

NIS News Bulletin

become easier to set up a company.”

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Weather: Partly cloudy

Partly cloudy and dry. Midday temperatures around 17C. Moderate northeasterly winds.

Netherlands Out of Top 5 Most Competitive Economies

THE HAGUE – The Netherlands is no longer among the five most competitive economies in the world. In the global competition index of the World Economic Forum (WEF), the country has dropped to sixth place.

The Netherlands lags behind in the area of innovation. “We are dropping stitches in the area of the application of ICT and the innovation clout of companies and knowledge institutions,” says Professor Henk Volberda of Erasmus University Rotterdam, who is involved in the WEF research.

Nonetheless, there is also much to be pleased about when it comes to the Netherlands’ competitive clout, Volberda says in summary. “We have a reliable government, good infrastructure and excellent healthcare. Additionally, the Netherlands is performing better in a number of areas. It has, for example,

But in comparison with other countries such as Germany, Switzerland and the US, the Netherlands invests too little in new technologies. “This cabinet should invest more in new technologies such as artificial intelligence, blockchain and robotisation and the activities relating to this. This is overhauling the classic top sectors.”

In the global competition edition of 2017, the Netherlands was still in fourth place, but this year, the WEF has applied a different research method. Under the new method, the Netherlands would have come fifth in 2017.

PvdA Backs Call for Rutte’s Resignation

THE HAGUE – Labour (PvdA) has supported a motion calling for Premier Mark Rutte’s resignation.

The Lower House was debating the dividend tax question. For months, Rutte defended the decision to abolish this, but after Unilever announced it was not going ahead with moving its London head office to the Netherlands, the measure became politically unsustainable.

On Monday, the cabinet decided to keep the dividend tax and spend the money

thus saved, around 2 billion euros a year, on cutting the corporate tax rate. There is also to be a transition scheme for foreigners affected by the reduction from eight to five years for the expat scheme – an income tax exemption for the first 30 percent of the expat salary.

Party for Freedom (PVV) leader Geert Wilders considers that Rutte must resign because he made big mistakes in the dividend tax affair and because he refuses to reserve at least part of the 2 billion euros of savings for citizens instead of investing in companies. The motion of no confidence was supported by the Socialist Party (SP), Party for Animals, DENK, Forum For Democracy (FvD) and the PvdA.

The support of the PvdA is remarkable, as the party of Lodewijk Asscher seldom uses this weighty parliamentary instrument. Because the motion failed to achieve a majority, it will have no consequences.

Police Take the Bus to Bust Phone-using Drivers

THE HAGUE - The police are spying on car-drivers from buses in order to catch those using apps or phoning while driving. Following a trial, it has been decided to use this method throughout the country.

In the last few days, the police have carried out a big operation on the A50 and A12, during which eight police staff in civvies sat at the window in coaches. They gave signals to 16 patrol cars and three motorcyclists if they saw someone phoning or using an app.

“We have already flagged down hundreds of cars which we could give fines of 230 euros via this method,” says Oost-Nederland Traffic police team leader

Mathijs Hoogma. "From this height in a bus, you can easily look in and see what is happening behind the wheel. And you can also look into the cabin of a trucker this way. Distraction in traffic is a top priority, and we want to free up capacity to tackle this.”

Cabinet to Salvage Dozens of WWII Aircraft Wrecks

THE HAGUE – The cabinet is launching a 'national programme' to salvage World War II aircraft wrecks with missing crew members. Home Affairs Minister Kajsa Ollongren and Defence Minister Ank Bijleveld are thereby implementing a widely shared wish of the Lower House.

In the Second World War, 5,5000 aircraft were lost in the Netherlands, and remains of a large number of them still lie in Dutch soil. There may still be remains of crew members in some 500 aircraft wrecks. At around 30 to 50 locations, it can be said with some certainty that bodily remains will be found. The programme will target these promising salvage sites, Ollongren and Bijleveld said in a letter to parliament.

The total costs of the operation, assuming it covers 30 aircraft wrecks, will be some 15 million euros. Ollongren and Bijleveld want to do justice to the wishes of relatives of fallen crew members via the programme. They also regard it as “a gesture full of significance with an eye to the celebration of the 75th anniversary of liberation in 2020.”

Netherlands to Hold Climate Summit in 2020

THE HAGUE – The Netherlands is to hold a global summit on climate change in 2020, Infrastructure Minister Cora van Nieuwenhuizen announced at the presentation of the Global Commission on Adaptation, which is to be based in Rotterdam and Groningen.

The new commission will among other things draw up a global action plan against the consequences of climate change. Seventeen countries have already indicated that they will help with this, including Canada, China, Germany and India.

The action plan will be presented at the big climate summit in the Netherlands, which is intended to be comparable to that held in Paris in 2015, except that at that time, it was mainly about cutting CO2 emissions. “In two years’ time, it will in the first place be about measures that countries can take to protect themselves against the consequences of climate change, such as flooding and extreme drought,” said Van Nieuwenhuizen.

Stricter Terrorist Legislation Comes into Effect

THE HAGUE – The act that extends the means to combat terrorism came into effect this week.

As a result of the change, persons suspected of a serious terrorist crime can be held for longer in pre-trial custody on the basis of a suspicion alone. Additionally, it will be easier to take cell material from suspects of terrorist crimes, with an eye to DNA research. Further,

judges will have the option of excluding someone convicted of a terrorist crime from the right to vote.

Amsterdam Trams, Metros on Green Energy from 2019

THE HAGUE - Trams and metros in Amsterdam are to run on green energy from 1 January 2019. Energy concern Nuon will supply the electricity.

