Doing Business in the Netherlands:

2010 Country Commercial Guide for U.S. Companies


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Chapter 1: Doing Business In The Netherlands

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**Market Overview**

- The United States’ partnership with the Netherlands is its oldest continuous relationship and dates back to the American Revolution.
- The Netherlands is a geographically small (approximately the size of the State of Maryland), densely populated (16.5 million people) country occupying a highly strategic commercial location, with Europe’s largest Port, that makes it the “Gateway to Europe”.
- Over 160 million consumers (roughly one third of the population of the expanded European Union of 27 Member States) reside within a 300-mile radius of Rotterdam.
- More than sixty percent of the Netherlands’ GDP is generated by foreign trade in goods and services.
- The Netherlands is a key center within the global business network with an advanced infrastructure geared towards the transportation of goods, people, and electronic data.
- Its core distribution points include Rotterdam, Europe’s largest port, and Amsterdam Schiphol Airport, the fourth largest in Europe.
- The Netherlands has capitalized on its location and advanced economy to become one of the top dozen trading countries in the world.
- It is currently ranked 16th in GDP in the world, eighth in imports of goods and services from the United States, and fourth in direct investment in the United States.
- The United States is the largest foreign investor in the Netherlands and has its largest bilateral trade surplus in the world with this country ($19 billion in 2008).

**Market Challenges**

- Except for EU-wide impediments, there are no significant trade barriers.
- Because of the size, accessibility, and competitive nature of the Dutch market, importers usually insist on an exclusive distributorship.
Exporters may need to adapt their products and documentation for the Dutch market.

**Market Opportunities**

European Union rules have opened public procurement to U.S. firms, and there may be attractive opportunities for U.S. companies to participate in the renewal of the Dutch transport infrastructure, specifically, projects resulting from the development of the European high-speed railway network (HSL). Six "New Key Projects" (NSPs) have been launched to develop train stations and surrounding areas in Amsterdam, Rotterdam, The Hague, Breda, Utrecht, and Arnhem. For more information, go to:

http://www.vrom.nl/pagina.html?id=37434

For detailed information on the Dutch national spatial planning strategy, including project information, go to:

http://www.vrom.nl/pagina.html?id=36864

The Netherlands strategic location, the relative ease of doing business, the high level of proficiency in English, and its world-class and user-friendly transportation and distribution infrastructure make it an ideal market and European operations location for U.S. companies.

Best prospects are listed in Chapter 4 in this report. A rule of thumb is that products selling well in the U.S. market will generally have market potential in the Netherlands.

**Market Entry Strategy**

- The Dutch market is highly competitive - the "golden key" of customary business is courtesy, especially replying promptly to requests for price quotations and to orders.
- Dutch business executives are generally more conservative than their U.S. counterparts; therefore, it is best to refrain from using first names until a firm relationship has been formed.
- Friendship and mutual trust are highly valued, and once trust has been earned, a productive working relationship can usually be counted upon.
- Dutch buyers appreciate quality and service and are also interested in delivery price. Care must be taken to assure that delivery dates will be met and that after-sales service will be promptly honored.
- U.S. exporters should maintain close liaison with distributors and customers to exchange information. Understanding developed through periodic personal visits is the best way to keep distributors apprised of new developments and to resolve problems quickly.
• U.S. exporters should consider warehousing in the Netherlands for speedy supply and service of their Dutch and European customers.
• A vigorous and sustained promotion is often needed to launch products because buying habits are generally strong. Products must be adapted to both technical requirements and to consumer preferences. It is not sufficient to merely label a product in conformity to national requirements for the development of the full market potential. Consumers must also be attracted to the product by label and packaging as well as ease of use.
• Most Dutch speak their minds and will not waste your time or their own if they are not interested in your product.
Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

http://www.state.gov/r/pa/ei/bgn/3204.htm
Using an Agent or Distributor

The Netherlands has a variety of experienced importers, sales agents, and distributors well versed in international trade. More than 7,000 U.S. companies have appointed Dutch agents and distributors in the Netherlands. Distributors who purchase for their own account and distribute throughout the country and Europe handle a large portion of the goods. Because of the size, accessibility, and competitive nature of the Dutch market, distributors usually insist on an exclusive distributorship. If the distributor is a well-qualified and experienced firm, an exclusive distributorship often yields the best results.

Since the Netherlands is a compact market, foreign firms customarily have one exclusive representative for the entire country, but it is common for the representative to appoint subagents to cover certain sectors of the market if sales volume and profit margin warrant.

A Dutch representative can sometimes provide an excellent starting point for exporting to other European markets. Dutch firms are adept at handling logistics, language adaptations, and inventory on behalf of U.S. exporters.

The Commercial Service can assist U.S. exporters in locating an agent, distributor, or partner in the Netherlands through its International Partner Search or Gold Key Service programs. In addition, we can provide valuable background information on Dutch firms through our International Company Profile (ICP) service. Further information can be obtained by visiting our website at http://www.buyusa.nl or contacting your local Export
Assistance Center or the Commercial Service directly in The Hague (see contact numbers at the end of this guide).

Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with European Union (EU) and Member State national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. In essence, the Directive establishes the rights and obligations of the principal and its agents; the agent's remuneration; and the conclusion and termination of an agency contract, including the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that the Directive states that parties may not derogate certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

Key Link: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML

The European Commission’s Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small- and medium-sized companies (SMEs) are exempt from these Regulations because their agreements likely would qualify as "agreements of minor importance," meaning they are considered incapable of affecting competition at the EU level but useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized undertakings. The EU has additionally indicated that agreements that affect less than 10 percent of a particular market are generally exempted as well (Commission Notice 2001/C 368/07).


The EU also looks to combat payment delays with Directive 2000/35/EC. This covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. In sum, the Directive entitles a seller who does not receive payment for goods/services within 30-60 days of the payment deadline to collect interest (at a rate of 7 percent above the European Central Bank rate) as compensation. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs. The current legislation is undergoing review.


Companies’ agents and distributors can take advantage of the European Ombudsman when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights.

2/24/2010
Establishing an Office

The Netherlands has a flexible legal environment that allows non-resident companies and individuals to open an office. There is no legal differentiation between local and foreign-owned companies. The office can be set up with or without a legal personality. If it has a legal personality, the entrepreneur cannot be held liable for more than the sum he contributed to the company's capital.

Most U.S. investors in the Netherlands set up a private company with limited liability (BV). The BV is commonly used for all types of business ventures. However, a public limited liability company (NV) is the usual form of business enterprise adopted when capital is to be acquired through public offerings. When incorporating a BV or an NV, the foreign investor must submit a notarial deed of incorporation, which must contain the articles of association. The incorporators of a BV must provide a minimum of 18,000 euro of the share capital. For the incorporation of an NV the amount is 45,000 euro.

To complete the incorporation procedure, the founders have to register the new company in the Commercial Register at the Chamber of Commerce of the district in which its main business will be located.

Sole traders, partnerships and limited partnerships are examples of legal forms without legal personality, wherein the guiding principle is that the entrepreneur remains personally liable for the company's debts. A partnership format can be used when two or more partners wish to do business jointly and under a joint name without having to meet all the legal requirements that a BV or NV would entail.

If the foreign investor prefers not to set up a legal entity in the Netherlands, a branch might be a better option. A branch is easier and less expensive to establish than a subsidiary. However, a branch is not a separate legal entity, so branch's foreign parent is fully liable for all of its obligations.

Franchising

Approximately 600 franchise concepts operate in the Netherlands, with more than 25,200 outlets and sales of $37 billion in 2006.

There are no regulations governing franchising specifically and none that limit access to the market for U.S. firms. Franchise concepts are subject to national competition regulations and fair trading laws. There is a mature network of experienced bankers, lawyers, accountants, consultants and other advisors, specialized in the field of franchising.

The reasons few U.S. franchise formulas operate in the Netherlands are generally high master franchise fees for U.S. formulas and competition from cheaper, local formulas.
Successful U.S. franchise operations in the Netherlands include McDonalds, Domino’s Pizza, Pizza Hut, and ERA.

The industry spends in excess of $1.5 billion annually, making it the third largest marketing medium after television and daily newspapers.

Printing, handling and distribution costs are higher in the Netherlands compared to the United States. Distribution costs contribute one third to total costs.

The most active sectors using direct marketing are retail and financial services. Three-quarters of direct marketing mailings are aimed at consumers in these two sectors. For all sectors, this average is somewhat lower, with a 60-40 percent average for consumers/businesses.

There is a wide range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase, and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance selling and on-line commerce. It is worth noting that the EU is currently overhauling its consumer protection legislation. Companies are advised to consult the information available via the hyperlinks, to check the relevant sections of national Country Commercial Guides, and to contact the Commercial Service at the U.S. Mission to the European Union for more specific guidance.

**Processing Customer Data**

The EU has strict laws governing the protection of personal data, including the use of such data in the context of direct marketing activities. For more information on these rules, please see the privacy section above.

**Distance Selling Rules**

- **Distance and Door-to-Door sales**
  The EU’s Directive on distance selling to consumers (97/7/EC and amendments) sets out a number of obligations for companies doing business at a distance with consumers. It can read like a set of onerous "do’s" and "don’ts," but in many ways it represents nothing more than a customer relations good practice guide with legal effect. Direct marketers must provide clear information on the identity of themselves as well as their supplier, full details on prices including delivery costs, and the period for which an offer remains valid – all of this, of course, before a contract is concluded. Customers generally have the right to return goods without any required explanation within seven days, and retain the right to compensation for faulty goods thereafter. Similar in nature is the Doorstep Directive (85/577/EEC) which is
designed to protect consumers from sales occurring outside of a normal business premises (e.g., door-to-door sales) and essentially assure the fairness of resulting contracts.

Key Links: Consumer Affairs Homepage:  
http://ec.europa.eu/consumers/cons_int/safe_shop/index_en.htm  
Distance Selling:  
http://ec.europa.eu/consumers/cons_int/safe_shop/dist_sell/index_en.htm  
Door Step Selling: http://ec.europa.eu/consumers/cons_int/safe_shop/door_sell/index_en.htm

- Distance Selling of Financial Services  
Financial services are the subject of a separate Directive that came into force in June 2002 (2002/65/EC). This piece of legislation amends three prior existing Directives and is designed to ensure that consumers are appropriately protected in respect to financial transactions taking place where the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for the presentation of contract information. Given the special nature of financial markets, specifics are also laid out for contractual withdrawal.

Key Link: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT

Direct Marketing over the Internet

The e-commerce Directive (2000/31/EC) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them have to be easily accessible and clear. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its acknowledgment. This is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below).

Key Link: http://ec.europa.eu/internal_market/e-commerce/index_en.htm

Joint Ventures/Licensing

Joint venture and licensing agreements are common in the Netherlands. The privatization of state-owned companies, including telecommunication and public transport, has further stimulated the potential for U.S. firms to enter into joint venture partnerships with Dutch companies. A joint venture can take the form of, for instance, a
partnership or a BV. The structuring of a joint venture is a complicated process and normally requires a specialist advisor.

**Selling to the Government**

Local representation is almost a requirement in order to sell to the Dutch Government.

The EU public procurement market, including EU institutions and Member States, totals around EUR 1,600 billion. This market is regulated by three Directives:

- Directive 2004/18 on Coordination of procedures for the award of public works, services and supplies contracts, and
- Directive 2004/17 on Coordination of procedures of entities operating in the Utilities sector, which covers the following sectors: water, energy, transport and postal services.
- Directive 2009/81 on Coordination of procedures for the award of certain works, supply and service contracts by contracting authorities in the fields of defense and security (to be implemented in national laws of EU member states by mid-2011).

Remedies directives cover legal means for companies who face discriminatory public procurement practices. These directives are implemented in the national procurement legislation of the 27 EU Member States.

The US and the EU are signatories of the World Trade Organization's (WTO) Government Procurement Agreement (GPA), which grants access to most public supplies and services and some works contracts published by national procuring authorities of the countries that are parties to the Agreement. In practice, this means that U.S.-based companies are eligible to bid on supplies and services contracts from European public contracting authorities above the agreed thresholds. However, there are restrictions for U.S. suppliers in the EU utilities sector both in the EU Utilities Directive and in the EU coverage of the Government Procurement Agreement (GPA). The Utilities Directive allows EU contracting authorities in these sectors to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50% of the total value of the goods constituting the tender, or is entitled to apply a 3% price difference to non-EU bids in order to give preference to the EU bid. These restrictions are applied when no reciprocal access for EU companies in the U.S. market is offered. Those restrictions however were waived for the electricity sector.

For more information, please visit the U.S. Commercial Service at the U.S. Mission to the European Union website dedicated to EU public procurement. This site also has a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement. Access is free of charge.

Key Link: [http://www.buyusa.gov/europeanunion/eu_tenders.html](http://www.buyusa.gov/europeanunion/eu_tenders.html)
Contributing eight percent to the GDP, transportation and distribution is a core business activity in the Dutch economy. Over 400,000 people are employed in the transportation and distribution sector. The geographical position of the Netherlands makes it the gateway to Europe. This can be illustrated by the following facts: Rotterdam, the world’s third-largest port, handles about 41 percent of all sea cargo in Europe; Amsterdam Schiphol Airport is Europe’s fourth largest airport; and 27 percent of all international road transport and 50 percent of all European inland shipping is done by the Dutch. The total amount of goods handled by the Dutch transport and distribution sector amounts to 1.4 billion tons annually. Major sectors include sea cargo, inland shipping, road cargo, rail cargo, air cargo, and pipeline transportation. The Dutch logistics sector is a strong proponent of the just-in-time (JIT) logistics model.

The introduction of products into the Dutch market is relatively uncomplicated and may be achieved using several methods. Product representation throughout the Netherlands is facilitated by the compact market and may be achieved with any of the following distribution methods to cover the entire area, depending on the expected sales volume, product support requirements, and marketing techniques. However, these methods must be applied while being mindful of the advantages a local representative would have in serving the home market:

- Establishing a sales office to serve the entire country and provide a distribution base for the rest of Europe.
- Selling through an agent or distributor whose activity may cover specified areas, the entire Benelux, or include European sales.
- Selling through established wholesalers or dealers.
- Selling directly to department stores, retail chains, retail cooperatives, consumer cooperatives, or other purchasing organizations.

EU law implemented by national legislation governs exclusivity in agency and supply agreements, purchasing contracts, and contract terms. U.S. manufacturers and exporters are generally able to appoint exclusive representatives and to determine the methods used to promote the sale of their products. Such exclusive territories are usually national in size.

Sales practices that give regulatory concern are those that could give an unfair advantage to the supplier at the expense of competitors or end users. Recent legislation exempts some vertical agreements between manufacturers and their resellers, but requires the disclosure of certain types of inter-company commercial arrangements, and also gives powers of investigation and enforcement to the regulatory authorities.
Success in the Dutch market requires a long-term commitment to market development and sales back up, especially if U.S. companies are to overcome the geographic handicap with respect to European competitors. Dutch importers believe that U.S. suppliers process a U.S. domestic order before taking care of an export sale, and that they are quick to bypass a local distributor to deal directly with its customer.

**Electronic Commerce**

The Netherlands ranks among the countries with the largest number of broadband connections and the highest Internet penetration in the European Union. According to the Economic Intelligence Unit (EIU) e-commerce readiness survey, the Netherlands ranks eighth in the world thanks to continued rollout of broadband services, internet-related legislation and government broadband programs. In 2004, the government embarked on an action program aimed at creating a regulatory framework to stimulate and facilitate broadband development.

As of 2009, more than 8 million computers are connected to the Internet and more than 12 million people use the Internet.

Consumers spent $7 billion online in 2008, 24 percent up on 2007.

In 2003, the EU started applying Value Added Tax (VAT) to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU based non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. European Council Directive 2002/38/EC further developed the EU rules for charging Value Added Tax. These rules were indefinitely extended following adoption of directive 2008/8/EC.

U.S. businesses mainly affected by the 2003 rule change are those that are U.S. based and selling ESS to EU based, non-business customers or those businesses that are EU based and selling ESS to customers outside the EU who no longer need to charge VAT on these transactions. There are a number of compliance options for businesses. The Directive created a special scheme that simplifies registering with each Member State. The Directive allows companies to register with a single VAT authority of their choice. Companies have to charge different rates of VAT according to where their customers are based but VAT reports and returns are submitted to just one authority. The VAT authority responsible for providing the single point of registration service is then responsible for reallocating the collected revenue among the other EU VAT authorities.

Key Link: [http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm](http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm)

**Trade Promotion and Advertising**

An estimated $3 billion is spent annually on advertising. In the last few years, the Dutch advertising sector has experienced substantial growth in three key areas: radio, television and direct mail advertising. Because of the relatively small size of the Dutch
domestic market, companies in this sector have traditionally been active in international markets. In the Netherlands, there are over 1,300 independent advertising agencies. About 25 percent of the total Dutch market is serviced by U.S. advertising agencies. The country is attractive for U.S. advertising agencies due to the effective advertising concepts the Dutch are able to produce with the aid of technical tools such as graphic design and video technology. Advances in technology allow them to conduct worldwide campaigns from the Netherlands.

The Government strictly enforces laws covering gaming and lotteries as well as restrictive trade practices. Firms advertising and selling goods should obtain local advice regarding provisions of the laws and consumer acceptance of the promotional or marketing approach.

Dutch firms engaged in market research provide the usual range of services, including store audits, consumer surveys, product field-testing, and attitude and motivation research. In general, if the advertising technique works well for a particular product line in the United States and elsewhere in Europe, the Dutch market should also be receptive to the approach.

The names of Dutch advertising agencies, market research organizations, and management and public relations counseling firms can be found in the following publication:

International Directory of Market Research Houses and Services (Green Book)  
American Marketing Association  
311 South Wacker Drive, Suite 5800  
Chicago, IL 60606  
Toll free: (800) AMA-1150  
Phone: (312) 542 9000  
Fax: (312) 542 9001

The principal advertising media are the press, television, and radio. Cinema is primarily a support medium with a strong reach among the 15 to 24 year old age group.

The following are major Dutch newspapers:

Algemeen Dagblad  
P.O. Box 8983  
3009 TC Rotterdam  
Phone: +31 10 406 6077  
Fax: +31 10 406 6969  
Email: ad@ad.nl  
Web site: http://www.ad.nl  
National conservative daily  
Circulation: 333,000

Het Financieele Dagblad  
P.O. Box 216  
1000 AE Amsterdam  
Phone: +31 20 592 8888  
Fax: +31 20 592 8800
Email: commercie@fd.nl
Web site: http://www.fd.nl
National business daily
Circulation: 69,000

De Volkskrant
P.O. Box 1002
1000 BA Amsterdam
Phone: +31 20 562 9222
Fax: +31 20 562 6289
Email: redactie@volkskrant.nl
Web site: http://www.volkskrant.nl
National labor oriented daily
Circulation: 335,000

De Telegraaf
P.O. Box 376
1000 EB Amsterdam
Phone: +31 20 480 2424
Fax: +31 20 585 4438
Email: adverteer@telegraaf.nl
Web site: http://www.telegraaf.nl
Conservative, sensationalist national daily
Circulation: 808,000

NRC Handelsblad
P.O. Box 8987
3009 TH Rotterdam
Phone: +31 10 406 6111
Fax: +31 10 406 6967
Email: nrc@nrc.nl
Web site: http://www.nrc.nl
Influential, independent national evening daily
Circulation: 267,000

Trade Show Facilities:

Amsterdam RAI – Trade Show Facility:

Utrecht Jaarbeurs Trade Show Facility:
http://www.jaarbeursutrecht.com/

Other:

FUSE (Featured U.S. Exporters):

Single Company Promotions:
**General Legislation**

Laws against misleading advertisements differ widely from Member State to Member State within the EU. To respond to this imperfection in the Internal Market, the Commission adopted a Directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." Member States can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services by a competitor." Member States can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive lays down legislation on broadcasting activities allowed within the EU. From 2009 the rules allow for US-style product placement on television and the three-hour/day maximum of advertising will be lifted. However, a 12-minute/hour maximum will remain. Child programming will be subject to a code of conduct that will include a limit of junk food advertising to children.

Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are now considered as legally binding on the seller. (For additional information on Council Directive 1999/44/EC on the Sale of Consumer Goods and Associated Guarantees, see the legal warranties and after-sales service section below.)

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten up consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

**Key Link:**

**Medicine**

The advertising of medicinal products for human use is regulated by Council Directive 2001/83/EC. Generally speaking, the advertising of medicinal products is forbidden if market authorization has not yet been granted or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label, and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of
the product as well as its classification. Inducements to prescribe or supply a particular medicinal product are prohibited and the supply of free samples is restricted.

The Commission presented a new framework for information to patients on medicines in 2008. The framework would allow industry to produce non-promotional information about their medicines while complying with strictly defined rules and would be subject to an effective system of control and quality assurance.

