

The Netherlands

1. Covid-19 Pandemic and National Recovery and Resilience Plans

Question 1	Based on early indications, how satisfied or dissatisfied are you with the way your country has started implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How confident are you that the European Commission will enforce strong implementation of the reforms in the national recovery and resilience plans across the EU?	Not confident
Question 4	How do you judge the overall economic policy response in your country over the past 24 months to the COVID-19 recession? (e.g. furlough schemes, tax deferrals, state aid schemes)	Very Good
Question 5	How do you judge the overall economic policy response from the European Union over the past 24 months to the COVID-19 recession? (e.g. SURE, Recovery and Resilience Facility, single market)	Fair
Question 6	To what extent has the COVID-19 pandemic and recession led to scarring i.e. permanent structural damage to your national economy?	To a small extent
Question 7	To what extent has the COVID-19 pandemic and recession led to scarring i.e. permanent structural damage to the EU27 economy?	To a small extent
Question 8	More specifically, how much lower do you expect GDP in your country to be in 2025 than would have been the case without the crisis?	GDP in 2025 expected to be <u> 1 </u> to <u> 2 </u> % lower than what would have been the case without the pandemic (according to our Central Planning Bureau)

2. Assessment of Country Specific recommendations 2020-2021 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. Strengthen the resilience of the health system, including by tackling the existing shortages of health workers and stepping up the deployment of relevant e-Health tools.	Extremely important	Satisfactory	Reducing problematic "COVID-debts" is still a big issue in some (closed) sectors; and also the resilience of the Dutch health care sector
CSR 2	Mitigate the employment and social impact of the crisis and promote adequate social protection for the self-employed.	Extremely important	Excellent/No further progress needed	
CSR 3	Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on digital skills development, sustainable infrastructure and clean and efficient production and use of energy as well as mission-oriented research and innovation.	Extremely important	Satisfactory	Biggest challenge is the scarcity of workers in the green transition
CSR 4	Take steps to fully address features of the tax system that facilitate aggressive tax planning in particular on outbound payments, notably by implementing the adopted measures and ensuring its effectiveness. Ensure effective supervision and enforcement of the anti-money laundering framework.	Helpful (but not a priority)	Satisfactory	

3. Reform Progress in your Member State in 2020 & 2021

How would you assess reform progress in 2020 & 2021, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Satisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2022 Reform Barometer?

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| <p>1) Reform of the labour market, as our labour market is very tight. There are plenty of options to raise the labour force participation: in fte, this is now one of the lowest in the EU.</p> <p>2) Building new (affordable) houses, as our housing market is very tight</p> |
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4. Reform priorities for 2022

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Making work-pay: interplay of tax and benefit system	Reducing high marginal tax rate on labour	Yes
Priority 2	Business Environment - Regulatory barriers to entrepreneurship	A stable and reliable business climate, with stable tax rates for businesses	Yes
Priority 3	Tax reforms	A stable and reliable business climate, with stable tax rates for businesses?	Yes
Priority 4	R&D and Innovation	Increasing the level of R&D (%GDP)	Yes
Priority 5	Labour market mismatch and labour mobility	The labour market participation in fte in one of the lowest in the EU. Make a plan to increase the participation rate	No
Priority 6	Sector specific regulation (Housing Market)	Housing market: build, build, build new houses	Yes