In the tendering process, the municipal transport company GVB emphatically asked energy companies to put forward as sustainable a plan as possible, and GVB says Nuon put forward the most interesting proposal in this regard. The energy will be generated by a wind turbine park near the port of Rotterdam, among other sources.

Amsterdam is not the first city to have its trams and metros run on green energy. Rotterdam transport concern RET was for example ahead of it with this transition.

Jihad Mom Remains in Custody

THE HAGUE - Melis A., the 22 year old woman who returned with her baby from the Islamic State (IS) battle zone in July remains in custody for now.

The woman from Rotterdam has been indicted for participation in a terrorist organisation and the preparation of terrorist deeds. The district court in Rotterdam considers the charge too serious to release her. The judge also termed it too soon “at this moment” for a suspension of custody, for example with a GPS ankle-band. It is not yet clear

when the case will proceed further.

Melis A. arrived last summer with her then seven-month old son on a flight from Erbil, in the north of Iraq. Her husband, who is also the father of the child, likely died in October last year in the battle area. This Dutchman was earlier sentenced in his absence for participation in a terrorist organisation.

"I have never had the intention of fighting," said the woman in court. The OM does not believe her. According to the prosecutor, Melis A. knew well what the area she had left was and is deeply radicalised.

Up to Fourteen Years for Drugs Gang

THE HAGUE – A district court in Rotterdam has imposed jail sentences of up to 14 years on six men who were involved in the smuggling of over 1,100 kilos of heroin and 1,300 kilos of cocaine.

The heroin was hidden in ovens shipped last year from Iran to the Belgian port of Antwerp. The cocaine was in a container, hidden among bananas.

The highest sentence of 14 years in jail was for Ramazan Z. The other chief suspect, Murat I., was given nine years.

Billions from Chinese Premier's Visit

THE HAGUE - In the two days in which Chinese Premier Li Keqiang was visiting the Netherlands, contracts and agreements were concluded with Dutch companies worth altogether between 6 and 8 billion euros.

KLM made two agreements with Chinese players. One concerned the maintenance of aircraft, with Xiamen Airlines. The other agreement is for a partnership with Ctrip.com, a Chinese booking site comparable to Booking.com.

Additionally, Shell signed up for two joint ventures, and ING entered into a joint venture with a bank in China. As already reported earlier, Dutch battery-maker Lithium Werks achieved an investment agreement worth roughly 1.4 billion euros. A big plant will be built in China with the money.

There is also a downside to the investments, says Frans-Paul van der Putten of Clingendael Institute. The danger is that the Chinese government will get hold of important technologies in various sectors via Chinese companies. This could make them stronger in negotiations, and at the same time weaken the Dutch competitive position.

According to Steven Brakman, professor of international economics at the University of Groningen, the acquisition of knowledge is an important part of China's growth strategy. He urges a trade treaty between the EU and China, including a chapter on the protection of intellectual property.

Wages Up Again

THE HAGUE - Under the new collective labour accords (CAOs) concluded in September, pay is going up by 2.5 percent on average. This is above the average of all pay agreements in 2018, which now lies at 2.3 percent, reports employer organisation AWWN.

Along with March and April this year, September has scored the highest monthly average since the beginning of the financial crisis ten years ago. In the previous months, the trend actually appeared to be weakening further, says AWWN. However, it considers it too

early to speak of a turnaround, in view of the relatively small number of CAOs concluded – just 13.

With an average pay rise of 2.3 percent to date this year, salaries are barely keeping up with inflation, which is remarkable in view of the rapidly increasing tightness of the labour market. The biggest union federation, the FNV, started this CAO season with a central pay demand of 3.5 percent. Next year, it wants to get 5 percent.

In the full 2018 year, 406 CAOs covering a total of 2.5 million employees are expiring. Of these, 235 were already renegotiated in the first nine months. There are still 170 on the agenda.

Housing Sales Plunge by 20 Percent

THE HAGUE - In September, a total of 16,449 homes were sold, one-fifth fewer than in the same period last year. Young people in particular are less likely to buy a home, according to figures from the Land Register.

The Land Register terms the 20.3 percent drop in sales “exceptional.” Drenthe (down 27 percent), Friesland (down 26 percent), Overijssel (down 24 percent), Gelderland (down 22 percent) and Utrecht (down 20 percent) showed above average to average drops.

Particularly for tenants who are looking to buy their first home, there are scarcely any opportunities. For six successive months fewer and fewer of them have succeeded in buying a house. In September, this number dropped yet again, by 23.8 percent.

For buyers in the 35 to 45 age group, things also are getting increasingly difficult due to the lack of newbuilding. Sales to this group have fallen by 20.2

percent. Among senior citizens, sales declined by 14.5 percent.

Builders, estate agents and consumer organisations have been sounding the alarm for the whole year on the stagnating housing market. The Netherlands Association of Estate Agents and Appraisers (NVM) was hammering away last week on the need for the cabinet to force municipalities to build new housing.

Shareholders to Have More Say

THE HAGUE – Shareholders of bourse-listed companies are to have more influence on the remuneration of executives and supervisory board members, under a proposed bill sent to the Lower House on Wednesday by Legal Protection Minister Sander Dekker and Finance Minister Wopke Hoekstra.

The bill stipulates that the remuneration policy of a bourse-listed company must be presented to shareholders every four years. Additionally, how the ratio of the remuneration of the top people in the company to that of the average employee stands must be explained every year.

The proposed bill will also entitle shareholders to more information about important transactions that a listed company carries out with large shareholders.

Institutional investors such as pension funds and life insurers will be required to draw up a so-called involvement policy. This means that they must explain how they involve shareholders. This plan must be made public.