Key Link:

*Nutrition & Health Claims*

In 2007, a new regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the use of nutrition claims such as “low fat” or “high in vitamin C” and health claims such as “helps lower cholesterol”. The regulation applies to any food or drink product produced for human consumption that is marketed on the EU market. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) will be allowed to carry claims. Nutrition and health claims will only be allowed on food labels if they are included in one of the EU positive lists. Food products carrying claims must comply with the provisions of nutritional labeling directive 90/496/EC. From 2010, only nutrition claims in the Annex will be allowed.

The development of nutrient profiles, originally scheduled for January 2009, is being delayed due to the 2009 Parliamentary elections and the appointment of a new Commission. Once they have been set, there will be another two-year period before the nutrient profiles begin to apply to allow food operators time to comply with the new rules. Nutrition claims can fail one criterion, i.e. if only one nutrient (salt, sugar or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states “high sugar content”. Health claims cannot fail any criteria.

The deadline of January 31, 2010, for compiling a list of well-established health function claims such as ‘calcium is good for your bones’ will not be met due to the vast amount of applications that have to be screened by EFSA. Disease risk reduction claims and claims referring to the health and development of children will require an authorization on a case-by-case basis, following the submission of a scientific dossier to EFSA. A simplified authorization procedure has been established for health claims based on new scientific data. GAIN Report E48055 describes how application dossiers for authorization of health claims should be prepared and presented. A guidance document on how companies can apply for health claim authorizations can be downloaded from EFSA’s website at:


Key Links:

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Food Supplements

Regulation 1925/2006, applicable as of 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in November 2009. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, Member State laws will govern the use these substances.

Key Link: http://useu.usmission.gov/agri/foodsupplements.html

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed though these are banned in many Member States. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the TV without Frontiers Directive.

Key link: http://ec.europa.eu/health/ph_determinants/life_style/Tobacco/tobacco_en.htm

Pricing

The Netherlands is an extremely competitive market with high receptivity to U.S. goods. When pricing product for sale in the Netherlands, U.S. exporters should be aware of additional costs that can reduce profit margins below those available in the United States.

A value-added tax or VAT of 19 percent is charged on the majority of goods sold in the Netherlands. Imported goods are also subject to customs duty. The costs of transportation, freight forwarding and customs brokerage charges will further diminish margins, as will commissions to agents and distributors. Commissions are generally higher in the Netherlands than in the United States, as are retail profit margins.

As in the United States, pricing of product depends on a myriad of variables including channels of distribution, product, season, consumer receptivity, economic climate, etc. The Commercial Service can offer U.S. exporters advice on product pricing on request.

Sales Service/Customer Support

The Dutch purchase from international sources and expect well designed, high quality products, with efficient after sales service. An effective servicing system should be incorporated into distribution plans.

The U.S. exporter would be ill advised, after having appointed a representative firm, to provide only product literature and samples. Regular communications and visits to the representative, particularly when newly appointed, by seasoned sales personnel or company technicians can reveal information on market developments and assist in the
solution of any problems. Regular submission of sales reports can be a vital link to analyzing sales results and identifying potential problems.

Conscious of the discrepancies among Member States in product labeling, language use, legal guarantee, and liability, the redress of which inevitably frustrates consumers in cross-border shopping, the EU institutions have launched a number of initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

**Product Liability**

Under the 1985 Directive on liability of defective products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.


**Product Safety**

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU.


**Legal Warranties and After-sales Service**

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.


Other issues pertaining to consumers’ rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in Chapter 5 of this report.
**IPR Climate in the Netherlands**

The Netherlands has a generally good set of legislation and regulations that protect intellectual property rights. Enforcement of anti-piracy laws remains a concern to producers of software and digital media. Patents for foreign investors are granted retroactively to the date of the original filing in the home country, provided the application is made through a Dutch patent lawyer within one year of the original filing date. Patents are valid for 20 years. Several general principles are important for effective management of intellectual property rights in the Netherlands. First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in the Netherlands than in the U.S. Third, rights must be registered and enforced in The Netherlands, under local laws. Companies may wish to seek advice from local attorneys or IP consultants. The U.S. Commercial Service can often provide a list of local lawyers upon request.

It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government generally cannot enforce rights for private individuals in the Netherlands. It is the responsibility of the rights’ holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While the U.S. Government is willing to assist, there is little it can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should USG advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the Netherlands require constant attention. Work with legal counsel familiar with Dutch laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

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It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both EU- and U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: 1-866-999-HALT or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: 1-800-786-9199.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: 1-202-707-5959.
- For US small and medium-size companies, the Department of Commerce offers a "SME IPR Advisory Program" available through the American Bar Association that provides one hour of free IPR legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and Thailand. For details and to register, visit: http://www.abanet.org/ intlaw/intlproj/iprprogram.html
For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IPR-infringing products) and allows you to register for Webinars on protecting IPR.

- For an in-depth examination of IPR requirements in specific markets, toolkits are currently available in the following countries/territories: Brazil, Brunei, China, Egypt, European Union, India, Italy, Malaysia, Mexico, Paraguay, Peru, Russia, Taiwan, Thailand, and Vietnam.
- For assistance in developing a strategy for evaluating, protecting, and enforcing IPR, use the free Online IPR Training Module on www.stopfakes.gov.

Copyright

The EU’s legislative framework for copyright protection consists of a series of Directives covering areas such as the legal protection of computer programs, the duration of protection of authors’ rights and neighboring rights, and the legal protection of databases. Almost all Member States have fully implemented the rules into national law; and the Commission is now focusing on ensuring that the framework is enforced accurately and consistently across the EU.

Key Link: http://ec.europa.eu/internal_market/copyright/documents/documents_en.htm

The on-line copyright Directive (2001/29/EC) addresses the problem of protecting rights holders in the online environment while protecting the interests of users, ISPs and hardware manufacturers. It guarantees authors’ exclusive reproduction rights with a single mandatory exception for technical copies (to allow caching), and an exhaustive list of other exceptions that individual Member States can select and include in national legislation. This list is meant to reflect different cultural and legal traditions, and includes private copying "on condition right holders receive fair compensation."


Patents

EU countries have a "first to file" approach to patent applications, as compared to the "first to invent" system currently followed in the United States. This makes early filing a top priority for innovative companies. Unfortunately, it is not yet possible to file for a single EU-wide patent that would be administered and enforced like the Community Trademark though negotiations are progressing (see below). For the moment, the most effective way for a company to secure a patent across a range of EU national markets is to use the services of the European Patent Office (EPO) in Munich. It offers a one-stop-shop that enables rights holders to get a bundle of national patents using a single application. However, these national patents still have to be validated, maintained and litigated separately in each Member State.

Key Links: http://ec.europa.eu/internal_market/indprop/patent/index_en.htm

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Trademarks

The EU-wide Community Trademark (CTM) can be obtained via a single language application to the Office of Harmonization in the Internal Market (OHIM) in Alicante, Spain. It lasts ten years and is renewable indefinitely. For companies looking to protect trademarks in three or more EU countries the CTM is a more cost effective option than registering separate national trademarks.

In 2004, the European Commission (EC) acceded to the World Intellectual Property Organization (WIPO) Madrid Protocol. The accession of the EC to the Madrid Protocol establishes a link between the Madrid Protocol system, administered by WIPO, and the Community Trademark system, administered by OHIM. As of 2004, Community Trademark applicants and holders are allowed to apply for international protection of their trademarks through the filing of an international application under the Madrid Protocol. Conversely, holders of international registrations under the Madrid Protocol will be entitled to apply for protection of their trademarks under the Community Trademark system.

Key Links: http://oami.europa.eu/  
http://www.wipo.int/madrid/en

Designs

The EU adopted a Regulation introducing a single Community system for the protection of designs in December 2001. The Regulation provides for two types of design protection, directly applicable in each EU Member State: the registered Community design and the unregistered Community design. Under the registered Community design system, holders of eligible designs can use an inexpensive procedure to register them with the EU’s Office for Harmonization in the Internal Market (OHIM), based in Alicante, Spain. They will then be granted exclusive rights to use the designs anywhere in the EU for up to twenty-five years. Unregistered Community designs that meet the Regulation’s requirements are automatically protected for three years from the date of disclosure of the design to the public.

Key Link: http://oami.europa.eu/

Trademark Exhaustion

Within the EU, the rights conferred on trademark holders are subject to the principle of "exhaustion." Exhaustion means that once trademark holders have placed their product on the market in one Member State, they lose the right to prevent the resale of that product in another EU country. This has led to an increase in the practice of so called "parallel importing" whereby goods bought in one Member State are sold in another by third parties unaffiliated to the manufacturer. Parallel trade is particularly problematic for the research-based pharmaceutical industry where drug prices vary from country to country due to national price Regulation.
Community wide exhaustion is spelled out in the Directive on harmonizing trademark laws. In a paper published in 2003, the Commission indicated that it had no plans to propose changes to existing legal provisions.

Key Link: http://ec.europa.eu/internal_market/indprop/tm/index_en.htm

Due Diligence

All companies operating in the Netherlands must register with a local Chamber of Commerce. The trade register is a source of information that is open to everyone. Information includes the name of the owner, who is authorized to sign contracts, and who is responsible for financial matters.

The Commercial Service can provide valuable background information on Dutch firms through our International Company Profile (ICP) service. Further information can be obtained by visiting our website at http://www.buyusa.nl or contacting your local Export Assistance Center or the Commercial Service directly in The Hague (see contact numbers at the end of this guide).

Local Professional Services

For a list of local service providers, please click on the following link:


Local service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the Commercial Service at the U.S. Mission to the European Union at: http://www.buyusa.gov/europeanunion/services.html.

For information on professional services located within each of the EU member states, please see EU Member State Country Commercial Guides which can be found at the following website EU Member States’ Country Commercial Guides

Web Resources

Netherlands websites:

http://www.buyusa.nl
http://www.buyusa.gov/europeanunion
http://www.ad.nl/
http://www.fd.nl
http://www.volkskrant.nl
http://www.telegraaf.nl

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EU websites:


Agreements of Minor importance which do not appreciably restrict Competition under Article 81(1) of the Treaty establishing the European Community


EU’s general data protection Directive (95/46/EC):
http://ec.europa.eu/justice_home/fsj/privacy/index_en.htm

Safe Harbor: http://www.export.gov/safeharbor/

Information on contracts for transferring data outside the EU:
http://ec.europa.eu/justice_home/fsj/privacy/modelcontracts/index_en.htm

Data Protection Working Group:

Distance Selling Rules:
http://ec.europa.eu/consumers/cons_int/safe_shop/dist_sell/index_en.htm

Distance Selling of Financial Services:

http://ec.europa.eu/internal_market/e-commerce/index_en.htm

VAT on Electronic Service:
http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

The Unfair Commercial Practices Directive:

Information to Patients - Major developments:

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Nutrition and health claims made on foods:
Regulation 1924/2006

Provisions of Nutritional Labeling:
Nutritional labeling directive 90/496/EC

EU-27 FAIRS Subject Report Health Claims - EU Authorization Procedure 2008:
GAIN Report E48055
Guidance document on how companies can apply for health claim authorizations:

Summary document from EFSA:

Full document from EFSA:

Health & Nutrition Claims:
http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm


Product Liability:


Legal Warranties and After-sales Service:

Copyright: http://ec.europa.eu/internal_market/copyright/documents/documents_en.htm


Industrial Property: http://ec.europa.eu/internal_market/indprop/index_en.htm


Office for Harmonization in the Internal Market (OHIM): http://oami.europa.eu/


Directive on harmonizing trademark laws:
http://ec.europa.eu/internal_market/indprop/tm/index_en.htm
U.S. websites:

IPR Toolkit: http://www.buyusa.gov/europeanunion/ipr.html

EU Public Procurement: http://www.buyusa.gov/europeanunion/eu_tenders.html

Food supplements: http://useu.usmission.gov/agri/foodsupplements.html

Local Professional Services: http://www.buyusa.gov/europeanunion/services.html.

EU Member State Country Commercial Guides - Market Research Library: EU Member States’ Country Commercial Guides

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Chapter 4: Leading Sectors for U.S. Export and Investment

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Commercial Sectors

- Computer Software
- Computer Services
- Automotive Parts & Accessories
- Aircraft Parts and Associated Equipment
- Seaport Security Equipment and Systems
- Airport Equipment Security & Systems
- Renewable Energy
- Transportation & Distribution Services
- Environmental Technologies
- Medical Equipment & Supplies

Computer Software

Overview

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<th>$Millions</th>
<th>2007</th>
<th>2008</th>
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<tr>
<td>Total Market Size</td>
<td>6,323</td>
<td>6,834</td>
<td>6.916</td>
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Exchange rate used: $1 = €0.718  Statistics are unofficial estimates

The demand for software has proven to be resistant to the current economic crisis. During 2009 the demand for software remained stable, while the Dutch ICT industry as a whole contracted by 5.8 percent. In the beginning of 2010 the market showed similar results given that the demand for software was about the same as in the first quarter of 2009. As analysts expect a light recovery of 1.1 percent for the entire ICT industry in 2010, the prospects for the software industry look slightly more positive than in 2009.

The industry was partly able to stand its ground because sector income is often guaranteed by license agreements. Another driver behind the industry is that part of the traditional licensing model is being replaced by the growing popularity of Software as a Service and Open Source software. The emergence of these new systems makes the step to invest easier as it can enable users to pay for software to the extent that they use it. The industry is also driven by the need of companies to integrate and streamline their business activities.

The software market primarily depends on imports. Local software development mostly concentrates on business applications and custom products. Exports of Dutch products are limited. Most exports consist of re-exports by local subsidiaries of non-Dutch
producers. U.S. companies are the largest suppliers (e.g. Microsoft and other multinational software producers) followed by European software producers. The total market is almost equally divided into applications software and systems software. Windows is the standard in the business market, although the use of Linux is gaining ground. UNIX, closely followed by Windows, is still the most commonly used operating system for servers. The Dutch government promotes the use of Open Standards and Open Source Software within the government. The government and financial sectors traditionally have been major end-users of all types of software products. The business market, with an increasing need to streamline business processes, has also been a significant user. More recently the SME market has begun to emerge as an attractive new market for ICT suppliers. The consumer market has grown rapidly in recent years due to increasing use of the Internet, games and online gaming.

**Best Prospects/Services**

Standard software applications, networking software and network security products, e.g. intrusion detection and prevention products, development tools, storage management software, Customer Relationship Management (CRM), Enterprise Resource Planning (ERP), application management and content management products, and game software for the consumer market are expected to offer good prospects for the coming years.

**Opportunities**

Opportunities: the U.S. Mission to the European Union regularly reports major procurement opportunities in the ICT sector that are open to U.S. companies: [http://www.buyusa.gov/europeanunion/eu_tenders.html](http://www.buyusa.gov/europeanunion/eu_tenders.html)

**Resources**

Web Resources: [http://www.ososs.nl/about_ososs](http://www.ososs.nl/about_ososs) - website for OSOSS, the program for Open Standards and Open Source Software in Dutch Government.


The main ICT trade events in the Netherlands are held at the RAI Exhibition Halls in Amsterdam ([http://www.rai.nl](http://www.rai.nl)), or in the Jaarbeurs in Utrecht ([http://www.jaarbeurs.nl](http://www.jaarbeurs.nl)).

The Netherlands is hosting the 2010 World Congress on Information Technology (WCIT) in Amsterdam. See [http://www.wcit2010.com/](http://www.wcit2010.com/)

**Contact:** ICT Specialist’s email: alan.ras@trade.gov

**Computer Services**

**Overview**

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<th>2007</th>
<th>2008</th>
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<td>$Millions</td>
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2/24/2010
During 2009 the ICT service industry experienced a contraction of 0.8 percent. The beginning of 2010 is slightly more positive with an expected demand for the first quarter that is either equal to or slightly larger than in 2009. Outsourcing of ICT related activities has become common because many companies face the need to focus on their core activities. Other driving factors include lack of in-house capacity, security concerns, as well as quality, cost and efficiency considerations. The growing use of the Internet and its applications are expected to increase demand for external services, e.g. in the areas of CRM and procurement implementations. A serious decline in the investment in hardware by companies gave rise to increasing demand for maintenance services. ICT Recruitment agencies are likely to experience a period of continued contraction as the amount of employees in the ICT sector as a whole will continue to decline. The Netherlands has a large number of IT services firms ranging from small to large, and from hardware vendors to management consultants. Local production is considerable, but it includes services provided by local subsidiaries of companies headquartered outside of the Netherlands. U.S. firms have successfully established themselves in this market, primarily with subsidiaries and through acquisitions. They play a prominent role and are expected to continue to do well, as others successfully enter the open Dutch market for the first time. There is an ongoing tendency for larger Dutch services firms to merge or acquire other service companies and become more international. IT services are provided almost exclusively to the business market. Important end-users include financial institutions, government, healthcare, and utilities.

**Best Prospects/Services**

IT outsourcing - desktop and network management, application hosting and implementation, Business Process Outsourcing (BPO), security services (assessments and scans), network consulting and integration, support/training and all types of Internet and E-Commerce related consulting and services.

**Opportunities**

Opportunities: the U.S. Mission to the European Union regularly reports major procurement opportunities in the ICT sector that are open to U.S. companies: http://www.buyusa.gov/europeanunion/eu_tenders.html

**Resources**

Web Resources: http://www.ictoffice.nl/ Dutch Trade Association for the IT and Telecommunications Industry.

The main ICT trade events in the Netherlands are held at either the RAI Exhibition Halls in Amsterdam, or in the Royal Netherlands Jaarbeurs in Utrecht. Tradeshows held at these exhibition sites are listed on their websites: http://www.rai.nl and http://www.jaarbeurs.nl.

**Contact:** ICT Specialist’s email: alan.ras@trade.gov
Automotive Parts & Accessories

Overview

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<th>2008</th>
<th>2009</th>
<th>2010 (estimated)</th>
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<tr>
<td>$Millions Total Market Size*</td>
<td>6,604</td>
<td>5,022</td>
<td>6,341</td>
</tr>
<tr>
<td>$Millions Total Local Production*</td>
<td>111</td>
<td>98</td>
<td>92</td>
</tr>
<tr>
<td>$Millions Total Exports</td>
<td>19,179</td>
<td>10,867</td>
<td>12,496</td>
</tr>
<tr>
<td>$Millions Total Imports</td>
<td>25,672</td>
<td>15,791</td>
<td>18,745</td>
</tr>
<tr>
<td>$Millions Imports from the U.S.</td>
<td>638</td>
<td>377</td>
<td>481</td>
</tr>
</tbody>
</table>

Exchange rate used: $1 = €0.718. Statistics are unofficial estimates
Source of remaining statistics: Dutch Central Bureau for Statistics. HTS for chapter 87 (vehicles, other than railway or tramway rolling stock, and parts and accessories thereof).

The Dutch automotive industry faces multiple pressures, including increasing competition, changing regulations, the need for technological innovation, environmental and safety concerns, and demanding consumers. As suppliers and buyers assess and re-establish their market position, many opportunities exist for U.S. suppliers that are able to provide competitively priced and/or innovative products.

Best Products/Services

In a market where interest in car customizing continues to grow, opportunities exist for U.S. manufacturers of high quality and price competitive audio equipment (HS-852721910, HS-852721990); Alloy wheels (HS-870870500), seat covers (HS-630493000) and other interior and exterior car accessories for European cars. Bicycle racks, seat covers and alarm systems also continue to be a booming market. In the short term a dramatic increase is expected in the use of computers, software, data storage on diskettes, in-car navigation, electronic maps (CD-ROM), infrared blind-spot detectors, radar enhanced cruise control (HS-903289900), and head up display of speed/distance.

Growing opportunities are expected in the area of safety systems, as the market is projected to triple from $2.6 billion now to $9.3 billion in 2015. The introduction of new technologies not currently on the market is expected to increase growth even further. Best prospects areas include systems for parking assistance, lane departure warning, fatigue recognition, adaptive cruise control, night vision support, blind spot recognition.

In addition, the aftermarket expects half of all maintenance and repair services to be of an electronic nature in 2010. A quarter of the universal garages will not be capable of performing the required work on cars older than three years. The availability and accessibility to technical information is a major issue to the aftermarket. The rate of technological advancement in passenger cars and trucks is expected to increase over the coming years, making good accessibility to technical information, universal testing and diagnostic equipment, software, tools and training a critical element to companies in the automotive industry.
There is a growing interest in electric vehicles, including passenger cars, trucks, busses, special vehicles and (motor)bikes, which offer many “green” opportunities in the Netherlands. In fact, the purchase of green cars tripled in 2009 as compared to 2007. Green opportunities are comprised of more than reducing emissions and include reducing noise and improving the use of alternative energy sources.

The Dutch government stimulates and tries to accelerate the introduction of electric mobility through various fiscal stimuli. Consumers enjoy a fiscal tax advantage if they purchase hybrid vehicles. Companies are encouraged to select environment friendly techniques and equipment through the Environment-Investment Deduction (MIA) with a $157 million budget and the Random Write-off Environment Investment (VAMIL) with a $77 million budget for 2010. Companies can apply for fiscal advantages through these programs if they use products or techniques that are on the 2010 environment list, which includes: hydrogen fueling stations; adaptive cruise control systems for trucks; public charging stations for electric vehicles; automatic battery replacement stations; busses with hybrid engines; noise-reduced loading cranes, garbage trucks and sweepers; automatic lubricant systems; and driving simulators.

