlands and Europe benefit from strong *innovation hubs* in the Netherlands.



- ✦ Give priority to a **broad investment agenda** for the economic recovery in the coming years;
- ✦ **Collaborate** with multinational companies and promote this collaboration. Accordingly, do not exclude these companies from (European) cooperation programs. The following applies here: a good example tends to be followed. Implement policies that promote and stimulate innovation and investment instead of taxing them;
- ✦ Support and expand university **research centers** that collaborate with industry, ease access to funding and improve the quality of data collection;
- ✦ Facilitate and stimulate attracting **international talent**, in education as well as on the labor market;
- ✦ Keep an eye on the quality of all levels of **education**;
- ✦ Treat **intellectual property** respectfully and unambiguously;
- ✦ Maintain the **Innovation Box** as a tool for strong R&D in the Netherlands.



4 GET STARTED NOW WITH SUSTAINABILITY AND CLIMATE POLICY WITH EQUAL RULES FOR THE WHOLE OF EUROPE

Climate change is one of the greatest challenges of our time. Everyone in society must contribute to turn this tide. Politics and business must be at the forefront of this. We are in a global transition to more sustainably generated energy and are moving towards irreversible *tipping points*. Large companies play a crucial role in this in terms of feasibility and speed. Members of AmCham constantly set themselves *commitments beyond shareholder objectives*: how can we as a business community be part of society as well as the solution? These goals are actively monitored by companies and adjusted where necessary. There are plenty of *good practices* and sharing them is meaningful and inspiring.



- Ensure that the Netherlands and Europe contribute effectively to the **energy transition**. For the feasibility and speed of the transition, the same rules must be applied in all countries in such a way that there is a level playing field within the Union. A transparent ecological-economic framework can help to generate maximum returns on investments;
- Always keep the maximum European return for the longer term in mind when **regulating and stimulating**, and avoid short-term, local suboptimal spending and regulation;
- Encourage sustainable investments by making them **tax deductible**. Tax deductibility has declined in recent years and now actually hampers investment and establishment in the Netherlands;
- Continue **grants** that encourage businesses and consumers to adopt climate-friendly practices and products and expand them where they make the most ecological and economic sense;
- Take into account the use of **innovative and technological applications** for sustainable solutions, which also stimulates entrepreneurship in achieving the goals. Look at examples of global players established in the Netherlands. As such, good solutions from other parts of the world can also be applied here.



5 INCLUSION - BECAUSE EVERY VOICE COUNTS

AmCham wants to actively contribute to promoting inclusion and diversity, within companies and in society. This means, among other things, more diversity at the top, more attention to cultural diversity and a commitment to equal opportunities and pay for everyone. Companies with an inclusive culture harness the full potential of their employees, and generally make more profit in the long run. Studies show that more gender equality can increase the Dutch GDP with billions. The business community and government have a shared responsibility for allowing this message to take root in society and to realize progress where necessary. Supporting and encouraging groups that - subtly or blatantly - are excluded or treated unfairly can help us achieve this ambition.



- ☛ Strive for greater **cultural and gender diversity** at all levels. Offer support to companies and employees who need it;
- ☛ Within AmCham we see many good practices, many members have:
 - **Inclusion & Diversity Managers** or someone with that responsibility;
 - **Training** for employees, for example on unconscious bias, inclusive collaboration and inclusive leadership;
 - A **programmatic approach** for the various communities within their organization;
 - Policies for integrating inclusion & diversity into their **entire ecosystem** (e.g. supply chain diversity);
- ☛ Maintain a **collaborative dialogue** between the government and the private sector. Encouraging and sharing good practices between companies can help, and that is what AmCham therefore also facilitates. Because: inclusion and diversity are taken very seriously, but they also require a lot of attention still for the future;
- ☛ **Stimulate continuous learning** throughout the entire career ('lifelong learning') to keep people from every group in the working population employable (and thus not to lose the gains from above efforts) in the continuous movement towards a new 'future of work'.



6 TAX POLICY

AmCham represents American companies that have added value for the Netherlands – as an employer, innovator, driver of sustainability and/or investor. On behalf of these companies, AmCham wants to contribute by thinking about the development of tax policy that ensures that the Netherlands is attractive in particular for companies with substantial activities, while preventing abuse. National and international tax developments have a major impact on the attractiveness of the Netherlands for investments by American companies. In recent years, the Netherlands has done a lot to combat abuse of the international tax system by introducing national regulations and by taking the lead in international initiatives within the EU and the OECD.



- € Continue to actively **participate in international initiatives** within the EU and the OECD, in the belief that a trading country such as the Netherlands benefits from multilateral solutions;
- € **Develop a vision for the future.** Where in the past mainly legal structures were decisive within the international tax system, in the future - think of the CCCTB (EU) and Pillar 1 (OECD) - it is rightly about the location where important business functions are performed, where added value is delivered, where innovation and investment are taking place. These functions also offer great opportunities for inclusive employment, innovation and sustainability. AmCham has concrete ideas on how to stimulate investment in these functions on the one hand, while on the other hand increasing taxation on passive situations;
- € **Stimulate innovation and sustainability** for companies and individuals by making these investments **deductible** in the tax base.



IN CONCLUSION

For AmCham, a stable business and investment climate is about more than financial, fiscal and economic interests alone. The fact that the public and political sentiment is hardening towards multinational companies is something we are concerned about and that we would like to change.

For example by more emphatically seeking dialogue and by using a constructive exchange of views to better understand each other's positions and dilemmas. With this *document Choosing a Strong Netherlands* we have aimed precisely at that.

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ABOUT AMCHAM

The American Chamber of Commerce in the Netherlands (AmCham) has been the representative of the American business community in the Netherlands and of Dutch / international companies with major interests in the United States since 1961. AmCham represents the interests of its 347 members in the field of trade and investment, and aims to strengthen the investment climate in the Netherlands and the transatlantic economic relationship.

American companies form a substantial part of the Dutch economy with a turnover of **€ 211 billion** in 2018. American companies account for more than **450,000 jobs** in the Netherlands, of which **218,000** are **direct jobs**. In 2018, these direct employees produced **€ 144 billion** worth of goods and services in the Netherlands, with an added value of **€ 37.3 billion** accounting for almost 5% of Dutch GDP. In addition, exports to the United States are also important for the Dutch economy. In 2019, **€ 26 billion** worth of goods was exported from the Netherlands to the United States and **€ 20 billion** worth of services (source: Statistics Netherlands).

A SELECTION OF OUR MEMBERS

