

KEY QUESTIONS

the big six

5

How is the Netherlands' ODA budget structured?

The Minister for Foreign Trade and Development Cooperation manages more than half of total ODA

In 2019, the Netherlands' ODA budget stands at €4.7 billion (US\$5.3 billion). This is a marginal increase of 2% from 2018 and 5% from 2017 (€4.5 billion; US\$5.1 billion). According to the budget proposal, the ODA budget is projected to increase by 8% between 2019 and 2023, with ODA at €5.1 billion (US\$5.8 billion) in 2023.

The Homogeneous Budget for International Cooperation (HGIS) is a budgetary structure within the national budget. It consolidates the ODA allocations within the foreign policy budgets of individual ministries.

The Minister for Foreign Trade and Development Cooperation (MFTDC), a cabinet-level minister within the Ministry of Foreign Affairs (MFA), manages the largest share of Dutch ODA (63% in 2019). On top of the funding managed by the MFTDC, other departments within the MFA disburse another 14% of the development budget. The Ministry of Finance provides 7% of the total ODA budget, disbursing funding to development banks. The remaining 16% is mostly contributions to the EU development budget (7%) and funding to cover the costs of hosting refugees in the Netherlands.

The Foreign Trade and Development Cooperation budget is organized around thematic areas (see table). The envelopes for these thematic areas are usually split further into grants and contributions to multilaterals and other organizations working in that thematic area.

Overview: The Netherlands' 2019 ODA budget, in millions

	€	US\$
Foreign Trade and Development Cooperation	2,959	3,336
Sustainable economic development, trade and investment	399	450
Sustainable development, food security, water, and climate	722	814
Food security, of which:	340	383
Grants	101	114
Contributions to (international) organizations	220	248
Other	19	21
Water	194	219
Climate	189	213
Social issues	765	862
SRHR, incl. HIV/AIDS, of which:	430	485
Grants	154	174
International organizations (including Global Fund, UNFPA, UNAIDS)	268	302
Other	8	9
Women's rights and gender equality (including contributions to UNWOMAN)	52	59
Other (Mainly CSO support)	285	321
Peace, security and sustainable development	776	875
Humanitarian aid (including contributions to UNOCHA, ICRC)	369	416
Reception and security in the region and cooperation on migration	172	194
Security and rule of law development	235	265
Multilateral cooperation and other areas	296	334
Multilateral cooperation	131	148
Other poverty reduction policy	64	72
Open for distribution (due to changes in GNP and /or attributions)	101	114
Foreign Affairs	642	724
Ministry of Finance (funding for development banks)	319	360
Other ministries	61	69
Other ODA expenses	750	845
EU budget	330	372
Refugee costs	420	473
Total ODA budget (gross)	4,730	5,332

Source: HGIS nota 2019 and Rijksbegroting 2019