U.S. supplier with products and services that further green mobility are recommended to partner with a Dutch company.

Market Analyses: Automotive Parts & Services Equipment

Trade Shows: ReMaTec, June 2011
Venue: Amsterdam RAI
Type: Targets the International remanufacturing industry
URL: http://www.rematecnews.com

Contact: Automotive Specialist’s email: natasha.keylard@trade.gov

Aircraft Parts and Associated Equipment

Overview

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<th>2008</th>
<th>2009</th>
<th>2010 (estimated)</th>
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<tbody>
<tr>
<td>Total Market Size</td>
<td>1,071</td>
<td>2,471</td>
<td>1,446</td>
</tr>
<tr>
<td>Total Local Production</td>
<td>1,038</td>
<td>1,815</td>
<td>1,148</td>
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<tr>
<td>Total Exports</td>
<td>1,365</td>
<td>1,184</td>
<td>1,687</td>
</tr>
<tr>
<td>Total Imports</td>
<td>1,398</td>
<td>1,840</td>
<td>1,985</td>
</tr>
<tr>
<td>Imports from the U.S.</td>
<td>897</td>
<td>1,213</td>
<td>1,350</td>
</tr>
</tbody>
</table>

Exchange rate used: $1= €0.718  Statistics are unofficial estimates
The Dutch market for aircraft parts and associated equipment can be broken down into commercial and military aircraft parts and equipment. A large portion of all imported aircraft and associated equipment are from the United States. Total Dutch imports included 66 percent U.S. origin products in 2009. In addition, the statistics do not reflect an important aspect of the market, which is comprised of services, R&D, and the exchange technology.

On the commercial side, the industry is driven by aircraft maintenance, repair and overhaul (MRO). The MRO sector encompasses a broad range of products and services related to servicing, parts replacement and logistics. Civil aviation accounts for 85% of the demand, while defense accounts for 15%. The rising cost of new aircraft means that airlines are less inclined to replace their fleet. Instead, they are increasingly having major maintenance and repair work done on their aircraft.

On the military side, the Netherlands offers U.S. companies a wide variety of trade opportunities in the defense sector. Despite its small geographical size, the Dutch military spends approximately one billion euros (approximately $1.39 billion) on new material and 200 million euros (approximately $279 million) on its infrastructure.

**Opportunities**

The Dutch government launched a new initiative in 2007 to support and stimulate the national MRO sector. Known as "Maintenance Valley", the program aims to take the Netherlands to the top as a center for state-of-the-art industrial maintenance, logistical processes and repair in both civil and military aviation. The program intends to achieve this target by creating high-tech jobs, enhancing the Netherlands' position as a knowledge centre, and encouraging technical training. The program is run jointly by the Ministries of Economic Affairs, Education, and Defense. There are ample opportunities for services, research and development projects, and exchange of technology programs that may lead to superior Dutch capabilities in the MRO field. MRO growth areas include: engine overhaul; line maintenance; component overhaul & repair, and modification.

On the military side, the Dutch were the first 'Level 2' partner in the Joint Strike Fighter (JSF) program and the fourth country to join as a JSF System Development and Demonstration (SDD) phase partner. The Dutch commitment spans ten years through 2012, and highlights the program's significant international cooperative dimension. There are market opportunities in the field of cost-reducing innovations and exchange of technologies.

Additional military prospect areas include high-tech commodities with state-of-the-art capabilities, such as specialized surface vessels (design technology, systems technology and platform automation), radar, simulators, data and telecommunications systems, composite materials, electronics and data processing. The major programs are detailed in the Dutch Defense Market Assessment report, available upon request.

**Resources**

**Trade Shows:** ATC Global, March 9-11, 2010

URL: [http://www.atcevents.com](http://www.atcevents.com)

2/24/2010
Seaport Security Equipment and Systems

Overview

$Millions

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<th></th>
<th>2008</th>
<th>2009</th>
<th>2010 (estimated)</th>
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<tbody>
<tr>
<td>Total Market Size</td>
<td>251</td>
<td>244</td>
<td>261</td>
</tr>
<tr>
<td>Total Local Production</td>
<td>104</td>
<td>99</td>
<td>111</td>
</tr>
<tr>
<td>Total Exports</td>
<td>17</td>
<td>16</td>
<td>21</td>
</tr>
<tr>
<td>Total Imports</td>
<td>164</td>
<td>161</td>
<td>171</td>
</tr>
<tr>
<td>Imports from the U.S.</td>
<td>46</td>
<td>47</td>
<td>53</td>
</tr>
</tbody>
</table>

Exchange rate used: $1 = €0.718     Statistics are unofficial estimates

With the port of Rotterdam, the busiest port in Europe, and the port of Amsterdam ranking fourth in Europe, the Netherlands is often called the gateway to Europe. Recent international and national regulations mandating increased security have led both government and private organizations to allocate great resources for security upgrades. The port of Rotterdam was one of the first ports in the world that participated in the U.S. Department of Homeland Security’s Container Security Initiative (CSI). The Rotterdam port and Dutch customs also cooperate with the Department of Energy’s National Nuclear Security Administration (NNSA) on deploying and equipping radiation detection equipment. In 2006, the first nuclear detection gates were installed in the Rotterdam port. The International Ship and Port Facility Security (ISPS) code, which has been developed by the International Maritime Organization (IMO) became effective on July 1, 2004. The ISPS code aims at better protection against terrorism for ships and port terminals. For companies with port related activities in the Rotterdam port, total costs to meet the ISPS code were estimated at $142 million and for the companies in the Port of Amsterdam at about $85 million. Those were initial investments but both ports will keep investing in new technologies for a better protection.

Opportunities

The market for security equipment in the Dutch seaports has been expanded considerably during the past few years. The implementation of the EU regulations on enhancing ship and port facility security, the Container Security Initiative and the IMO ISPS Code have strengthened the demand for a security regime for the total transport chain which include transport by rail, road, and inland shipping. Without an appropriate security regime, these modes may pose a security threat to the ports and shipping sector.

As an international transport hub, the transport chain starts and ends in the Netherlands. In that respect, the Netherlands actively supports efforts to achieve a more secure
transport chain to prevent damage from attacks and to remain a reliable political trading and transport partner for other countries. The Dutch realize that maritime security has become a significant factor in international competitiveness. Even though security is associated with extra costs for all partners involved, an adequate level of security is also seen by the Dutch private sector as a quality factor in retaining or attracting trade and transport business. In the coming years major investments are expected in access control systems, biometric identification systems, cargo and container scanning equipment, intelligent closed circuit television systems, underwater surveillance and detection equipment.

**Resources**

**Market Analyses:** Security Equipment (Feb 2009)

**Trade Shows:** Safety & Security Amsterdam, March 15-17, 2011

**Contact:** Safety & Security Specialist's email: natasha.keylard@trade.gov

### Airport Equipment Security & Systems

#### Overview

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010 (estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Market Size</td>
<td>89</td>
<td>80</td>
<td>89</td>
</tr>
<tr>
<td>Total Local Production</td>
<td>24</td>
<td>19</td>
<td>23</td>
</tr>
<tr>
<td>Total Exports</td>
<td>14</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Total Imports</td>
<td>81</td>
<td>68</td>
<td>79</td>
</tr>
<tr>
<td>Imports from the U.S.</td>
<td>18</td>
<td>14</td>
<td>16</td>
</tr>
</tbody>
</table>

Exchange rate used: $1 = €0.718 Statistics are unofficial estimates

Amsterdam Schiphol Airport is the primary international airport in the Netherlands. It is Europe’s fourth largest passenger airport after London, Paris and Frankfurt and it ranks as Europe’s third largest cargo airport, after Frankfurt and Paris. In 2008, Amsterdam Schiphol Airport recorded 47.4 million passengers and 1.6 million tons of cargo. In addition to Schiphol Airport, there are three major regional airports in the Netherlands with limited airline services to European airports. They serve as airports for private, business, and holiday flights.

The security policy at Dutch airports is established by the Ministry of Justice in concurrence with the Ministry of Transport, Public Works and Water Management. This situation is unusual, as in most countries airport security is the sole concern of the Ministry of Transport. The Royal Dutch military police, called the Royal Marechaussee, has the primary responsibility for enforcing security at Dutch airports. The Marechaussee reports directly to the Ministry of Justice and is responsible for three major security tasks at Schiphol: the protection of civil aviation, basic police tasks, and border protection.
Schiphol and the regional airports use the services of private security companies as well. The private security companies are responsible for screening of baggage, search of persons, checking of passenger profiles, and supervision of cleaning personnel. Dutch Customs and the Dutch Immigration also play a major role in the security of the airport. Schiphol recently invested $44 million in baggage scanners in the departure halls, which enables this airport to perform a 100 percent screening of hold baggage. It also invested millions in the purchase of body scanners.

Many opportunities exist for U.S. manufacturers with high quality and innovative products that enhance airport safety and security. This includes systems for improved surveillance, passport and ticket control, access control, and the screening of baggage and passengers.

Resources

Market Analysis: Airport Security Equipment (Apr 2008)

Trade Shows: ATC Global, March 9-11, 2010  
URL: http://www.atcevents.com

Contact: Safety & Security Specialist’s email: natasha.keylard@trade.gov

Renewable Energy

Overview

The Dutch energy supply consists mainly of fossil fuels. The transition to a sustainable energy economy will be through the “Clean and Green working program”, initiated in 2007. The Dutch government is investing nearly $10 billion in energy between 2008 and 2011, intensifying international energy policy and amending laws and regulations to improve the functioning of the energy markets and enhance the investment climate.

The government has set ambitious targets for energy and climate policy. The target for reducing greenhouse gas emissions is 30 percent by 2020 compared to the 1990 level. Other targets include a 2 percent annual increase in energy conservation and 20 percent use of renewable energy sources by 2020. The working program also sets several interim targets for 2011, for reductions in greenhouse gas emissions (209 Mton CO2 eq.), committed new capacity for renewable electricity production (2285 MW) and extra energy conservation (29-61 PJ). Three broad approaches are intended to bring the climate objectives within reach: stimulating large-scale implementation of existing technologies, making new technologies market-ready, and providing incentives for dramatic innovations that are still at an early stage in the development process. The chosen mix in the working program combines market incentives, standardization, temporary financial incentives, innovation incentives, and international climate and energy diplomacy.

Biofuels: Based on the Renewable Energy Directive (published in 2009), a required target was set of achieving at least 10 percent renewable energy in the transport sector. Biofuels produced from certain raw materials (‘second-generation’ biofuels) count double. Despite this incentive, the majority will have to come from first-generation
biofuels in order to meet the target. The directive also includes sustainability criteria for biofuels, which they must meet to count towards the target.

Wind Energy: Government targets are 4,000 MW in 2012 on land, and 6,000 MW offshore by 2020, and 20,000 MW by 2050. Currently, 1,800 wind turbines with an output of 1,700 MW deliver 3,740,000 kWh per year, or 12 percent of all Dutch households.

**Opportunities**

One of the key components in the Clean & Green working program, and the most important instrument for giving a major boost to further steps toward sustainability and structural improvement in the energy economy, is substantial funding for the Renewable Energy Incentive Scheme (SDE) by adding a levy to the price of electricity. SDE is a major commitment to rolling out renewable energy. When the SDE scheme was opened up in 2009, about 1000 MW became eligible for subsidies. The scheme was fine-tuned and optimized in 2009 by adding a sub-category in the solar photovoltaics category for larger corporate installations. SDE 2009 introduced a ‘graduated heat index’ for a number of biomass categories, to facilitate productive utilization of the residual heat released in the process of generating electricity from biomass. Subsidy schemes have also been introduced for renewable energy production in households (heat pumps, solar boilers), as well as fiscal incentives for energy-efficient cars, more stringent regulations for newly built homes and performance agreements with the SME sector and industry.

**Resources**

**Market Analyses:** Renewable Energy Equipment (Jan 2009)

**Contact:** Energy Specialist’s email: alan.ras@trade.gov

**Transportation & Distribution Services**

**Overview**

Contributing eight percent to GDP, the Dutch transport and distribution sector is a core business in the Dutch economy. One of the country’s key strengths is their unique geographical location amidst the metropolitan areas of London, Paris, Amsterdam, Brussels, and at a stone’s throw distance from other major markets such as Germany and Italy. With their centralized position the Dutch sector handled over 1.8 billion metric tons of cargo in 2008. The port of Rotterdam accounted for 406 million metric tons ranking it first within Europe and third worldwide. Schiphol Airport is Europe’s third largest airport for cargo. Currently nearly 750,000 people are employed within the logistics sector, contributing $54 billion gross added value. Together they handled 27 percent of all international road transport, and 50 percent of all inland shipping in Europe.

**Example of a benchmark study for the med tech industry (on a scale from 1 to 5)**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Logistics center</th>
<th>Score</th>
<th>Rank</th>
<th>Logistics Center</th>
<th>Score</th>
</tr>
</thead>
</table>

2/24/2010
**Logistics centers**

Many of Europe’s most advanced logistics centers can be found in the Netherlands. According to a recent benchmark study, Dutch logistics centers scored well above their European competitors in the areas of quality facilities, services, labor, and costs. An example of such a benchmark study for the med tech industry is shown above. Most of the centers are concentrated in the south of the Netherlands where there is a total of 19 million square meters of distribution facilities available.

Most Dutch distribution centers have multiple connections to the rest of Europe including transport by road, rail, aircraft, sea, inland shipping, and pipeline. This variety of transportation facilities ensures that there is always one suitable option for each type of product needed to be transported. The table below lists the different means of transportation and the amount of tons each of them handles respectively.

**Millions of metric tons**

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total market size</td>
<td>1,733</td>
<td>1,807</td>
<td>1,826</td>
</tr>
<tr>
<td>Sea</td>
<td>555</td>
<td>585</td>
<td>592</td>
</tr>
<tr>
<td>Inland Shipping</td>
<td>292</td>
<td>310</td>
<td>318</td>
</tr>
<tr>
<td>Road</td>
<td>795</td>
<td>820</td>
<td>821</td>
</tr>
<tr>
<td>Rail</td>
<td>30</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Air</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Pipeline</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
</tbody>
</table>

Statistics are unofficial estimates

**Resources**

Web resources:

- Holland International Distribution Council (HIDC): [http://www.hidc.nl](http://www.hidc.nl)
- Transport and Logistics Netherlands (TLN): [http://www.tln.nl](http://www.tln.nl)
- Port of Rotterdam: [http://www.portofrotterdam.com](http://www.portofrotterdam.com)
- Port of Amsterdam: [http://www.portofamsterdam.com](http://www.portofamsterdam.com)
New technologies, raw materials, and all other resources that could contribute to the further development of the Dutch environmental technology sector provide the most interesting prospects for U.S. exporters. The extensive knowledge and expertise of the Dutch within the environmental sector forms a barrier for foreign players. Foreign exporters are currently limited to providing support activities and materials for this industry. However, with increasing European Union environmental regulations, and the demand for Dutch services abroad, the market for supporting activities is likely to experience growth.

For a small country the Netherlands has a large environmental sector, also in comparison to other European countries. A study by Ernst & Young showed that environmental companies in the Netherlands produce the 5th highest sales in Europe and 3rd highest sales per capita. Comparable positions result for sales as a percentage of GDP. The Netherlands is also a major exporter of environmental equipment and technology, as the share of turnover exported is the second highest in Europe. The Netherlands is one of the few countries exporting environmental goods and services outside the EU.

The environmental sector consists of suppliers of products and services for environmental management. Suppliers of products (manufacturers and importers) manufacture supply and/or install equipment and installations designed to prevent or combat pollution. The service providers are engaged in design and engineering activities, project management, policy support, sampling and analysis. The majority of the companies in the sector are SMEs. The sector supplies innovative solutions for the following environmental themes: waste disposal and processing, wastewater treatment, air purification, soil remediation, environmental noise control, environmental management, and consultancy.

Subdivision of the number of companies in environmental activities (2006)

<table>
<thead>
<tr>
<th></th>
<th>Liquid Sewage</th>
<th>Waste Collection</th>
<th>Waste Treatment</th>
<th>Soil Treatment</th>
<th>Engineering Companies</th>
<th>Environmental Equipment Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Companies</td>
<td>80</td>
<td>275</td>
<td>180</td>
<td>130</td>
<td>17,245</td>
<td>97</td>
</tr>
</tbody>
</table>

Source: Netherlands Central Bureau of Statistics (CBS), 2008

Opportunities

The industry is well established and highly specialized, which creates a barrier for new entrants. Nevertheless there are prospects for U.S. firms within supplying new technology, resources, and other supporting activities. The market is largely a replacement market dominated by orders to replace old machinery and equipment rather than purchases of new equipment.

The table below shows a decrease in employment within the waste, water and soil treatment sector as productivity has increased. This confirms an increasing focus on using technology. There are therefore opportunities for U.S. companies to introduce innovative technologies and products.
Example of the market size for the waste, water, and soil treatment sector is shown below.

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of production growth (service to companies only)</td>
<td>% 9.0</td>
<td>% 8.5</td>
<td>% 0.4</td>
<td>% 0.8</td>
<td>% 3.7</td>
</tr>
<tr>
<td>Production growth (all services)</td>
<td>% 8.8</td>
<td>% 7.7</td>
<td>% 1.5</td>
<td>% 0.5</td>
<td>% 2.7</td>
</tr>
<tr>
<td>Production (mln $))</td>
<td>9,630</td>
<td>10,370</td>
<td>10,520</td>
<td>10,570</td>
<td>10,850</td>
</tr>
<tr>
<td>Employees (1,000 man years)</td>
<td>26.7</td>
<td>27.7</td>
<td>26.6</td>
<td>25.8</td>
<td>25.3</td>
</tr>
</tbody>
</table>

Source: Netherlands Central Bureau of Statistics (CBS), 2008

**Water Pollution**

The Dutch have always been famous for their expertise in water control management. When the levees and dikes gave way in New Orleans, a team of Dutch engineers assisted the U.S. Army Corps of Engineers with repairing and reinforcing the various structures. Since the market in the Netherlands is very sophisticated and highly specialized, opportunities that exist for U.S. companies are mostly in state-of-the-art water treatment equipment and measuring and analysis instruments.

**Air Pollution**

Air pollution remains a serious problem in the Netherlands. Emission of fine dust, ammonia and nitrogen dioxide in the Netherlands is the highest in Europe. Moreover, air pollution from neighboring countries is also a major problem (situated between the German Industrial Ruhr area and the bulk of Britain’s heavy industries).

Market opportunities exist for equipment for monitoring air quality, air testing instruments, fuel gas desulphurizing and purifying equipment, gas monitors and samplers, particulate emission collectors, and NOX and SO2 analyzers.

**Soil Pollution**

Soil pollution is a substantial problem in the Netherlands. The Dutch government is investing heavily in new techniques and subsidies. A total of some 1,200 soil remediation projects occur in the Netherlands every year. About 175,000 polluted locations need cleaning. Best prospects for U.S. companies are primarily in advanced and fast soil decontamination processes, for example washing soil and biological decontamination. New chemical processes, faster biological cleaning methods, and also new ground isolation techniques (to keep soil from polluting ground water) are highly sought after.

**Resources**

Aquatech Amsterdam 2010 – the world’s leading Trade Event for Process, Drinking and Waste Water
Date: September 28 – October 1, 2010
Show organizer: RAI
P.O. Box 77777
1070 MS Amsterdam
Tel.: +31 20 549 12 12
Fax: +31 20 549 18 89
E-mail: aquatech@rai.nl
Web: http://www.aquatechtrade.com

2/24/2010
With a population of 16.6 million, the domestic market in the Netherlands is relatively small. Imports plus local production far exceed domestic consumption requirements. With its unique geographic position, the country functions as a distribution center, re-
exporting an estimated 20 percent of imported medical equipment. Approximately 75 percent of the companies within this sector market their products outside the Netherlands. There are around 100 medical trading companies in the Netherlands, including four or five large ones.

Industry estimates put the value of the annual market for medical equipment and supplies at around $4 billion, of which equipment accounts for 75 percent of sales. Reliable, detailed statistics for the entire sector are not available.

Suppliers in the medical equipment and supplies market serve approximately 220 general hospitals with 44,000 beds, eight university hospitals with 6,000 beds, 69 psychiatric hospitals with 18,750 beds, 15 rehabilitation hospitals with 825 beds, 3 epilepsy hospitals with 1,200 beds, and 16 outpatient hospitals. In addition, there are over 20,000 medical practices, polyclinics, laboratories, and consumers, accounting for 60 percent of sales. Hospital purchases contribute over 40 percent to the total medical equipment and supplies market, with the eight teaching hospitals accounting for the highest proportional share of these purchases.

Manufacturing of medical equipment is characterized by a small number of large companies dominating the domestic market and exporting much of what they manufacture. Dutch manufacturers supply about three percent of the world health care equipment market. Dutch suppliers also do well in specific niche markets, including pacemakers, x-ray equipment and diagnostics. Philips is a major manufacturer of medical equipment in the Netherlands. Major competitors are Toshiba, Siemens, General Electric and Drager.

Best Products/Services include:
- Magnetic Resonance Imaging (MRI)
- Position Emission Tomography (PET)
- Single Photon Emission Computer Tomography (SPECT)
- Optical Endoscopes
- Image Cytometry (microscopic cell measuring)
- Picture Archiving & Communication Systems (PACTS)
- Ultrasound Equipment
- Biosensors
- Defibrillators
- Electromedical apparatus in general

Resources

Ministry of Health, Welfare and Sport
P.O. Box 20350
2500 EJ The Hague
Phone: +31 70 3407911
Fax: +31 70 3407834
Internet homepage: http://www.minwvs.nl

Ministry of Health, Welfare and Sport
Health Inspectorate
Cluster Medical Technology
P.O. Box 16119

2/24/2010
The following company is the notified body in the Netherlands:

KEMA NV
Utrechtseweg 310
6812 AR ARNHEM
Phone: +31 26 3569111
Fax: +31 26 3892122
KEMA has established an office in the United States and provides certification services from their U.S. location.

KEMA Registered Quality, Inc.
4329 County Line Road
Chalfont, PA 18914
Phone: 215-822-4281
Fax: 215-822-4285

The Netherlands requires that all medical devices be registered with the National Institute of Public Health (RIVM). Information regarding the sterility of the device and its packaging must be provided. Registration forms can be obtained from:

Office of Registration of Medical Devices
National Institute of Public Health
A. V. Leeuwenhoeklaan 9
3721 MA Bilthoven
Fax: +31 30 2742971

The standards of the U.S. Food and Drug Administration, Bureau of Medical Devices are widely accepted in the Netherlands. Exporters in the pre-market approval stage for their products in the U.S. are required by the FDA to apply for an export license. This license is approved on the basis of a declaration from the host government of the country to which the goods are exported. The institution that provides this declaration in the Netherlands is:

Contact: Medical Specialist’s email: alan.ras@trade.gov

Agricultural Sectors

Fish and Seafood Products

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total exports</td>
<td>2,844</td>
<td>2,879</td>
<td>3,357</td>
<td>3,453</td>
<td>2,703</td>
</tr>
<tr>
<td>Total imports</td>
<td>2,041</td>
<td>2,256</td>
<td>2,622</td>
<td>2,890</td>
<td>2,341</td>
</tr>
<tr>
<td>Total imports from the U.S.</td>
<td>86</td>
<td>78</td>
<td>71</td>
<td>99</td>
<td>94</td>
</tr>
</tbody>
</table>
In terms of value, the Netherlands is a net exporter of seafood products due to its fishing and further processing (and therefore adding value) activities. The main export markets are European countries like Germany, France and Belgium.

The U.S. is the 11th largest exporter of fish to the Netherlands. Exports of frozen fillets of Alaskan Pollack, mainly for the processing industry, account for about a third of this trade flow or over $30 million. Other exported seafood products from the US include salmon, scallops, cod and monkfish. Export opportunities for the US in the Dutch market continue to be good due to the growing consumption, declining European fish stocks and shrinking fishing quotas.

US exporters should work best with specialized and experienced Dutch importers. Ways of getting in contact with importers include visiting or participating in seafood shows (Boston Seafood Show, the European Seafood Show) or (Reverse) Trade Missions.

For more information about the Dutch seafood sector please visit the website of the Product Board of Fish, http://www.pvis.nl and the Dutch Fish Marketing Board, http://www.visbureau.nl.

### Food Preparations

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total exports</td>
<td>1,233</td>
<td>1,288</td>
<td>1,524</td>
<td>1,854</td>
<td>1,544</td>
</tr>
<tr>
<td>Total imports</td>
<td>445</td>
<td>501</td>
<td>563</td>
<td>699</td>
<td>570</td>
</tr>
<tr>
<td>Total imports from the U.S.</td>
<td>77</td>
<td>97</td>
<td>104</td>
<td>113</td>
<td>111</td>
</tr>
</tbody>
</table>

*Estimates FAS/The Hague
Source: World Trade Atlas

The food processing industry is an important sector in the Dutch economy. The industry has an estimated turnover of $80 billion. The majority of the processing companies are located close to the main port cities Rotterdam, Antwerp and Amsterdam. The US continues to be an important supplier to the food processing industry.

U.S. exporters should work best with specialized and experienced Dutch importers. Ways of getting in contact with importers include visiting or participating in trade shows (Anuga, Sial, Health Ingredients (HI), Food Ingredients (FI), Fruit Logistica, ISM, ESE) or (Reverse) Trade Missions.

### Tree Nuts

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total exports</td>
<td>326</td>
<td>333</td>
<td>370</td>
<td>409</td>
<td>387</td>
</tr>
<tr>
<td>Total imports</td>
<td>477</td>
<td>557</td>
<td>603</td>
<td>620</td>
<td>614</td>
</tr>
</tbody>
</table>

*Estimates FAS/The Hague
Source: World Trade Atlas
In terms of value, Dutch imports of tree nuts surged from $477 million in 2005 to an estimated $615 million in 2009. Imports include, in order of importance, cashew nuts, shelled almonds, pistachios and hazelnuts. The U.S. continues to be their main supplier and its market share is growing. The value of U.S. tree nut exports to the Netherlands seems to recover in 2009. U.S. exports mainly include pistachios and shelled almonds. Vietnam has become the 2nd largest supplier, exporting mainly cashew nuts.

For pistachios, the Netherlands is mainly a transit country since only 10% stays on the Dutch market. Ethnic pastry producers but also ice cream and chocolate producers are all buyers of pistachios. The U.S. competes in this market with pistachios coming from Iran.

More than half of imported shelled almonds stay within the Netherlands. It is used by the food processing industry (mainly bakery), the snacks and confectionary industry (marzipan, nougat, almond paste, etc.). Demand for almonds from the snack industry is growing.

U.S. exporters should work best with specialized and experienced Dutch importers. Ways of getting in contact with importers include visiting or participating in trade shows (Anuga, SIAL, Fruit Logistica, Biofach) or (Reverse) Trade Missions.

For more information about the Dutch tree nuts or Dutch importers please visit the website of the Netherlands Association for the Trade in Dried Fruit, Spices and allied Products (NZV) at http://www.zuidvruchten.nl

For more information on the above markets or an overview of specialized importers please contact:
Office of Agricultural Affairs, American Embassy
Lange Voorhout 102
2514 EJ The Hague
The Netherlands
Phone: +31 70 310 2299
Fax: +31 70 365 7681
Email: agthehague@fas.usda.gov


### Vegetable Oils

$Million

2/24/2010
Crushing plants located in the Rotterdam and Amsterdam port area produce vegetable oils from predominantly imported soybeans, rapeseed and sunflower seed. The oils are either exported or further processed for use as food or feed ingredients, or as component in a wide variety of industrial products such as soaps, paintings or pharmaceutical products. An increasing volume is used for the production of biodiesel or generation of electricity. The expanding market for biofuels is expected to increase the pressure on vegetable oil prices. These increased price levels could lead to new opportunities for oil imports from countries outside the European Union.

The food sector has a preference for oils that are produced from non-genetically modified (non-GM) seeds. This leads to the opportunity to supply Identity Preserved (IP) oils, which are guaranteed derived from non-GM material.

So far imports from the U.S. have been limited, due to strong competition with palm oil imports from Malaysia and Indonesia, soybean oil from Brazil and sunflower seed oil from Argentina and the Ukraine. If U.S. production can improve its price competitiveness, opportunities could emerge for U.S. soybean oil, maize oil, sunflower oil, linseed oil and peanut oil. The European market for the latter two oils is, however, relatively small. Maize oil, sunflower oil and peanut oil have the best opportunities in the food sector. Soybean oil could be marketed as an ingredient for biodiesel. The best prospects are, however, anticipated for processed products such as hydrogenated fats and oils, edible mixes and margarines.

For more information about the Dutch oils and fats sector please go to the website of the Product Boards for Margarines, Fats and Oils:  [http://www.mvo.nl](http://www.mvo.nl)

### Planting Seeds

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009 (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total imports</td>
<td>299</td>
<td>360</td>
<td>396</td>
<td>400</td>
</tr>
<tr>
<td>Total imports from the U.S.</td>
<td>49</td>
<td>62</td>
<td>68</td>
<td>75</td>
</tr>
<tr>
<td>Total exports</td>
<td>826</td>
<td>1,045</td>
<td>1,189</td>
<td>1,200</td>
</tr>
</tbody>
</table>

Source: World Trade Atlas

The Netherlands is one of the world’s largest planting seed exporters. The sector consists of about 180 seed companies employing 10,000 people. From 2000 to 2009, Benelux imports of U.S. planting seeds rose from about $35 million to about $75 million, and now reached the pre-2000 level. The drop in 2000 is attributable to the lower maize seed imports from the United States as a consequence of restrictions on genetically modified (GM) varieties. The largest and fastest growing share of remaining U.S. exports consists of vegetable seeds, with a value of $31 million in 2008.
Opportunities for U.S. companies exist in specialty seed markets, such as organic seeds, seeds for vegetables produced in greenhouses, and specialty grass seeds for golf courses and sports fields. The trade in vegetable seeds between the Netherlands and the United States is mainly dependent on intra company trade and cooperation. The trade in grass seed between the United States and Europe is mainly influenced by the fluctuations in yields and production and thus supply and demand situation in the two markets, in combination with the $/EURO exchange rate.

Until now, there are no sales of genetically modified seeds for food and feed crops in the Netherlands. Apart from the limits on biotech crops themselves, conventional U.S. planting seed exports to the EU are also impeded by fears of possible co-mingling of GM seed in shipments of non-biotech seed. If, however, pressure on farmers will increase to produce grains more competitively and with fewer chemical pesticides, the EU market for GM corn seed could improve. The use of GM varieties will also depend on the approval process and future traceability, labeling and coexistence regulations.

Dutch breeders and propagators of agricultural and horticultural seeds have membership in "Plantum NL." The association is active on a national, European and global level both directly and through umbrella organizations. The internet website of "Plantum NL" is: http://www.plantum.nl.

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The Netherlands applies the EU tariffs, which are based on the international Harmonized System of product classification. Duty rates on manufactured goods from the United States generally range from five to eight percent and are usually based on the C.I.F. value of the goods at the port of entry. The C.I.F. value is the price of the goods (usually the sales price) plus packing costs, insurance, and freight charges to the port of entry. Most raw materials enter duty free or at low rates. Agricultural products face higher rates and special levies. For information on EU duty rates levied on agricultural products, contact the U.S. Department of Agriculture, Phone: (202) 720 1322. For information on EU duty rates on manufactured and industrial products, contact the U.S. Department of Commerce, International Trade Administration's Trade Information Center at 1-800-USA-TRADE, or go to http://www.trade.gov/td/tic/tariff/eu_schedule/index.html

The Netherlands uses the Harmonized System, which is a system designed to classify goods in international trade for customs purposes and for developing trade statistics. It is arranged into 99 chapters. The sections are established according to categories such as agriculture, chemicals, chief material of the product, or type of manufacturing industry. The sections and chapters start with agricultural and primary products in the initial chapters, followed by products that are more processed and technically more complex.

The HS classification number consists of a minimum of six digits, which are common to all countries using the Harmonized System. Additional digits can be used to meet each nation's individual statistical requirements and give greater detail as needed.

If a HS number of the product being shipped is requested by the Dutch importer, this information may be obtained from your closest U.S. Department of Commerce Export Assistance Center or from the International Trade Administration's Trade Information Center at 1-800-USA-TRADE.
Prior to signing a long-term contract or sending a shipment of considerable value, it may be prudent for a U.S. exporter to first obtain an official ruling on the customs classification, duty rate, and taxes. Such requests should be sent to: Ministry of Finance, Director of Customs, P.O. Box 20201, 2500 EE The Hague.

The request should describe the product, the material it is made from, and other details needed by customs authorities to classify the product correctly. While customs will not provide a binding decision, the advance ruling usually will be accepted if the goods are found to correspond exactly with the description provided.

U.S. firms register relatively few trade complaints against Dutch firms. The Dutch tendency to support a level playing field in trade matters and their depth of experience in trade positions them as the genuine "neutral" traders of Europe.

U.S. companies locating in the Netherlands, however, will come up against a complex business culture, in which companies, trade unions, government bodies and industry associations engage in constant and close consultations. This stems, in part, from the traditional Dutch emphasis on achieving consensus and avoiding conflict in this small and densely populated country.

There is also a trend, particularly in larger government procurements, to "buy European" if not Dutch. The Dutch consider themselves to be good Europeans and, from a practical point of view, they see political advantages in buying European, especially when all else is relatively equal in a bid competition. In this regard, local representation is essential for U.S. companies hoping to win major government contracts. A joint venture with a Dutch or European partner will improve the U.S. company's competitive position. Companies looking to compete on Dutch Government procurements should contact the U.S. Commercial Service at the Embassy early on in the process for guidance and possible advocacy, particularly if there are political or "level playing field" issues which might arise.

Offsets for defense contracts: All foreign contractors must provide at least 100 percent offset/compensation for defense procurement over $2.5 million. The seller must arrange for the purchase of Dutch goods or permit the Netherlands to domestically produce components or subsystems of the system it is buying. This does not apply to Joint Strike Fighter as it is a cooperative program in which the Netherlands is a development partner.

For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website:
Information on agricultural trade barriers can be found at the following website:
http://www.fas.usda.gov/posthome/useu/
To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at http://www.trade.gov/tcc or the U.S. Mission to the European Union at http://www.buyusa.gov/europeanunion.

Import Requirements and Documentation

Value-added tax, most frequently called by its acronym VAT, is charged on the sale of goods and services within the country. Unlike the customs duty, which is the same for all EU member countries, the VAT is established by the tax authorities of each country and differs from country to country. At each stage of the manufacturing and distribution chain, the seller adds the appropriate amount of VAT (tax on the amount of value that the seller added to the product, plus the amount of VAT passed on to the seller by the supplier) to the sales price. The tax is always quoted separately on the invoice. The firm periodically subtracts the VAT paid on its purchases of goods and services from the VAT collected on sales and remits the balance to the Government. This process repeats itself at each stage until the product is sold to the final consumer, who bears the full burden of the tax. Below is a summary of the Dutch VAT rates.

- Zero rate applies to exports.
- Six percent rate applies to necessities such as food, medicines, and transportation.
- 19 percent is the general or standard rate and applies to most goods.

For imports into the Netherlands, the VAT is levied at the same rate as for domestic products or transactions. The base on which the VAT is charged on imports is the C.I.F. value at the port of entry, plus any duty, excise taxes, levies, or other charges (excluding the VAT) collected by customs at the time of importation. This total represents the transaction value of the import when it clears customs.

The importer is liable for payment of customs duties, VAT, and any other charges at the time of clearing the goods through customs. Exports from the Netherlands are exempt from VAT since they are not consumed in the country, but will be subject to any tax imposed in the country of destination. Temporary imports that will be re-exported are not subject to the VAT. The importer may have to post a temporary bond for the amount of customs duty and taxes as security that will be canceled when the goods are taken out of the country.

The European Union is seeking to harmonize the range of VAT rates among the 27 EU member nations. The EU Council has adopted guidelines for converging the VAT rates over an extended transitional period, such as seeking to establish a minimum VAT rate for most products, lifting border tax controls, and defining which products will be allowed an exempted or zero VAT rate. Each country will still retain the collection and enforcement authority that currently exists.

Excise taxes are levied on a small number of products such as soft drinks, wine, beer, spirits, tobacco, sugar, and petroleum products. For imports, the excise tax is paid by
the importer and is in addition to any customs duty or VAT. The European Union is close to harmonizing excise taxes.

Only a small number of goods of U.S. origin require import licenses, mostly agricultural and food items. Other items subject to import licensing requirements include coal and lignite fuel, some specified base metal products, various apparel and textile products, and controlled items such as arms and munitions. Licenses are generally rapidly granted for goods of U.S. origin. Application forms for permits are available from Dutch chambers of commerce. The completed forms should be sent by post to the CDIU, a part of Dutch Customs.

CDIU  
P.O. Box 30003  
9700 RD Groningen  
The Netherlands  
Phone: +31 50 523 9111  
Fax: +31 50 523 0698

Licenses are not transferable. They may be used to cover several shipments within the total quantity authorized. In general, the Harmonized System classification number and the corresponding wording of the tariff position indicate the goods covered by the license.

Imports of certain commodities, including numerous foodstuffs, are subject to special regulations regarding and must be labeled to show manufacturer, composition, content (in metric units), and country of origin. In view of the complexity of these regulations and changing requirements, information should be requested from the importer prior to shipment. When the services of an importer are not available, information can be obtained directly from the appropriate Dutch authority listed at the end of this publication. For agricultural and food products, U.S. exporters should contact the U.S. Department of Agriculture for marketing and labeling information and exporting assistance, Phone: (202) 720 9408.

Shipments to the Netherlands require one copy each of the bill of lading (or air waybill) and the commercial invoice for customs clearance. There are no consular requirements, but certificates of origin may be required as set out below.

U.S. Customs also requires two copies of the U.S. Shipper's Export Declaration (U.S. Department of Commerce Form 7525V) for goods valued at $1,500 or more. A declaration form must be completed for all shipments by regular mail or parcel post valued at $500 or more. The form must include the harmonized commodity number of the exported product as well as the weight stated in metric units. When sending goods through the mail, the exporter should inquire at the post office as to the proper documentation needed for mail shipments. For additional information or assistance on export documentation, readers should contact a local Department of Commerce Export Assistance Center (see http://www.BuyUSA.com for a complete list).

Although no special format is prescribed for the commercial invoice, it is advisable to include the following: date and place of shipment; name (firm's name) and address of the seller and buyer; method of shipment; number, markings of the packages, and their numerical order; description of the goods using the usual commercial description

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according to kind, quality, grade, and the weight (gross and net, in metric units), along with any factors increasing or decreasing the value; agreed price of goods; unit cost; total cost f.o.b. factory plus shipping; insurance charges; delivery and payment terms; and the signature of a responsible official of the shipper's firm. Bills of lading should bear the name of the party to be notified. The consignee needs the original bill of lading to take possession of the goods.

Certificates of origin are required for a small number of goods such as textile products. The need for a certificate of origin should be ascertained directly from the importer or from the appropriate customs authority. Letter-of-credit terms may stipulate that a certificate of origin be provided. Customs authorities accept certificates of origin issued by authorized local U.S. chambers of commerce or boards of trade.

The Integrated Tariff of the Community, referred to as TARIC (Tarif Intégré de la Communauté), is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a license is required for a particular product, check the TARIC.

The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

Many EU Member States maintain their own list of goods subject to import licensing. For example, Germany's "Import List" (Einfuhrliste) includes goods for which licenses are required, their code numbers, any applicable restrictions, and the agency that will issue the relevant license. The Import List also indicates whether the license is required under German or EU law. For information relevant to Member State import licenses, please consult the relevant Member State Country Commercial Guide: EU Member States’ Country Commercial Guides or conduct a search on the Commerce Department's Market Research Library, available from: http://www.export.gov/mrktresearch/index.asp.

Key Link: http://ec.europa.eu/taxation_customs/common/databases/taric/index_en.htm

Import Documentation

Non-agricultural Documentation

The official model for written declarations to customs is the Single Administrative Document (SAD). European Free Trade Association (EFTA) countries including Norway, Iceland, Switzerland, and Liechtenstein also use the SAD. However, other forms may be used for this purpose. Information on import/export forms is contained in Title VII, of Council Regulation (EEC) No. 2454/93, which lays down provisions for the implementation of Council Regulation (EEC) No. 2913/92 establishing the Community Customs Code (Articles 205 through 221). Articles 222 through 224 provide for computerized customs declarations and Articles 225 through 229 provide for oral declarations.

Additional information on import/export documentation can be found in Title III, of Council Regulation (EEC) No. 2913/92 of October 12, 1992, establishing the Community Customs Code (Articles 37 through 57). Goods brought into the customs territory of the
Community are, from the time of their entry, subject to customs supervision until customs formalities are completed.

Goods presented to customs are covered by a summary declaration, which is lodged once the goods have been presented to customs. The customs authorities may, however, allow a period for lodging the declaration, which cannot be extended beyond the first working day following the day on which the goods are presented to customs. The summary declaration can be made on a form corresponding to the model prescribed by the customs authorities. However, the customs authorities may permit the use, as a summary declaration, of any commercial or official document that contains the particulars necessary for identification of the goods. It is encouraged that the summary declaration be made in computerized form.

The summary declaration is to be lodged by:

- the person who brought the goods into the customs territory of the Community or by any person who assumes responsibility for carriage of the goods following such entry; or
- the person in whose name the person referred to above acted.

Non-EU goods presented to customs must be assigned a customs-approved treatment or use authorized for such non-Community goods. Where goods are covered by a summary declaration, the formalities for them to be assigned a customs-approved treatment or use must be carried out:

- 45 days from the date on which the summary declaration is lodged in the case of goods carried by sea;
- 20 days from the date on which the summary declaration is lodged in the case of goods carried other than by sea.

Where circumstances so warrant, the customs authorities may set a shorter period or authorize an extension of the period.

The Modernized Customs Code (MCC) of the European Union is expected to be fully put into place by 2013 although there are concerns that this deadline may be missed due to the complexity of the project. Some facets of the MCC implementation have already been put into place such as Economic Operators Registration and Identification (EORI) numbers. The MCC will replace the existing Regulation 2913/92 and simplify various procedures such as introducing a paperless environment, centralized clearance, and more. Check the EU's Customs website periodically for updates: http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/community_code/index_en.htm.

Batteries

EU battery rules changed in 2006 following the publication of the Directive on batteries and accumulators and waste batteries and accumulators (Directive 2006/66). This Directive replaces the original Battery Directive of 1991 (Directive 91/157). The updated Directive applies to all batteries and accumulators put on the EU market including automotive, industrial and portable batteries. It aims to protect the environment by restricting the sale of batteries and accumulators that contain mercury or cadmium (with an exemption for emergency and alarm systems, medical equipment and cordless power tools) and by promoting a high level of collection and recycling. It places the
responsibility on producers to finance the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The Directive also includes provisions on the labeling of batteries and their removability from equipment. For more information, see our market research report: http://www.buyusainfo.net/docs/x_8086174.pdf or visit the CS EU website Batteries Direct page at: http://www.buyusa.gov/europeanunion/batteries.html

REACH

REACH is a major reform of EU chemicals policy that was adopted in 2006 and became national law in the 27 EU Member States in 2007 (Regulation 1907/2006). Virtually every industrial sector, from automobiles to textiles, is affected by the new policy. REACH stands for the "Registration, Evaluation and Authorization and Restriction of Chemicals." Since June 1 2008, REACH requires chemicals produced or imported into the EU in volumes above 1 ton per year per to be registered with a central European Chemicals Agency (ECHA), including information on their properties, uses and safe ways of handling them. Chemicals pre-registered before December 1 2008, benefit from extended registration deadlines, from three to eleven years depending on the volume of the substance and its hazard properties. U.S. companies without a presence in Europe cannot register directly and must have their chemicals registered through their importer or EU-based ‘Only Representative of non-EU manufacturer’. A list of Only Representatives can be found on the website of the U.S. Mission to the EU: http://www.buyusa.gov/europeanunion/reach.html.

U.S. exporters to the EU should carefully consider the REACH ‘Candidate List’ of substances of very high concern. Substances on that list are subject to communication requirements and may at a later stage require Authorization for the EU market. For more information, see the ECHA website: http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp

WEEE & RoHS

EU rules on waste electrical and electronic equipment (WEEE), while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. They require U.S. exporters to register the products with a national WEEE authority, or arrange for this to be done by a local partner. Similarly, related rules for EEE restricting the use of the hazardous substances (RoHS) lead, cadmium, mercury, hexavalent chromium, PBBs, and PBDEs, do not entail customs or importation paperwork. However, U.S. exporters may be asked by a European RoHS enforcement authority or by a customer to provide evidence of due diligence in compliance with the substance bans on a case-by-case basis. The WEEE and RoHS Directives are currently being revised to enlarge the scope and add substances to be banned in electrical and electronic equipment; the new rules could take effect as early as 2011. U.S. exporters seeking more information on WEEE and RoHS regulations should visit: http://www.buyusa.gov/europeanunion/weee.html

Agricultural Documentation

Phytosanitary Certificates: Phytosanitary certificates are required for most fresh fruits, vegetables, and other plant materials.
Sanitary Certificates: For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a certificate issued by the competent authority of the exporting country. This applies regardless of whether the product is for human consumption, for pharmaceutical use, or strictly for non-human use (e.g., veterinary biologicals, animal feeds, fertilizers, research). The vast majority of these certificates are uniform throughout the EU, but the harmonization process is not complete. During this transition period, certain Member State import requirements continue to apply. In addition to the legally required EU health certificates, a number of other certificates are used in international trade. These certificates, which may also be harmonized in EU legislation, certify origin for customs purposes and certain quality attributes. Up-to-date information on harmonized import requirements can be found at the following website: http://www.fas.usda.gov/posthome/useu/certificates-overview.html

Sanitary Certificates (Fisheries): In 2006, the European Union declared the U.S. seafood inspection system as equivalent to the European one. Consequently, a specific public health certificate must accompany U.S. seafood shipments. Commission Decision 2006/199/EC places specific conditions on imports of fishery products from the U.S. Sanitary certificates for live shellfish are covered by Commission Regulation (EC) 1664/2006 and must be used for gastropods, bivalve mollusks, tunicates and echinoderms. The two competent Authorities for issuing sanitary certificates are the FDA and the U.S. Department of Commerce, National Marine Fisheries Service (NMFS/NOAA/USDC).

Since 2007, with the implementation of the second Hygiene Package, aquaculture products coming from the United States must be accompanied by a public health certificate according to Commission Decision 2006/199/EC and the animal health attestation included in the new fishery products certificate covered by Regulation (EC) 1664/2006. This animal health attestation is not required in the case of live bivalve mollusks intended for immediate human consumption (retail).

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@trade.gov) or visit the following FDA dedicated web site: http://www.cfsan.fda.gov/.

U.S. Export Controls
For the purpose of national security, foreign policy, or short supply considerations, the United States controls the export of goods and technology with export licenses. The vast majority of U.S. exports does not require a license and are categorized as NLR99 (no license required).

For assistance in determining if a license is needed and to initiate the processing of an application, contact your local U.S. Department of Commerce Export Assistance Center or the Bureau of Industry and Security, Office of Export Assistance, Room H-1099D, U.S. Department of Commerce, Washington, DC 20230, Phone: (202) 482 4811. Detailed information and instructions are also available on the Bureau of Industry and Security’s website at:

http://www.bis.doc.gov/licensing/exportingbasics.htm

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Temporary Entry

As a result of various customs agreements, simplified procedures are available to U.S. business and professional people for the temporary importation of commercial samples and professional equipment. A carnet is a customs document that facilitates customs clearance for temporary imports of samples or equipment into foreign countries. With the carnet, goods may be imported without the payment of duty, tax, or additional security deposits. The carnet also saves time since formalities are all arranged before leaving the United States.

A carnet is valid for one year from the date of issuance. The cost ranges from $120 to $250. A bond or cash deposit of 40 percent of the value of the goods covered by the carnet is also required. This will be forfeited in the event the products are not re-exported in a timely manner, goods are lost, stolen, destroyed, or carnet certificates are not properly validated.

Carnets are sold in the United States by the U.S. Council for International Business at the following address: 1212 Avenue of the Americas, New York, NY 10036, Toll-free: (866) 786 5625, Fax: (212) 944 0012, Email: atacarnet@uscib.org website: http://www.uscib.org.

The Netherlands participates in the International Convention to Facilitate the Importation of Commercial Samples and Advertising Materials. Samples of negligible value imported to promote sales are accorded duty-free and tax-free treatment. Prior authorization is not required. To determine whether the samples are of negligible value, their value is compared with a commercial shipment of the same product. Granting of duty-free status may require that the samples be rendered useless for future sale by marking, perforating, cutting, or other means.

Labeling and Marking Requirements

Packaging and Labeling

In general, the Netherlands closely follows EU labeling requirements and regulations. Differences occur primarily in relation to the labeling of agricultural and food products.

All labels require metric units although dual labeling is also acceptable until end of December 2009. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of Member States to require the use of language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC, to replace 80/232/EC in April 2009, harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers.

Key Link: http://ec.europa.eu/enterprise/prepack/packsize/packsiz_en.htm
**The Eco-label**

EU legislation in 1992, revised in 2000, distinguishes environmentally friendly products and services through a voluntary labeling scheme called the Eco-label. Currently, the scheme applies to 28 product types in 7 categories: cleaning products, appliances, paper products, clothing, lubricants, home and garden products and tourism services. The symbol, a green flower, is a voluntary mark. The Eco-label is awarded to producers who can show that their product is less harmful to the environment than similar products. This “green label” also aims to encourage consumers to buy green products. However, the scheme does not establish ecological standards that all manufacturers are required to meet to place product on the market. Products without the EU Eco-label can still enter the EU as long as they meet the existing health, safety, and environmental standards and Regulations.

The EU Eco-label is a costly scheme (up to EUR 1,300 for registration and up to EUR 25,000/year for the use of the label, with a reduction of 25% for SMEs) and has therefore not been widely used so far. However, the Eco-label can be a good marketing tool and, given the growing demand for green products in Europe, it is likely that the Eco-label will become more and more a reference for green consumers.

Key Links:  
http://buyusainfo.net/docs/x_4284752.pdf  
http://ec.europa.eu/comm/environment/ecolabel/index_en.htm  
http://www.eco-label.com/default.htm

The manufacturer always has to have his name on the packaging. It is not mandatory to have the importer’s name on the label, but it’s a good idea, since new legislation improving the single market puts a lot of emphasis on the role of importer. The general product safety directive specifies:

"(a) an indication, by means of the product or its packaging, of the identity and details of the producer and the product reference or, where applicable, the batch of products to which it belongs, except where not to give such indication is justified"

Also, the manufacturer has to decide about choice of material used for packaging to minimize the impact on the environment. He also needs to look into signing up for a recycling scheme.

**Language Translations**

The use of language on labels was the subject of a 1993 Commission communication, the gist of which encourages multilingual information while preserving the freedom of Members States to require the use of language of the country of consumption. At present, language requirements are a national issue in which Member States determine the appropriate language/languages necessary for labels on products in certain industries.

**Country of Origin Marking**

With only minor exceptions, there are no general requirements for marking imported goods with the country of origin. Good shipping practice dictates that packages should bear the consignee’s mark and be numbered unless the shipment is such that the content of the packages can be readily identified without numbers. Requirements for
specific products should be obtained from the importer. The import, export, or transit of non-Dutch goods having markings that imply that the goods are of Dutch manufacture or origin is prohibited.

Hallmarking of gold and silver articles is required before they can be offered for sale. Only small tolerances are allowable for manufacturing errors. The hallmarking may be done by a Netherlands hallmarking office after importation.

The Netherlands applies the EU product standards and certification approval process. The Netherlands is required by the 1958 Treaty of Rome to incorporate in its national laws the EU directives. With the development of a single product standard, U.S. exporters may find that it is easier to comply with one EU-wide standard rather than having to meet several individual national standards when exporting to Europe.

An overview of EU mandatory and voluntary labeling and marking requirements has been compiled in a market research report that is available at: http://www.buyusainfo.net/docs/x_4171929.pdf.

The subject has been also been covered in the section about standards (see below).

Prohibited and Restricted Imports

Certain imports into the Netherlands and the European Union are prohibited or require an import license. These products fall under the categories of strategic goods or environmentally unfriendly items. Examples of such goods include weapons and ammunition, protected species of fauna and flora, and drugs. U.S. firms exporting to the Netherlands or the rest of the European Union can call a customs information hotline for a ruling. From the United States, Phone: +31 45 574 2700.

The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for that product for the following codes:

- CITES: Convention on International Trade of Endangered Species
- PROHI: Import Suspension
- RSTR: Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section above.

Key Link: http://ec.europa.eu/taxation_customs/common/databases/taric/index_en.htm
Goods that enter the customs territory of the EU from a non-EU country are referred to as ‘non-Community goods’. A number of rules apply with respect to these goods. The main rule is that these goods should be assigned a ‘customs-approved treatment or use’. One of the ways in which you can assign a customs-approved treatment or use to the goods is to place them under a ‘customs procedure’.

By using this procedure it is possible, under an exemption from import duties, other import taxes and trade policy and agricultural policy measures:

to introduce non-Community goods into the Netherlands or another EU country, in order subsequently to have these goods treated (undergo a processing operation) in the Netherlands or elsewhere in the EU, and finally to re-export the treated goods (the compensating products) and remove them from the EU.

Customs Information Line: Call the Customs Information Line with regard to general customs matters. Telephone number when calling from the U.S.: (31) 45 574 30 31 National Customs Helpdesk – this helpdesk can answer questions about substantive (tax) questions about import levies, and international issues. Telephone number when calling from the U.S.: (31) 55 577 66 55

Dutch customs maintain extensive information on regulations, in English, on their website:

http://www.douane.nl/english/

Homepage of Customs and Taxation Union Directorate (TAXUD) Website

Key Link: http://ec.europa.eu/taxation_customs/customs/index_en.htm

Major Regulatory Efforts of the EC Customs and Taxation Union Directorate:

**Electronic Customs Initiative** – Deals with major EU Customs modernization developments to improve and facilitate trade in the EU Member States. The electronic customs initiative is essentially based on the following three pieces of legislation:

- The Security and Safety Amendment to the Customs Code, which provides for full computerization of all procedures related to security and safety;
- The Decision on the paperless environment for customs and trade (Electronic Customs Decision) which sets the basic framework and major deadlines for the electronic customs projects;
- The modernized Community Customs Code which provides for the completion of the computerization of customs

Key Link:

**Customs Valuation**
Most customs duties and value added tax (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

The EU imports in excess of one trillion euro worth of goods (year 2004 estimate). It is vitally important that the value of such commerce is accurately measured, for the purposes of:

- economic and commercial policy analysis,
- application of commercial policy measures,
- proper collection of import duties and taxes, and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value.

The EU applies an internationally accepted concept of ‘customs value’.

The value of imported goods is one of the three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the amount of duty that has to be paid, the other ones being the origin of the goods and the customs tariff.

Key Link:

Customs and Security

In 2003, the Commission presented to the Parliament and Council a series of measures to address security issues. These measures can be found in two communications and a proposal for amending the Community Customs Code. This package brings together the basic concepts underlying the new security-management model for the EU's external borders, such as a harmonized risk assessment system. The security amendment to the Community Customs Code (Regulation (EC) n° 648/2005 of 13 April 2005) was published in the Official Journal of the European Union in 2005. With this amendment the European Union introduces a number of measures to tighten security around goods crossing international borders. The measures will mean faster and better-targeted checks. The results are positive for customs authorities, the public and industry.

The measures cover three major changes to the Customs Code:

- require traders to provide customs authorities with information on goods prior to import to or export from the European Union (see Pre Arrival / Pre Departure Declarations);
- provide reliable traders with trade facilitation measures see Authorized Economic Operator (AEO);
• introduce a mechanism for setting uniform Community risk-selection criteria for controls, supported by computerized systems.

Key Link:

Contact Information at national customs authorities:
http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

Overview
The Netherlands uses 2,000 specifically Dutch standards, 6,000 EU standards and 9,000 international standards. As a member of the EU, the Netherlands applies the product standards and certification approval processes developed by the European Union. The Treaty of Rome requires all EU members to incorporate approved EU directives into its national laws. Delays in implementing these Directives at the national level are common. As part of the program to establish common standards for all member countries, the EU regulates key product areas to protect the health and safety of consumers, as well as the environment.

The manufacturer or a representative must place a CE mark on all regulated products before they can be sold on the Netherlands. The applicable product testing and certification requirements for individual product categories are specified in the various EU Directives. The CE mark relates only to the mandatory health, safety, and environmental requirements established by the EU; it does not indicate conformity to European product standards. National marks of conformity with product standards remain compatible with the CE mark and both may be applied to the product. The CE mark replaces all national safety marks for the regulated products.

The international quality standard ISO 9000 is widely used.

The European Commission has proposed harmonized testing and certification procedures within the Community. These proposals include establishing a "modular" system for demonstrating product compliance. Under this system, methods of
demonstrating product conformity range from having the manufacturer self-certify the product, having a private testing company type-approve the product, and providing market surveillance, depending on the probability and type of product risk. As the standards and certification requirements evolve, qualified U.S. testing laboratories may be able to fully certify that products conform to EU requirements.

Exporters can stay fully informed on the latest EU technical standards activities by contacting the National Institute of Standards and Technology (NIST). A part of the U.S. Department of Commerce, NIST offers industry an in depth reference system on EU standards information gathered from the two European standards bodies tasked to write the EU 1992 norms (the European Committee for Standards (CEN), and the European Committee for Electro technical Standardization (CENELEC)).

NIST also can provide updated information from the European Union, which will elaborate on directives and provide assistance in identifying European Union and member state standards and regulations. For more information, contact NIST, Phone: (301) 975 4038. To obtain copies of directives, amendments, and published updates, or to obtain a complete list of directives that could affect product sales to the Netherlands or another EU country, call the ITA Office of European Union Affairs, Phone: (202) 482 5276, Web site: http://www.ita.doc.gov. Copies are available at a nominal fee.

The Department of Commerce’s European Union office in Brussels can provide in-depth counseling on EU standards, product testing, and certifications requirements. For more information about the services offered to U.S. Exporters, please see:

http://www.buyusa.gov/europeanunion/page58.htm

Other valuable sources of information with regard to foreign standards include the American National Standards Institute, 25 West 43rd Street, New York, NY 10036, Phone: (212) 642 4900, http://wwwansi.org, the Department of Commerce’s National Technical Information Service, Springfield, VA 22161, Phone: (703) 605 6000, http://www.ntis.gov, as well as various trade associations that follow international activities for their members.

Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements as a result of the EU’s different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU’s General Product Safety Directive as well as to possible additional national requirements.

European Union standards created under the New Approach are harmonized across the 27 EU Member States and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking. For a list of new approach legislation, go to http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations and technical standards might also function as barriers to trade if U.S. standards are different from those of the European Union.
Agricultural Standards

The establishment of harmonized EU rules and standards in the food sector has been ongoing for several decades, but it took until January 2002 for the publication of a general food law establishing the general principles of EU food law. This Regulation introduced mandatory traceability throughout the feed and food chain as of 2005. For specific information on agricultural standards, please refer to the Foreign Agricultural Service's website at: http://www.fas.usda.gov/posthome/useu/

There are also export guides to import regulations and standards available on the Foreign Agricultural Service’s website: http://www.fas.usda.gov/posthome/useu/

Standards Organizations

<table>
<thead>
<tr>
<th>Organization</th>
<th>Address</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>KEMA Quality BV</td>
<td>P.O. Box 9035</td>
<td>Phone: +31 26 3562850 Fax: +31 26 3525800 Email: <a href="mailto:m.h.t.winters@kema.com">m.h.t.winters@kema.com</a> Web site: <a href="http://www.kema.nl">http://www.kema.nl</a></td>
</tr>
<tr>
<td>TNO Certification BV</td>
<td>P.O. Box 541</td>
<td>Email: <a href="mailto:certification@certi.tno.nl">certification@certi.tno.nl</a> Phone: +31 55 549 34 68 Fax: +31 55 549 32 88 Web site: <a href="http://www.tno.nl">http://www.tno.nl</a></td>
</tr>
<tr>
<td>Stoomwezen BV</td>
<td>P.O. Box 769</td>
<td></td>
</tr>
<tr>
<td>DSW</td>
<td>3000 AT Rotterdam</td>
<td></td>
</tr>
<tr>
<td>Keurmerkinstituut (SKK)</td>
<td>P.O. Box 9855</td>
<td>1006 AN Amsterdam Toys</td>
</tr>
<tr>
<td>BCO Centrum voor Onderzoek BV</td>
<td>Bergschot 71</td>
<td>4817 PA Breda Toys</td>
</tr>
<tr>
<td>Hoofddirectie Telecommunicatie En Post</td>
<td>P.O. Box 450</td>
<td>9700 AL Groningen</td>
</tr>
</tbody>
</table>
Radio communications

Nederlands Centrum voor Gast-Technologie NV (GASTEC)
P.O. Box 137
7300 AC Apeldoorn
Pressure equipment

Nederland Keuringsinstituut voor Pleziervaartuigen (NKIP)
P.O. Box 65
8500 AB Joule
Recreational craft

European Certification Bureau
Nederland BV (ECB)
Julianaweg 224A
1131 NW Volendam
Recreational craft
Life-saving appliances

Lloyd's Register of Shipping
P.O. Box 701
3000 AS Rotterdam
Recreational craft

ABOMA & KEBOMA BV
P.O. Box 141
6710 BC Ede
Elevators

Stichting Nederlands Instituut Voor Liftechniek (LiftInstituut)
P.O. Box 36027
1025 XE Amsterdam
Elevators

Nmi Certin BV
P.O. Box 15
9822 ZG Niekerk
Radio-communication equipment

KCS Certification
P.O. Box 60004
6800 JA Arnhem
Navigation & radio equipment, Radio-communication equipment

Nippon Kaiji Kyokai (NK Rotterdam)
Mauritsweg 23
3012 JR Rotterdam
Life-saving appliances

Stichting Keuringsbureau Hout (SKH)
Huizermaatweg 29
EU Standards

EU standards setting is a process based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European or international level. There is strong encouragement for non-governmental organizations, such as environmental and consumer groups, to actively participate in European standardization.

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

- CENELEC, European Committee for Electrotechnical Standardization ([http://www.cenelec.eu/Cenelec/Homepage.htm](http://www.cenelec.eu/Cenelec/Homepage.htm))
- CEN, European Committee for Standardization, handling all other standards ([http://www.cen.eu/cenorm/homepage.htm](http://www.cen.eu/cenorm/homepage.htm))

Standards are created or modified by experts in Technical Committees or Working Groups. The members of CEN and CENELEC are the national standards bodies of the Member States, which have "mirror committees" that monitor and participate in ongoing European standardization. CEN and CENELEC standards are sold by the individual Member States standards bodies. ETSI is different in that it allows direct participation in its technical committees from non-EU companies that have interests in Europe and gives away its individual standards at no charge on its website. In addition to the three standards developing organizations, the European Commission plays an important role in standardization through its funding of the participation in the standardization process of small- and medium-sized companies and non-governmental organizations, such as environmental and consumer groups. The Commission also provides money to the standards bodies when it mandates standards development to the European Standards Organization for harmonized standards that will be linked to EU technical legislation. Mandates can be checked on line at [http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm](http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm)

Due to the EU’s vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU’s standards regime is wide and deep - extending well beyond the EU’s political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as Albania, Croatia, FYR of Macedonia, and Turkey among others. Another category, called "partner standardization body" includes the standards organization of Australia, which is not likely
to become a CEN member or affiliate for political or geographical reasons. Many other countries are targets of the EU’s extensive technical assistance program, which is aimed at exporting EU standards and technical Regulations to developing countries, especially in the Mediterranean and Balkan countries, Africa, as well as programs for China and Latin America.

To know what CEN and CENELEC have in the pipeline for future standardization, it is best to visit their websites. CEN’s "sectors" page provides an overview by sector and/or technical committee whereas CENELEC offers the possibility to search its database. ETSI’s portal (http://portal.etsi.org/Portal_Common/home.asp) leads to ongoing activities.

With the need to adapt more quickly to market needs, European standards organizations have been looking for "new deliverables" which are standard-like products delivered in a shorter timeframe. While few of these "new deliverables" have been linked to EU Regulations, expectations are that they will eventually serve as the basis for EU-wide standards.

Key Link: http://www.cen.eu/cenorm/products/cwa/index.asp

Conformity Assessment

The main national testing organization is KEMA (address details above). The conformity assessment body is:

NEN
P.O. Box 5059
2600 GB Delft
Phone: +31 15 2690390
Fax: +31 15 2690190
Email: info@nen.nl
Web site: http://www2.nen.nl/

EU Legislation

Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages of the production process to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice with regard to conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. You can find conformity assessment bodies in individual Member State country in this list by the European Commission.

Key Link: http://ec.europa.eu/enterprise/newapproach/nando/

To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN’s certification systems are the Keymark, the CENCER mark, and CEN workshop agreements (CWA) Certification Rules.. CENELEC has its own initiative. ETSI does not offer conformity assessment services.

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To sell products on the EU market of 27 Member States as well as Norway, Liechtenstein and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards. There is no easy way for U.S. exporters to understand and go through the process of CE marking, but hopefully this section provides some background and clarification.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and published in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements. Trade barriers occur when design, rather than performance, standards are developed by the relevant European standardization organization, and when U.S. companies do not have access to the standardization process through a European presence.

The CE marking addresses itself primarily to the national control authorities of the Member States, and its use simplifies the task of essential market surveillance of regulated products. Although CE marking is intended primarily for inspection purposes by Member State inspectors, the consumer may well perceive it as a quality mark.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the authorized representative established in the EU. This detailed information should not appear next to the CE marking, but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

Accreditation

The Dutch accreditation body is the “Raad voor Accreditatie” (RvA). The organization implements accreditations of those organizations that directly or indirectly carry out monitoring or supervisory activities in all necessary sectors, both private and public, including:

Certification bodies, Inspection bodies, Testing bodies, Calibration laboratories and Proficiency testing.

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Raad voor Accreditatie (RvA)
P.O. Box 2768
3500 GT Utrecht
Phone: +31 30 239 45 00
Fax: +31 30 239 45 39

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EU accreditation

Independent certification bodies, known as notified bodies, have been officially accredited by competent national authorities to test and certify to EU requirements. However, under U.S.-EU Mutual Recognition Agreements (MRAs), notified bodies based in the United States and referred to as conformity assessment bodies, are allowed to test in the United States to EU specifications, and vice versa. The costs are significantly lower which results in U.S. products becoming more competitive. At this time, the U.S.-EU MRAs cover the following sectors: EMC (in force), RTTE (in force), medical devices (in transition), pharmaceutical (on hold), recreational craft (in force) and marine equipment (in force). The U.S. Department of Commerce, National Institute of Standards and Technology (NIST), has a link on its website to U.S. and European Conformity Assessment bodies operating under a mutual recognition agreement.

Key Link: http://ts.nist.gov/Standards/Global/mra.cfm

Accreditation is handled at Member State level. "European Accreditation" (http://www.european-accreditation.org/content/home/home.htm) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58.

Publication of Technical Regulations

Proposed technical regulations and final regulations are published by the NEN (see above). U.S. entities can comment directly to the Certified Body.

In the EU: The Official Journal is the official gazette of the European Union. It is published daily on the internet and consists of two series covering draft and adopted legislation as well as case law, studies by committees, and more (http://eur-lex.europa.eu/JOIndex.do). It lists the standards reference numbers linked to legislation (http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm). National technical Regulations are published on the Commission’s website http://ec.europa.eu/enterprise/tris/index_en.htm to allow other countries and interested parties to comment.

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT) Agreement to report to the WTO all proposed technical regulations that could affect trade with other member countries. Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect access to international markets. Register online at Internet URL: http://tsapps.nist.gov/notifyus/data/index/index.cfm

Labeling and Marking
Labeling: In general, the Netherlands closely follows EU labeling requirements and regulations. Differences occur primarily in relation to the labeling of agricultural and food products. For detailed information, please go to:

http://www.fas.usda.gov/gainfiles/200312/146085322.doc

Marking: With only minor exceptions, there are no general requirements for marking imported goods with the country of origin. Requirements for specific products should be obtained from the importer. The import, export, or transit of non-Dutch goods having markings that imply that the goods are of Dutch manufacture or origin is prohibited.

There are no regulations for the marking of shipping packages. Good shipping practice dictates that packages should bear the consignee's mark and be numbered unless the shipment is such that the content of the packages can be readily identified without numbers.

Hallmarking of gold and silver articles is required before they can be offered for sale. Only small tolerances are allowable for manufacturing errors. The hallmarking may be done by a Netherlands hallmarking office after importation. The Netherlands applies the EU product standards and certification approval process. The Netherlands is required by the 1958 Treaty of Rome to incorporate in its national laws the EU directives. With the development of a single product standard, U.S. exporters may find that it is easier to comply with one EU wide standard rather than having to meet several individual national standards when exporting to Europe.

EU Requirements

Manufacturers should be mindful that, in addition to the EU’s mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling is also acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of Member States to require the use of language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC, harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers.

Key Link: http://ec.europa.eu/enterprise/prepack/packsize/packsiz_en.htm

The Eco-label

The EU eco-label is a voluntary label which US exporters can display on products that meet high standards of environmental awareness. The eco-label is intended to be a marketing tool to encourage consumers to purchase environmentally-friendly products. The criteria for displaying the eco-label are strict, covering the entire lifespan of the product from manufacture, to use, to disposal. These criteria are reviewed every three to
five years to take into account advances in manufacturing procedures. There are
currently twenty-three different product groups, and approximately 250 licenses have
been awarded for several hundred products.
Applications to display the eco-label should be directed to the competency body of the
member state in which the product is sold. The application fee will be somewhere
between €300 and €1300 depending on the tests required to verify if the product is
eligible. The eco-label also carries an annual fee equal to 0.15% of the annual volume of
sales of the product range within the European community. However, the minimum
annual fee is currently set at €500 and maximum €25,000.
There are plans to significantly reform the eco-label in the near future, reducing the
application and annual fees and expanding the product ranges significantly. It is also
possible that future eligibility criteria may take into account carbon emissions.

Key Links: Eco-label Home Page
Product Categories eligible for the Eco-label
Eco-Label Catalogue
List of Competent Bodies
Revision of the Eco-label
The Eco-label and Carbon Footprint

Trade Agreements

The Netherlands has been a member of the European Union (EU) since its inception in
1958. The European Union forms a customs union allowing free trade among the
member states, but levies a common tariff on imports coming from non European Union
countries such as the United States, Japan, and Canada. The European Union also has
a common agricultural policy, joint transportation policy, and free movement of goods
and capital within the member states. Under agreements reached between the
European Union and the members of the European Free Trade Association (EFTA) duty
free trade for industrial products has been achieved among all 31 countries. Taxes, such
as the value added tax (VAT) and excise taxes, are levied in the country of final
destination. Currently, VAT rates differ among the various countries. See the "Value
Added Tax" section for the Dutch rates.

In addition to the EFTA countries, the Netherlands and the other European Union
nations extend preferential tariff treatment to certain other countries and territories in
Central and Eastern Europe and the Mediterranean with historical ties to the European
Union, and to less developed countries in Africa, the Caribbean, and the Pacific region.
The granting of reduced tariffs to developing countries is under the Generalized System
of Preferences (GSP).

For a list of trade agreements with the EU and its Member States, as well as concise
explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp.
EU websites:

Online customs tariff database (TARIC):

The Modernized Community Customs Code MCCC):


Taxation and Customs Union:
http://ec.europa.eu/taxation_customs/customs/index_en.htm

Regulation (EC) 648/2005:
Security and Safety Amendment to the Customs Code

Decision N° 70/2008/EC:


Legislation related to the Electronic Customs Initiative:

International Level: Customs value

What is Customs Valuation?

Customs and Security:
Two communications and a proposal for amending the Community Customs Code

Establishing the Community Customs Code:
Regulation (EC) n° 648/2005 of 13 April 2005

Pre Arrival/Pre Departure Declarations: Pre Arrival / Pre Departure Declarations

AEO: Authorized Economic Operator

Contact Information at National Customs Authorities:
http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

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Cenelec, European Committee for Electrotechnical Standardization: http://www.cenelec.eu/Cenelec/Homepage.htm

ETSI, European Telecommunications Standards Institute: http://www.etsi.org/

CEN, European Committee for Standardization, handling all other standards: http://www.cen.eu/cenorm/homepage.htm


European Co-operation for Accreditation: http://www.european-accreditation.org/content/home/home.htm


NIST - Notify us: http://tsapps.nist.gov/notifyus/data/index/index.cfm


European Union Eco-label Homepage: http://ec.europa.eu/comm/environment/ecolabel/index_en.htm


U.S. websites:

National Trade Estimate Report on Foreign Trade Barriers:

2/24/2010

Agricultural Trade Barriers:  
http://www.fas.usda.gov/posthome/useu/

Trade Compliance Center: http://www.trade.gov/tcc


WEEE and RoHS in the EU: http://www.buyusa.gov/europeanunion/weee.html

Overview of EU Certificates:  
http://useu.usmission.gov/agri/certificates-overview.html

Center for Food Safety and Applied Nutrition: http://www.cfsan.fda.gov/

EU Marking, Labeling and Packaging – An Overview  

The European Union Eco-Label: http://buyusainfo.net/docs/x_4284752.pdf

Trade Agreements: http://tcc.export.gov/Trade_Agreements/index.asp

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Chapter 6: Investment Climate

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Openness to Foreign Investment

The Netherlands' trade and investment policy is among the most open in the world, with combined merchandise exports and imports exceeding GDP. The Netherlands ranks fifth among the world's largest suppliers of investment capital in terms of outward FDI stock. The Netherlands also ranks sixth among global recipients of FDI (in terms of inward stock). The government of the Netherlands maintains liberal policies toward foreign direct investment and adheres to OECD investment codes.

The only Dutch exception to the principle of national treatment is in air transport. According to Annex Four, Article One of the EU-U.S. Air Transport Agreement (effective March 30, 2008), U.S. nationals can invest in Dutch/European carriers as long as the airline remains majority owned by EU governments or nationals from EU member states. Additionally, the EU and its member states reserve the right to limit U.S. investment in the voting equity of an EU airline equivalent to that allowed by the United States for foreign nationals in U.S. carriers. Furthermore, with the exception of a few public and private monopolies from which foreign and domestic private investment is banned, foreign firms are able to invest in any sector and are entitled under the law to equal treatment with domestic firms. These monopolies include the Netherlands Central Bank, the national Schiphol Airport in Amsterdam, the Netherlands railways, and public broadcasting.

The Dutch comply with European Union reciprocity provisions in banking and investment services. Provisions related to government incentives, national rules of incorporation,
and access to the capital market are all administered on a non-discriminatory basis. Business laws and regulations are in accordance with international legal practices and standards and apply equally to foreign and Dutch companies.

Structural and regulatory reforms have long been an integral part of a major reorientation of Dutch economic policy. Product market competition is strengthened through programs aimed at stimulating market forces, liberalization, deregulation, and legislative quality combined with a tightening of competition policy. The government has reduced its role in the economy by introducing market forces in formerly public utility sectors. While legislation to "unbundle" the country's gas and electricity sector became effective on July 1, 2008, the energy companies have until January 1, 2012, to comply with the law. Government-controlled entities will retain dominant positions in gas and electricity distribution, rail transport, and the water sector. During the financial crisis in 2008 and 2009, the government intervened to provide support to struggling financial institutions, including nationalizing Fortis Bank Nederland and the Dutch activities of ABN Amro Bank, and providing capital support to ING Bank, SNS Reaal bank, and insurance company Aegon.

Despite relatively high Dutch labor costs and labor market imperfections (e.g., complex labor laws resulting in restrictive hiring and firing practices for employers), foreign investors have found the Netherlands a favorable location for their European investment projects. The Dutch actively solicit foreign investment through the Netherlands Foreign Investment Agency (NFIA, www.nfia.com) and related regional economic development companies. Foreign direct investment is concentrated in growth areas, including information and communication technology (ICT), biotechnology, medical technology, electronic components, and machinery and equipment. Investment projects are predominantly in value-added logistics, machinery and equipment, and (luxury) foods. International annual benchmark studies identify the Netherlands as one of the most popular locations for foreign ICT in Europe, while also ranking the Dutch biotechnology sector among Europe's elite.

The Netherlands has the second largest number of broadband connections and the highest Internet penetration in the European Union. In 2009, 77 percent of households had a broadband connection and 90 percent of households were connected to the Internet.

Foreign firms find the Netherlands an attractive location in which to establish their European headquarters, distribution centers, call centers, and shared services centers. Investment surveys indicate that U.S. investors favor the Netherlands as a location for European Distribution Centers (EDCs). The introduction of a more friendly tax regime in the late 1990s and a drop in the corporate tax rate to 25.5 percent in 2007 make the Netherlands an attractive location for European headquarters. The government is currently making further revisions to its corporate tax laws in an effort to attract even more FDI; these revisions are expected to be complete by end-2010.

Foreign investors find the Netherlands attractive because of the country's stable political and macroeconomic climate, a highly developed financial sector, well-educated and productive labor force, and the high quality of the physical and communications infrastructure.
Various international surveys rank the Netherlands among the countries in the industrialized world with the most competitive economies and most favorable business and investment climates. The World Economic Forum (WEF) Global Competitiveness Index places the Netherlands tenth among the world's most competitive economies. The Economist Intelligence Unit (EIU) ranks the Netherlands seventh on its 2008 global business environment ranking for the period up to 2012. The World Bank ranks the Netherlands thirtieth in terms of the ease of doing business in its Doing Business 2009 report. Heritage Foundation ranks the Netherlands as twelfth on its economic freedom index.

The Netherlands is known for its favorable fiscal climate. Precise tax guidance given to foreign investors provides transparency with regard to long-term tax obligations. To this end, Advanced Tax Rulings (ATR), in combination with Advanced Pricing Agreements (APA), are guarantees given by local tax inspectors with regard to long-term tax commitments for a particular acquisition or green field operation (investment in land or infrastructure to support a new business).

Despite predominantly favorable business and investment conditions, some organizations flag relatively high wage costs, relatively heavy administrative burdens, structural imperfections in the road infrastructure, and a less-than-flexible labor market as potential bottlenecks in attracting foreign direct investment to the Netherlands.

The European Commission decided in 2003 that the Netherlands' provision to companies of national tax incentives with a subsidy element violated European competition principles. In response to this decision, the Dutch government passed legislation in 2005 prohibiting companies in the Netherlands from using the Corporate Financing Arrangement (CFA). Under a transition arrangement, companies which used CFA prior to July 11, 2001, will be able to apply it until December 31, 2010.

There are no formal foreign investment screening mechanisms, and 100 percent foreign ownership is permitted in those sectors open to foreign investment. The rules on acquisition, mergers, takeovers, and reinvestment are nondiscriminatory. All firms must conform to certain rules of conduct on mergers and takeovers. The Social Economic Council (SER), an official advisory body composed of representatives of government, business, and labor, administers Dutch merger and takeover rules. SER rules are intended, first and foremost, to protect the interests of stakeholders and employees. They include requirements for the timely announcement of merger and takeover plans and for discussions with trade unions. Surveys among European companies rank the Netherlands second for the transparency of its corporate governance practices. Despite this open policy, elaborate corporate protective measures against hostile takeovers may de facto block acquisitions or takeovers by Dutch and foreign investors. However, the Dutch are working to further reduce these barriers. A corporate governance code of conduct that seeks to improve transparency in shareholder/management relations, as well as the structure and accountability of management, took effect in 2004. The voluntary Corporate Governance Code is monitored by a committee, which can also propose adjustments to the Code in areas such as executive salaries, risk management, and shareholders rights and responsibilities.

The Netherlands maintains no preferential or discriminatory export or import policies, with the exception of those that result from its membership in the European Union. The Dutch also abide by all internationally agreed strategic trade controls (e.g. the
Wassenaar Agreement). In summary, Dutch domestic restrictions on foreign investment remain minimal, with no new restrictions planned. The Dutch investment climate should continue as it is, but will increasingly be influenced by EU policies.

Conversion and Transfer Policies

There are no restrictions on the conversion or repatriation of capital and earnings (including branch profits, dividends, interest, royalties), or management and technical service fees, with the exception of the nominal exchange license requirement for non-resident firms.

Expropriation and Compensation

The Netherlands maintains strong protection on all types of property, including private property, and the right of citizens to own and use property. Expropriation would only take place in the public interest and with adequate compensation. We have no reason to believe that it would be undertaken in a discriminatory manner or in violation of established principles of international law. Post is unaware of any recent expropriation claims involving the Dutch government and U.S. or other foreign-owned property.

Dispute Settlement

Post is not aware of any investment disputes involving the Dutch government and U.S. or other foreign companies. The Netherlands is a signatory to the International Convention on Investment Disputes and a member of the International Center for the Settlement of Investment Disputes. Although the government has no rules regarding withdrawals of investment, occasionally trade unions go to court over company closures. This has occurred in the case of both domestic and foreign-owned firms.

Performance Requirements and Incentives

There are no trade-related investment performance requirements in the Netherlands. General requirements to qualify for investment subsidy schemes apply equally to domestic and foreign investors. There are no requirements for employment of local capital or managerial personnel. In practice, however, many chief executives of major U.S. subsidiaries in the Netherlands are Dutch or other EU nationals, because skilled managers are available at a cost less than that of posting an American abroad. In the case of staff personnel, however, Dutch (or other EU nationals) must be employed unless firms can demonstrate that a Dutch national cannot perform the job in question. This burden is eased by an existing provision that prior employment with the firm of at least two and a half years amounts to a presumption of unique qualifications for the job.

Limited, targeted investment incentives have long been a well-publicized tool of Dutch economic policy to facilitate economic restructuring and to promote energy conservation,
regional development, environmental protection, R&D, and other national socio-economic goals. Subsidies and incentives are available to foreign and domestic firms alike and are spelled out in detailed regulations. Subsidies are in the form of tax credits that are usually disbursed through corporate tax rebates or direct cash payments in the event of no tax liability.

Reflecting the European Union's limits on direct government support, the Regional Investment Projects Subsidies Scheme was phased out in 2006. Investment grants are now only available for projects that address specific economic bottlenecks under the so-called 'Peaks in the Delta'. (For more information, visit the Ministry of Economic Affairs' website at www.minez.nl.)

Local investment subsidies are sometimes also available from regional development companies. Regional non-tax incentives are available in the form of cash grants, low-interest loans, and local government participation and export guarantees for selected areas. The growing number of tax incentives offered to investors in other EU countries has prompted the government to look into the possibility of expanding existing tax instruments to aggressively improve the Dutch fiscal climate vis-a-vis that in competitor countries like Belgium, Germany, and Ireland.

Right to Private Ownership and Establishment

There are full rights of private ownership and establishment of business enterprises in the Netherlands, except in the monopoly sectors noted earlier. Despite the fact that service providers must often meet stringent licensing requirements, numerous enterprises in the Netherlands are 100 percent owned by foreign firms, including many from the United States. Licenses are granted on the basis of competitive equality.

Protection of Property Rights

The Netherlands has a generally good set of laws and regulations that protect intellectual property rights (IPR). However, the enforcement of anti-piracy laws remains a concern to producers of software and digital media. The Netherlands belongs to the World Intellectual Property Organization (WIPO), is a signatory to the Paris Convention for the Protection of Industrial Property, and conforms to accepted international practice for the protection of technology and trademarks. The Netherlands implemented the European directive 98/44/EC in 2006 after significant delay, bringing domestic legislation in line with the WIPO 1996 Copyright Treaty (WCT) and the WIPO Performance and Phonogram Treaty (WPPT). There is consensus among policy makers on the need for measures aimed at raising awareness of IPR rules and regulations and to strengthen enforcement.

Patents for foreign investors are granted retroactively to the date of the original filing in the home country, provided the application is made through a Dutch patent lawyer within one year of the original filing date. Patents are valid for 20 years. Legal procedures exist for compulsory licensing if the patent is inadequately used after a period of three
years, but these procedures have rarely been invoked. Since the Netherlands and the United States are both parties to the Patent Cooperation Treaty (PCT) of 1970, patent rights in the Netherlands may be obtained if a PCT application is used. The Netherlands is a signatory to the European Patent Convention, which provides for a centralized Europe-wide patent protection system. This convention has simplified the process for obtaining patent protection in EU Member States. Infringement proceedings remain within the jurisdiction of the national courts, which could result in divergent interpretations detrimental to U.S. investors and exporters.

The enforcement of anti-piracy laws remains a concern to producers of software, audio and videotapes, and textbooks from the United States. Organized optical disc software piracy and e-commerce piracy are also of major concern to the Dutch. Annual losses to the U.S. motion picture industry due to audiovisual piracy in the Netherlands have been estimated at tens of millions of dollars annually. The Dutch government has recognized the need to protect intellectual property rights, and law enforcement personnel have worked with industry associations to find and seize pirated software. Dutch IPR legislation currently in place explicitly includes computer software as intellectual property under the copyright statutes. In August 2009, the Amsterdam District Court ordered the Dutch download side Mininova to remove all links to copyright-protected material from its website; the company has complied with this order. In October 2009, the Court ordered Swedish download site Pirate Bay to do the same within three months or face fines up to EUR 6 million.

Transparency of Regulatory System

Laws and regulations that affect direct investment, such as environmental rules and health and safety regulations, are non-discriminatory and apply equally to foreign and domestic firms. Dutch tax law facilitates attracting non-Dutch personnel to live and work in the Netherlands. Currently, expatriate staff transferred to the Netherlands on a temporary contract can make use of the 30 percent ruling. The ruling provides that 30 percent of his/her gross employment income in the Netherlands is not taxable under Dutch personal income tax laws. This treatment is granted for a maximum of ten years. Furthermore, the expatriate is considered a non-resident, meaning that only income from Dutch sources is taxed in the Netherlands.

Dutch corporations and branches of foreign corporations currently are subject to a corporate tax rate of 25.5 percent on taxable profits, which puts the Netherlands in the medium third of the corporate tax bracket in the EU. Profits of up to 200,000 euro (roughly USD 288,450) will be taxed at a rate of 20 percent in 2009 and 2010. Dutch corporate taxation generally allows for the exemption of dividends and capital gains derived from a foreign subsidiary (participation exemption). Surveys into the corporate tax structure of EU Member States observe that both the corporate tax rate and the effective corporate tax rate in the Netherlands are higher than the European average. Nevertheless, the Dutch corporate tax structure ranks among the most competitive in Europe given other beneficial tax measures. No local Dutch income taxes are levied on corporations. The Netherlands also has no branch profit tax and does not levy a withholding tax on interest and royalties. Furthermore, the Netherlands maintains an extensive network of tax treaties with a large number of countries. A protocol amending the U.S.-Netherlands 1992 Tax Treaty entered into force in 2004. The protocol modernizes anti-abuse rules to prevent exploitation of the treaty by third-country
nationals. The protocol also eliminates source-country withholding taxes on certain inter-company dividends, thereby removing a remaining barrier to cross-border investment in both directions. Finally, the Dutch tax authorities in general have a cooperative attitude and often provide tax opinions in advance of tax issues arising. The Dutch government is investigating ways to further improve the attractiveness of the corporate tax regime in 2010.

**Efficient Capital Markets and Portfolio Investment**

Dutch financial markets are fully developed and operate at market rates, facilitating the free flow of financial resources. The Netherlands is an international financial center for the foreign exchange market and for Eurobonds and bullion trade. The flexibility that foreign companies enjoy in conducting business in the Netherlands extends into the area of currency and foreign exchange. There are no restrictions on foreign investors’ access to sources of local finance. In 2007, the New York Stock Exchange merged with Euronext, which also operates the Dutch exchange in Amsterdam. Dutch financial institutions have been hurt by the global credit crisis, leading to the nationalization of Dutch banking leader ABN Amro/Fortis and the provision of capital injections and other support measures to other large financial institutions since October 2008.

**Competition from State-Owned Enterprises (SOEs)**

Private enterprises are allowed to compete with public enterprises with respect to market access, credits, and other business operations such as licenses and supplies. However, some public enterprises are monopolies; private enterprises are prohibited from entering these markets where the government wants to safeguard public interests or preclude negative effects of private monopolies.

The following sectors include companies and organizations in which the government is the majority shareholder (with at least 50 percent ownership): transportation and infrastructure (the Dutch railways, Schiphol Airport, and the Port of Rotterdam, energy transport (Nederlandse Gasunie and Tennet Holding), nuclear energy (Ultra Centrifuge Nederland and COVRA), gambling (Staatsloterij and Holland Casino), banking and finance (Ban Nederlandse Gemeenten, Maatschappij voor Ontwikkelingslanden, and most recently ABN Amro/Fortis Bank Nederland). As with any other firm in the Netherlands, SOE’s must publish annual reports, and their financial account must be audited. There are no sovereign wealth funds in the Netherlands.

**Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is an important concept in the Netherlands. In general, companies closely guard their reputation for CSR, and consumers are increasingly opting for products and services that are less harmful to animals and the environment. The Ministry of Economic Affairs strongly encourages CSR in Dutch
The Netherlands National Contact Point (NCP) supports businesses in putting the OECD Guidelines for Multinational Enterprises into practice. Although compliance with the guidelines is voluntary, a dissatisfied party may submit a well-founded report to the NCP if a company is not acting or investing in accordance with the guidelines. Upon receipt of the report, the NCP investigates it and mediates between the parties involved. (For more information, visit www.oecdguidelines.nl.)

Political Violence

The Netherlands is noted for its stable political environment. Although political violence rarely occurs in the highly consensus-oriented Dutch society, a number of politically and religiously inspired acts of violence have recently led Dutch politicians to review integration policies. The Dutch economy derives much of its strength from a stable industrial climate fostered by partnership between unions, employers’ organizations, and the government. Strikes are rarely regarded as the primary means to settle labor disputes, and labor strikes in recent decades have been very rare.

Corruption

Anti-bribery legislation to implement the 1997 OECD Anti-Bribery Convention (ABC) became effective in 2001. The anti-bribery law reconciles the language of the ABC with the EU Fraud Directive and the Council of Europe Convention on Fraud. It makes corruption by Dutch businessmen in landing foreign contracts a penal offense, and bribes are no longer deductible for corporate tax purposes. At a national level, the Dutch Justice and Interior Ministries have taken steps to sharpen regulations to combat bribery in public procurement and in the issuance of permits and subsidies. The NGO Transparency International ranked the Netherlands sixth (jointly with Finland) on its 2008 Corruption Perception Index.

Bilateral Investment Agreements

The Netherlands has signed bilateral investment agreements (IBO’s) with a large number of countries including: Albania, Algeria, Argentina, Armenia, Bahrain, Bangladesh, Belarus, Belize, Benin, Bolivia, Bosnia-Herzegovina, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Chile, China, Costa Rica, Croatia, Cuba, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Estonia, Ethiopia, Gambia, Georgia, Ghana, Guatemala, Honduras, Hong Kong, Hungary, India, Indonesia, Ivory Coast, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Laos, Latvia, Lebanon, Lithuania, Macau, Macedonia (FYROM), Malawi, Mali, Malaysia, Malta, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Namibia, Nicaragua, Nigeria, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland,
Romania, Russia, Senegal, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, South Korea, Sri Lanka, Sudan, Surinam, Tajikistan, Tanzania, Thailand, Tunisia, Turkey, Uganda, Ukraine, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, and Zimbabwe. (Visit www.minez.nl for the official list and legal status of these agreements.)

The Netherlands adheres to OECD codes on capital movements and invisible transactions, with the exceptions mentioned earlier. It maintains a treaty of Friendship, Commerce and Navigation with the United States that generally provides for national treatment and free entry for foreign investors, with certain exceptions. The Netherlands is also a member of the EU single market.

**OPIC and Other Investment Insurance Programs**

Dutch companies investing aboard can insure their investments against non-commercial risks through the privately-owned Atradius Dutch State Business N.V., which issues export credit insurance policies and guarantees to businesses on behalf of the Dutch government.

The legal basis for investment insurance is Article 3, Paragraph 2 of the Act on the Framework for Financial Provisions. Insurance covers assets and cash, as well as loans related to an investment. Both new and (under certain circumstances) existing investments are eligible. The Netherlands is a member of the Multilateral Investment Guarantee Agency (MIGA).

**Labor**

The Dutch workforce is largely well-educated and multilingual. As a result of sustained economic growth in recent years, unemployment had been decreasing until mid-2009, when the effects of the financial crisis set in. With an unemployment rate of 5.2 percent in the period September-November 2009 (up from 3.6 percent during the same period in 2008), the official unemployment rate is still well below the EU average. According to the latest official forecasts, the annual unemployment rate was 5 percent in 2009 and will climb to 6.5 percent in 2010.

The Netherlands currently has the highest part-time work rate in the OECD, which has contributed to greater labor market flexibility. A substantial increase in the participation of women in the workforce led the share of part-time workers in the total working population to increase to almost 50 percent. Labor market participation, especially by elderly workers, is slowly but gradually growing from a low of 60 percent in the early 1990s to approximately 70 percent of the potential labor pool now. Increased labor market participation is regarded as critical to ensuring continued economic growth and to coping with the impact of a rapidly aging population. The Dutch government plans to increase the official retirement age from 65 to 67, beginning by raising it to 66 years in 2020, and then to 67 years in 2025.
The Dutch government's job creation policy is focused on the following elements: reducing the general burden of taxes and social security contributions, moderating growth in wage levels, improving productivity, and strengthening the economic structure. The Dutch government views increased labor market participation as essential to continued economic growth. Together with employees and employers organizations, the government is targeting part-time workers, the elderly, long-term unemployed, and women to increase labor force participation. To combat increasing unemployment resulting from the financial crisis, the Cabinet introduced a part-time unemployment scheme in Fall 2008 in which employees that are temporary or partially unemployed receive compensation for the lost income.

Workers may be found through government-operated labor exchanges, a rapidly growing number of private employment firms, or directly through, for example, newspaper advertisements. The official average work week has long been 38 hours, but work-shortening programs have effectively reduced the average work week in some sectors of the economy (notably in banking and insurance) to 36 hours. The trend toward shorter working hours (and early retirement) with the objective of creating jobs or avoiding layoffs was first reversed in 2004. Faced with sharply rising costs related to the rapidly aging Dutch population, government labor market policies are increasingly geared toward higher contributions by the productive labor force by expanding working hours. In 2004, Parliament reached an agreement to amend current labor laws, allowing the maximum workweek to increase from an average of 50 hours to 60 hours. In a related move, 2007 legislation increased the number of hours a worker must complete before he/she is eligible for a break. New legislation has also been adopted which will increase the flexibility in the operating hours of companies and shops.

The average unit labor cost rise in the Netherlands of 2.6 percent in 2008 was below the OECD average. According to recent estimates, the average contract wage in the Dutch market sector dropped to 3 percent in 2009, in comparison to 3.5 percent in 2008.

Due to the economic crisis, Dutch labor productivity dropped from 1.9 percent in 2007 to 0.9 percent in 2008. In order to combat increasing unemployment, the Dutch government has significantly reduced employers' costs for workers who earn a monthly minimum wage of 1,407 euro (USD 2,014) by providing tax breaks. It has also called on organizations of employers and labor unions to create jobs at the lowest end of the wage scale.

Labor/management relations in both the public and private sectors are generally good in a system that emphasizes the concept of social partnership. Although wage bargaining in the Netherlands is increasingly decentralized, there still exists a central bargaining apparatus where labor contract guidelines are established. About 75 percent of all Dutch workers are currently covered by union contracts that are negotiated on a sector basis with employers associations and, if accepted by the government, are extended by law to the entire sector. Some sector labor contracts (e.g., road transport and haulage) are relatively inexpensive, while others (e.g., metal) have traditionally been more costly. To avoid surprises, potential investors are advised to consult with local trade unions to determine which, if any, labor contracts apply to workers in their business sector prior to making an investment decision. Collective bargaining agreements negotiated in the past few years have, by and large, been accepted by the rank and file without much protest, despite only moderate wage rises. Days lost to strikes are relatively few.
The Dutch have always had an economy that derives its strength from free trade and a stable industrial climate fostered by partnership among unions, employers' organizations, and the government. There is substantial labor involvement in corporate decision-making on matters affecting workers. Each company in the Netherlands with at least 50 workers is required by law to institute a Works Council, with which management must consult on a range of issues including investment decisions. Legislation implementing the EU Work Council Directive came into effect in 1998. The Dutch government also agreed to introduce legislation governing employee participation of European companies (companies operating in at least two EU member states). Under this legislation, company founders and its workers must conclude an agreement on employee participation. Trade unions and management are generally receptive to foreign investment, especially where this leads to improved employment possibilities and related benefits. U.S. companies generally perceive Works Councils as contributing to better management-worker relations and a benefit to the company.

Foreign-Trade Zones/Free Trade Zones

The Netherlands has no free trade zones or free ports in the sense of territorial enclaves where commodities can be processed or reprocessed tax-free. There are, however, a large number of customs warehouses (EU category A through E, but no category A and F or "free zones") and free warehouses at designated places and international airports where goods in transit may be temporarily stored under customs supervision. Goods may be repacked, sorted, or relabeled.

Foreign Direct Investment Statistics

Statistics on the level of FDI in the Netherlands (by country of origin and industry sector), and comparable data covering the stock of Dutch FDI abroad, are compiled by the Netherlands Central Bank (DNB) on an ad hoc basis http://www.statistics.dnb.nl/index.cgi?lang=uk&todo=Balans

The DNB's FDI inflows are based on sources of capital transactions rather than on actual "by country" investment outlays; the DNB's FDI data differ substantially from those published by the U.S. Bureau of Economic Analysis, which are based on historical cost.

The FDI to GDP ratio in the Netherlands continues to be among the highest in the EU. The DNB's FDI statistics reveal that the total stock of FDI in the Netherlands amounted to 459 billion euro (roughly USD 660 billion), about 77 percent of GDP, at the end of 2008. According to DNB data, total net FDI outflows into the Netherlands were about 1 percent of GDP in 2008.

Foreign companies established in the Netherlands account for roughly one-third of industrial production and employment in industry. At the end of 2009, an estimated 36 percent of foreign firms in the Netherlands came from the U.S., 11 percent from Germany, 11 percent from the UK, 17 percent from Scandinavia, 3 percent from the rest of Europe, 19 percent from Asia, and the remaining 3 percent from other non-OECD and non-EU countries.
The top fifteen U.S. investors in the Netherlands are: ExxonMobil, PACCAR, Sara Lee, Cargill, Phillip Morris, Nike, Dow, Johnson & Johnson, American Express, Merck, IBM, Boston Scientific, NXP, Mars, and Medtronic.

Other prominent U.S. investors in the Netherlands include 3M Nederland BV, Amgen BV, Abbott Labs, Starbucks, General Electric, Honeywell, Heinz, Arco Chemical, Hewlett-Packard, Ernst & Young, Eastman Chemical, UPS, Cisco, and Centocor. (For more information, visit www.nfia.com.)


<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>All Industries</td>
<td>442,926</td>
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<tr>
<td>Total Manufacturing</td>
<td>33,026</td>
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<tr>
<td>Chemicals &amp; Allied products</td>
<td>Not available</td>
</tr>
<tr>
<td>Food &amp; Kindred products</td>
<td>Not available</td>
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<tr>
<td>Primary &amp; Fabricated Metals</td>
<td>1,094</td>
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<tr>
<td>Electrical equipment, appliances, and components</td>
<td>2,524</td>
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<tr>
<td>Transportation Equipment</td>
<td>-138</td>
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<tr>
<td>Industrial Machinery &amp; Equipment</td>
<td>1,846</td>
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<tr>
<td>Computers and electronic products</td>
<td>1,415</td>
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<tr>
<td>Other manufacturing</td>
<td>4,521</td>
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<tr>
<td>Finance (incl. Depository Inst.)</td>
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<tr>
<td>Wholesale Trade</td>
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<td>Information</td>
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<tr>
<td>Mining</td>
<td>4,372</td>
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<tr>
<td>Services</td>
<td>Not available</td>
</tr>
<tr>
<td>Other Industries</td>
<td>Not available</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau for Economic Analysis (BEA)

Web Resources

http://www.bakernet.com
http://www.bea.gov
http://www.cbs.nl
http://www.cpb.nl
http://www.locationeurope.com
http://www.statistics.dnb.nl/index.cgi?lang=uk&todo=Balans
http://www.nom.nl
http://www.liof.nl
http://www.minez.nl
http://www.nfia.com
http://www.oecd.org
http://www.oostnv.nl

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Chapter 7: Trade and Project Financing

- How Do I Get Paid (Methods of Payment)
- How Does the Banking System Operate
- Foreign-Exchange Controls
- U.S. Banks and Local Correspondent Banks
- Project Financing
- Web Resources

How Do I Get Paid (Methods of Payment)

The most common methods are:

Documentary Collections: the exporter, upon shipment, presents the relevant documents to his bank. This bank then sends the documents to the importer's bank, which contacts the importer. To receive the documents representing the goods, the importer initiates payment. Both parties are assured of the other's performance under satisfactory terms.

Letters of Credit: The exporter will be paid for the goods shipped or services rendered only upon presenting documents that have been pre-described in the letter of credit. Upon issuing a letter of credit, the importer's bank acts as guarantor for payment. Payment under a letter of credit depends on the documents presented at the bank and not on the quality of the goods delivered or the services rendered.

Bank Guarantees: A bank guarantee (also known as a bond) obligates the bank to pay a sum of money if the applicant fails to fulfill their obligations. The beneficiary may claim the guarantee by presenting copies of unpaid invoices and or other documents relating to the transaction. There are many different kinds of guarantees such as; advance payment guarantees, performance bonds, maintenance bonds, etc.

Dun & Bradstreet has a local office in the Netherlands. There are numerous collection agencies. Please contact the Commercial Service for a list.

How Does the Banking System Operate

Banking and financing are important service industries in the Netherlands providing funds for international as well as domestic trade. Three Dutch bank conglomerates - ABN Amro, Rabobank, and ING Bank, dominate the Dutch financial sector. They account for about 75 percent of total lending. U.S. financial services providers in the Netherlands play on a level legal field. The Finance Ministry and Central Bank grant full national treatment to foreign banks.
According to the Finance Ministry, Dutch legislation implements all existing EU law and regulations on the provision of financial services. Banks organized in the Netherlands as branches of a U.S. parent cannot benefit from the EU single banking passport and are subject to both U.S. and Dutch regulations.

Foreign financial service providers face no special conditions or restrictions, and receive national treatment. However, one provision of the Dutch 1992 Banking Act does reflect the EU Banking Directive's "reciprocity" provision. The Finance Ministry says this section has never been used, and that all applications from non-EU parent banks are handled on a national treatment basis. Banking facilities for international transactions available in the Netherlands generally meet or exceed U.S. standards.

Foreign-Exchange Controls

There are no foreign exchange controls in the Netherlands.

U.S. Banks and Local Correspondent Banks

Three big Dutch banks dominate the Dutch banking sector: ABN Amro, ING, and Rabobank. Important bank contacts:

Bank of America National Trust and Savings Association
P.O. Box 1638
1000 BP Amsterdam
Phone: +31 20 557 1888
Fax: +31 20 557 1600
Web site: http://www.bankofamerica.com

Citibank NA
P.O. Box 23445
1000 DX Amsterdam
Phone: +31 20 651 4211
Fax: +31 20 651 4234
Web site: http://www.citibank.com

ABN Amro Holding NV
P.O. Box 283
1000 EA Amsterdam
Phone: +31 20 628 9898
Fax: +31 20 628 7740
Web site: http://www.abnamro.com

Internationale Nederlanden Bank NV (ING)
P.O. Box 1800
1000 BV Amsterdam
Phone: +31 20 563 9111
Most projects are financed by public and private sector lenders at commercial rates. As a member of the European Union, the Netherlands has access to EU funded programs, which provide a wide range of support in the form of grants, loans and co financing for training, feasibility studies, infrastructure projects in the environmental, transportation, energy and other key sectors. EU initiatives are designed to support projects within its Member States and the EU wide "economic integration" projects that cross over borders.

EU financial assistance programs provide a wide array of grants, loans, loan guarantees and co-financing for feasibility studies and infrastructure projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications, tourism, public health). From a commercial perspective, these initiatives create significant market opportunities for U.S. businesses, U.S.-based suppliers, and subcontractors. The EU supports projects within its Member States, as well as EU-wide "economic integration" projects that cross both internal and external EU borders. In addition, the EU provides assistance to accession countries in Eastern and Southern Europe and Turkey, as well as some of the former Soviet republics.

The European Union provides project financing through grants from the European Commission and loans from the European Investment Bank. Grants from the Structural Funds are distributed through the Member States’ national and regional authorities, and are only available for projects in the 27 EU Member States. All grants for projects in non-EU countries are managed through the EuropeAid Cooperation agency in conjunction with various European Commission departments, called "Directorates-General."

The CSEU Tenders Database

The U.S. Commercial Service at the U.S. Mission to the European Union offers a tool on its website to help U.S.-based companies identify European public procurement opportunities. The database features all current public procurement tenders issued by all national and regional public authorities in the 27 Member States of the European Union,
plus four other European countries, and that are open to U.S.-based firms under the terms of the Government Procurement Agreement (GPA) implemented in 1995. The database is updated twice weekly and is easy to use with a range of search options, including approximately 20 industry sectors. The database also contains tenders for public procurement contracts relating to structural funds. Readers may access the database at http://www.buyusa.gov/europeanunion/eu_tenders.html.

**EU Structural Funds**

The EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically depressed regions of the European Union that required industrial restructuring. The EU earmarked EUR 308 billion for projects under the Structural Funds and the Cohesion Fund programs for the 2007-2013 period for the EU-27. In addition to funding economic development projects proposed by Member States or local authorities, EU Structural Funds also support specialized projects promoting EU socioeconomic objectives. Member States negotiate regional and “sectoral” programs with officials from the regional policy Directorate-General at the European Commission. For information on approved programs that will result in future project proposals, please visit: http://ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm.

For projects financed through the Structural Funds, Member State officials are the key decision-makers. They assess the needs of their country; investigate projects; evaluate bids; and award contracts. To become familiar with available financial support programs in the Member States, it is advisable for would-be contractors to meet with local officials to discuss local needs.

Tenders issued by Member States’ public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation if they meet the EU minimum contract value requirement for the eligible sector. Below this threshold, tender procedures are subject to national procurement legislation. There are no overt prohibitions against the participation of U.S. companies, either as developers or concessionaires of projects supported partially by the Structural Funds, or as bidders on subsequent public tenders related to such projects, but it is advisable to team up with a local partner. All Structural Fund projects are co-financed by national authorities and most may also qualify for a loan from the European Investment Bank. The private sector is also involved in project financing. For more information on these programs, please see the market research section on the website of the US Mission to the EU: http://www.buyusa.gov/europeanunion/mrr.html

**The Cohesion Fund**

The Cohesion Fund is another instrument of EU structural policy. Its EUR 61.5 billion (2007-2013) budget seeks to improve cohesion within the EU by funding transport infrastructure and environmental projects in Portugal, Spain, Greece and the twelve new (since 2004) EU Member States from Central and Eastern Europe. These projects are generally co-financed by national authorities, the European Investment Bank, and the private sector.

Key Link: http://ec.europa.eu/regional_policy/funds/cf/index_en.htm

2/24/2010
The Trans-European Networks

The European Union also provides financial support to the Trans-European Networks (TENs) to develop infrastructure, strengthen cohesion and increase employment across greater Europe. Launched at the Essen Counsel (Germany) in 1994, the TENs are a series of transport, telecommunications and energy projects that are continually being expanded and upgraded. The TENs are largely financed by private sector and non-EU sources. The EU does, however, provide grants from the Cohesion Fund, loans from the European Investment Bank (and loan guarantees from the European Investment Fund), and partial feasibility study grants for the TENs. There are no overt EU restrictions on the participation of U.S. firms in the TENs.

http://ec.europa.eu/ten/index_en.html

Other EU Grants for Member States

Another set of sector-specific grants offers assistance to EU Member States in the fields of science, technology, communications, energy, environmental protection, education, training and research. Tenders related to these grants are posted on the various websites of the directorates-general of the European Commission. Conditions for participation are strict and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs can be found on:

http://ec.europa.eu/grants/index_en.htm

External Assistance Grants

The EuropeAid Cooperation Office is the European Commission agency in charge of managing the EU’s external aid programs. This Agency is responsible for the management of the entire project cycle, from identification to evaluation, while the Directorates-General in charge of External Relations and Development, are responsible for the drafting of multi-annual programs. The EuropeAid website offers extensive information on the range of grant programs, the kind of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation to calls for tender for contracts financed by EuropeAid is reserved for enterprises located in the EU Member States and requires that the products used to respond to these projects are manufactured in the EU or in the aid recipient country. But consultants of US nationality employed by a European firm are allowed to form part of a bidding team. European subsidiaries of U.S. firms are eligible to participate in these calls for tender.

Key Link: http://ec.europa.eu/europeaid/index_en.htm

All tenders related to EU-funded programs outside the territory of the European Union (including the accession countries) are located on the EuropeAid Cooperation Office website: http://ec.europa.eu/europeaid/work/funding/index_en.htm

Two new sets of programs have been approved for the financing period 2007-2013. The EU provides specific Pre-Accession financial assistance to the accession candidate
countries that seek to join the EU through the “Instrument for Pre-accession Assistance” (IPA). Also, the European Neighborhood and Partnership Instrument (ENPI) will provide assistance to countries that are the Southern Mediterranean and Eastern neighbors of the EU.

- IPA replaces the following programs: PHARE (Poland and Hungary Assistance for Restructuring of the Economy), ISPA (Instrument for Structural Pre-Accession financing transport and environment projects), SAPARD (projects in the agriculture sector), CARDS (aid to southern Balkans) and the Turkey Facility Fund. IPA focuses on priorities linked to the adoption of the *acquis communautaire* (the body of European Union law that must be adopted by accession candidate countries as a precondition to accession), i.e., building up the administrative and institutional capacities and financing investments designed to help them comply with European Commission law. IPA will also finance projects destined to countries that are potential candidate countries, especially in the Balkans. The budget of IPA for 2007-2013 is EUR 11.4 billion.
  

- ENPI: replaces the former TACIS and MEDA programs. The European Neighborhood Policy program covers the EU's neighbors to the east and along the southern and eastern shores of the Mediterranean i.e. Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, the Palestinian Authority, Syria, Tunisia and Ukraine. ENPI budget is €11.9 billion for 2007-2013.  
  [http://ec.europa.eu/world/enp/index_en.htm](http://ec.europa.eu/world/enp/index_en.htm)

*Loans from the European Investment Bank*

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As the EIB’s lending practices evolved over the years, it became highly competent in assessing, reviewing and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, such as telecommunications, transport, energy infrastructure and environment.

While the EIB mostly funds projects within the EU, it lends outside the EU as well (e.g., in Central, Eastern and Southeastern Europe; Latin America; and Pacific and Caribbean states). In 2007, the EIB approved loans for projects worth EUR 56.4 billion, of which around 16% was lent outside the EU. The EIB also plays a key role in supporting EU enlargement with loans used to finance improvements in infrastructure, research and industrial manufacturing to help those countries prepare for eventual EU membership. Projects financed by the EIB must contribute to the socioeconomic objectives set out by the European Union, such as fostering the development of less favored regions; improving European transport and telecommunication infrastructure; protecting the environment; supporting the activities of SMEs; assisting urban renewal; and, generally promoting growth, competitiveness and employment in Europe. Last year, the EIB created a list of projects to be considered for approval and posted the list on its website.

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As such, the EIB website is a source of intelligence on upcoming tenders related to EIB-financed projects: http://www.eib.org/projects/pipeline/index.htm

The EIB presents attractive business opportunities to U.S. businesses. EIB lending rates are lower than most other commercial rates. Like all EIB customers, however, U.S. firms must apply the loan proceeds to a project that contributes to the European objectives cited above.

The EIB’s i2i (Innovation 2010 Initiative) is designed to highlight projects that support innovative technology in the European Union, in particular by financing broadband and multimedia networks; the physical or virtual infrastructure providing local access to these networks; and research and development infrastructures, especially in the less developed regions of the European Union. i2i will also finance projects to computerize schools and universities and to provide information technology training in conjunction with public authorities.

Key Link: http://www.eib.org/Attachments/thematic/innovation_2010_initiative_en.pdf

The US Mission to the European Union in Brussels has developed a database to help US-based companies bid on EIB public procurement contracts in non-EU countries in particular. The EIB-financed contracts that are open to US-based companies are featured in this database. All the tenders in this database are extracted from the EU’s Official Journal. The EIB database contains on average 50 to 100 tenders and is updated twice per week.

Key Link: http://www.buyusa.gov/europeanunion/eu_tenders.html

**Web Resources**

**EU websites:**


The EU regional policies, the EU Structural and Cohesion Funds: http://ec.europa.eu/regional_policy/index_en.htm

The Trans-European Networks (TENs): http://ec.europa.eu/ten/transport/index_en.htm


EuropeAid Co-operation Office: http://ec.europa.eu/europeaid/index_en.htm


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The European Investment Bank  http://www.eib.org/


**U.S. websites:**

CSEU Tender Database: http://www.buyusa.gov/europeanunion/eu_tenders.html

Market research section on the website of the US Mission to the EU: http://www.buyusa.gov/europeanunion/mrr.html

European Union Tenders Database: http://www.buyusa.gov/europeanunion/euopportunities.html


OPIC: http://www.opic.gov

Trade and Development Agency: http://www.tda.gov/

SBA’s Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm


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Business Customs

The Dutch market is highly competitive and the U.S. exporter must keep certain factors in mind to achieve success. The "golden keys" of customary business is courtesy, especially replying promptly to requests for price quotations and to orders. These are a prerequisite for exporting success. In general, European business executives are more conservative than their U.S. counterparts; therefore, it is best to refrain from using first names until a firm relationship has been formed. Friendship and mutual trust are highly valued, and once an American has earned this trust, a productive working relationship can usually be counted upon.

Punctuality is important in Dutch business culture. If you know that you will be late for an appointment, be sure to phone ahead and give a plausible excuse. The Dutch place value on the efficient use of time and spontaneity is not considered desirable. Provide at least one weeks' notice for an appointment made by telephone or email.

Written communication may be written in English but a formal tone should be maintained.

Bear in mind that Dutch executives frequently take extended vacations during July and August, and late December. Avoid planning a business trip to the Netherlands in the summer or around Christmas, as this is the most popular time for people to go on vacation.

The Netherlands is an increasingly popular base for Advance Fee Fraud schemes. For more information on these schemes, click on the following link (Nigerian Letter or "419" Fraud):

http://www.fbi.gov/majcases/fraud/fraudschemes.htm
Travel Advisory

The State Department Consular Information Sheet for the Netherlands can be found at:


Visa Requirements

Every U.S. traveler must have a valid passport. No visa is required for U.S. citizens visiting the Netherlands for less than three months, but one is required for longer periods. An American citizen entering the Netherlands for permanent residence must register with the Dutch Aliens Police within three days of entering the country. American citizens should also register with the U.S. Consulate General if they plan to live in the Netherlands. (Please refer to http://www.usembassy.nl for information on consular services). U.S. citizens planning to work in the country must obtain a work and residence permit. Such permits must be obtained by the Dutch employer and are usually granted only for specialized work.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: http://travel.state.gov/visa/temp/types/types_1275.html

U.S. Consular services in the Netherlands:
http://amsterdam.usconsulate.gov/hours_of_operation4.html

The Netherlands is a party to the Schengen Agreement. As such, U.S. citizens may enter the Netherlands for up to 90 days for tourist or business purposes without a visa. If you are traveling for any other purpose, you may need to obtain a visa. Your passport should be valid for at least three months beyond the period of stay. The 90-day period begins when you enter any of the Schengen group of countries. Anyone intending to stay longer than 90 days must obtain the appropriate visa issued by the Dutch Embassy or a Dutch consulate in the United States.

Telecommunications

The telecommunications infrastructure in the Netherlands is highly advances and highly developed. Newer communications channels, e.g. ISDN, mobile communications and satellite reception have grown substantially in recent years. Cable, with more than 90 percent penetration, presents an almost saturated market. The main network/backbone in the Netherlands is a fiber optic network.

Cell phones operate on GSM technology and the number of cell phone subscriptions is 16 million (same as the total population). Cell phone rental is relatively cheap, especially when a prepaid service is purchased.

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The City of Amsterdam hosts the AMX-IX, one of the largest Internet Exchanges in Europe.

### Transportation

There are excellent international links to Amsterdam Schiphol Airport. Rental cars are available at numerous locations. An international or U.S. State driving license is acceptable. Cars are driven on the right-hand side of the road. The national roads and highways are excellent. Newcomers may find driving in town a little disconcerting and must exercise speed caution. Trams have right-of-way, and the many cyclists often make unexpected turns or must be passed at close range. Some city streets have special bicycle paths. Right-of-way is that of the vehicle entering from the right unless the vehicle is coming out of a driveway. Roads posted with orange diamonds do not have to yield the right-of-way. The speed limit in the cities is 30 miles (50 km) per hour and on most highways about 73 miles (120 km) per hour. Speed limits are strictly enforced.

Most cities in the Netherlands have good public transportation systems (e.g. trains, buses, and trams), and prices are reasonable. Taxis are available everywhere and the fare is comparable with other European cities.

### Language

Dutch is the official language. English usually can be used in commercial correspondence. While language barriers pose no problems, some expressions and terms may have different meanings from those in the U.S.

### Health

Medical services are excellent and hospitals compare with those in the U.S. Common medical needs are readily obtained, and special supplies are normally available on short notice. An international certificate of vaccination is not required for travelers from the U.S. Drinking water is excellent, most pharmaceuticals are available, and sanitation is at American standards.

### Local Time, Business Hours, and Holidays

The time zone for the Netherlands is Greenwich meantime +1, or 6 hours ahead of the U.S. Eastern Standard Time (EST + 6 hours).
- Offices: Monday to Friday 8:30p.m. - 5:30p.m. (37 hours)
- Banks: Monday to Friday 9a.m. - 4p.m.
- Government: Monday to Friday 8:30a.m. - 4p.m.

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Retail: Store hours are generally from 9a.m. - 6p.m. weekdays, with one late evening per week, 9a.m. - 5p.m. on Saturday and closed on Sunday.

2010 Public Holidays:
- Good Friday: April 2
- Easter Monday: April 5
- Queen’s Day: April 30
- Liberation Day: May 5
- Ascension Day: May 13
- Whit Monday: May 24
- Christmas Day: December 24 (observed)

**Temporary Entry of Materials and Personal Belongings**

As a result of various customs agreements, simplified procedures are available to U.S. business and professional people for the temporary importation of commercial samples and professional equipment. A carnet is a customs document that facilitates customs clearance for temporary imports of samples or equipment into foreign countries. With the carnet, goods may be imported without the payment of duty, tax, or additional security. The carnet also saves time since formalities are all arranged before leaving the United States.

A carnet is valid for one year from the date of issuance. The cost ranges from $120 to $250. A bond or cash deposit of 40 percent of the value of the goods covered by the carnet is also required. This will be forfeited in the event the products are not re-exported in a timely manner, goods are lost, stolen, destroyed, or carnet certificates are not properly validated.

Carnets are sold in the United States by the U.S. Council for International Business at the following address: 1212 Avenue of the Americas, New York, NY 10036, Toll-free: (866) 786 5625, Fax: (212) 944 0012, Email: atacarnet@uscib.org website: http://www.uscib.org.

The Netherlands participates in the International Convention to Facilitate the Importation of Commercial Samples and Advertising Materials. Samples of negligible value imported to promote sales are accorded duty free and tax free treatment. Prior authorization is not required. To determine whether the samples are of negligible value, their value is compared with a commercial shipment of the same product. Granting of duty free status may require that the samples be rendered useless for future sale by marking, perforating, cutting, or other means.

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Contacts

U.S. Embassy Trade-Related Contacts:

U.S. Embassy – The Hague
Deputy Chief of Mission: Edwin R. Nolan
Consul General: Julie A. Ruterbories
Commercial Counselor: Maria J. Andrews (see below)
Political-Economic Counselor: Andrew C. Mann
Agriculture Counselor: Stephen M. Huete
Office of Defense Cooperation: Colonel Charles C. Mau

Address:
Lange Voorhout 102
2514 EJ The Hague
Phone: +31 70 310 2209
Fax: +31 70 310 9232
Web site: http://www.usembassy.nl

U.S. Commercial Service
Commercial Counselor: Maria J. Andrews
American Embassy
Lange Voorhout 102
2514 EJ The Hague
Phone: +31 70 310 2417
Fax: +31 70 363 2985
Email: the.hague.office.box@trade.gov
Web site: http://www.buyusa.nl

APO address:
American Embassy, The Hague
Unit 5770
Box 39
DPO AE 09715-0039

American Consulate General
American Citizens Services
Consul General: Julie A. Ruterbories
Museumplein 19
1071 DJ Amsterdam
Country Trade and Industrial Associations in Key Sectors

American Chamber of Commerce
WTC D-TOWER, 6th FLOOR
Schiphol Boulevard 171
1118 BG Luchthaven Schiphol
Phone: +31 20 7951840
Fax: +31 20 7951850
E-mail: office@amcham.nl
Web site: http://www.amcham.nl

Vereniging Federatie Het Instrument
P.O. Box 2099
3800 CB Amersfoort
Phone: +31 33 465 7507
Fax: +31 33 461 6638
Web site: http://www.fhi.nl
Trade association for suppliers of instrumentation for industrial electronics, automation, laboratories and medical technology.

FME/CWM
Netherlands Association of Manufacturers of Electronic Equipment
P.O. Box 190
2700 AD Zoetermeer
Phone: +31 79 353 1355
Fax: +31 79 353 1365
Web site: http://www.fme.nl

Nederland ~ ICT (The Nederland~ICT federation is a co-operative of five associations: FENIT, ICT Telecom, VIFKANTEC, ICT Environment and the ICT Employer Association. Representing sales of more than $25 billion and over 200,000 employees, Nederland~ICT is the mouthpiece of the Dutch ICT sector.)
P.O. Box 401
3440 AK Woerden
Phone: +31 348 493 636
Fax: +31 348 482 288
Email: info@nederlandict.nl
Web site: http://www.nederlandict.nl

Dutch Government Offices

Royal Netherlands Embassy
4200 Linnean Avenue NW
Washington DC 20008
Phone: (202) 274 2727
Fax: (202) 966 0728
Email: holland@netherlands-embassy.org
Web site: http://www.netherlands-embassy.org

Ministry of Economic Affairs
P.O. Box 20101
2500 EC The Hague
Phone: +31 70 379 7169
Fax: +31 70 379 8074
Web site: http://www.ez.nl/content.jsp?objectid=140727

Ministry of Agriculture, Nature Management and Fisheries
P.O. Box 20401
2500 EK The Hague
Phone: +31 70 379 3911
Fax: +31 70 381 5153
Web site: http://www.minlnv.nl/portal/page?_pageid=116,1640354&_dad=portal&_schema=PORTAL

Ministry of Transport
P.O. Box 20901
2500 EX The Hague
Phone: +31 70 351 6171
Fax: (31) 70 351 7895
Web site: http://www.verkeerenwaterstaat.nl/?lc=uk

Ministry of Health, Welfare and Sport
P.O. Box 20350
2500 EJ The Hague
Phone: +31 70 340 7911
Fax: +31 70 340 7834

Ministry of Housing, Physical Planning and Environment
P.O. Box 20951
2500 BZ The Hague
Phone: +31 70 339 3939
Fax: +31 70 339 1280
Web site: http://www.vrom.nl/international/

Ministry of Social Affairs and Employment
P.O. Box 90801
2509 LV The Hague
Fax: +31 70 333 4444
Phone: +31 70 333 4040
Web site: http://home.szw.nl
To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/marketresearch.html and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration is required, but free of charge.

**Trade Events**

Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents.html

**Chapter 10: Guide to Our Services**

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.


U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest Export Assistance Center or the U.S. Department of Commerce's Trade Information Center at (800) USA-TRADE, or go to the following website: http://www.export.gov

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, The Department of Commerce does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. The Department of Commerce can assist companies in these endeavors.