

Netherlands

An overview on economy and business environment



The Netherlands is a geographically small country located in a highly strategic commercial location. The Netherlands consistently ranks among the top places in the world to live and work thanks to its living standards, one the best work-life balance system in the world, the high levels of employment and general household wealth.

Since World War II, the Netherlands has been a highly industrialized country occupying a central position in the economic life of western Europe. Although agriculture accounts for a small percentage of the national income and labour force, it remains a highly specialized contributor to Dutch exports. Because of the scarcity of mineral resources, oil and gases, the country is dependent on large imports of basic materials.

The Netherlands has a mixed market economy. Especially in the 80', when the ideological environment favoured market economics, considerable privatization was initiated and government economic intervention was reduced, but the state still remains a significant participant in such fields as transportation, resource extraction, and heavy industry. The government also employs a considerable portion of the total labour force.



Of course the Covid pandemic has had impacts on the last years economy. In 2021, economic growth in the was slower compared to most of the neighbouring countries. Also the growth rate was lower than the average across the European Union. However, in 2020 economic contraction was also relatively smaller because the economic impact of the pandemic on neighbouring economies was larger which means that, at the end, the Dutch economy recovered more rapidly from the coronavirus in 2021.

In the first two months of 2022, household consumption growth accelerated strongly, hitting a multi-year high in February, however the current situation regarding the Ukraine has been reducing the growth speed and the forecasts remain uncertain.

The agricultural sector represents 1.6% of the country's GDP and employs 2% of the active population (World Bank). This sector produces high profits thanks to the intensive highly mechanized farming and the innovative agri-food technology. Nearly 60% of the production is exported, either directly or through the food industry. This makes the Netherlands the second-largest exporter of agricultural products in the world (after the U.S.).

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Some of the food and agricultural products exported by the Netherlands include cereal, potatoes, tomatoes, chilies, cucumbers, apples, flowers, flower bulbs, and fresh-cut plants.

In 2021, whereas revenues increased in both arable farming and horticulture, livestock farming showed an income decline (Statistics Netherlands).

Also the energy industry in the Netherlands is one of the country's key exports and a primary source of employment and national profit. It is estimated that 25% of all natural gas reserves in the European Union are located in the Netherlands. In addition to natural gas, other segments of the energy industry are important to the country's economy: thermal stations, two nuclear facilities, wind energy at sea, biomass processing and greenhouse farming.

Concerning industry, this sector generates around 18% of the Dutch GDP mainly thanks to food-processing, petrochemical industry, metallurgy and the transport equipment industry.

The chemical industry is one of the country's leading economic sectors. In the Netherlands we find the headquarters of 19 of the world leading multinational chemical companies. Its chemical industry focuses on developing smart materials and solutions in five areas: healthcare, energy, food security, climate and resources, and transport.



Also the metallurgy industry is an important part of the manufacturing sector in the Netherlands. It is made up of different components, such as equipment, services, consumables, and software. The metallurgy industry in the Netherlands is highly dependent upon both traditional craftsmanship and modern techniques of production. The industry works together with other sectors such as energy and power, healthcare, mining, automobile, real estate, and private shipbuilding.

Services account for approximately 70% of national revenue and employ 82% of the workforce. It is focused mainly on transportation, distribution, logistics, banking and insurance, water engineering and new technologies. The country is also Europe's leading service provider in ocean freight. The Dutch banking sector plays an important role and has a relatively large size when compared to the GDP.

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Dutch prosperity has always been based on its international trade, and the geographic location of the country makes it a European trade hub, with Rotterdam being the largest European port. With high-tech industries and services, foreign trade is one of the main pillars of the Dutch economy, one of the most open and outward-oriented economies in the world.

The country mainly exports petroleum oils other than crude, processed foodstuff (plants, flowers, dairy products, meat, fruit and vegetables), line telephony electrical apparatus and medicaments. Most of the sales are re-exportations as the country plays the role of a European trade hub. Imports are led by line telephony electrical apparatus, petroleum oils, automatic data-processing machines, electronic integrated circuits, and vehicles.

The top exports countries are Germany, Belgium, France, United Kingdom and United States. The top imports of Netherlands are Crude Petroleum, Refined Petroleum, Broadcasting Equipment, Computers and Packaged Medicaments, importing mostly from Germany, China, United States, Belgium and United Kingdom.



Especially today when the economic scenario changes quickly, in order to establish safe and profitable business relationships it is always necessary to count on local expert business information providers. On SkyMinder it is possible to obtain the best available reports on any Dutch company, thanks to the support of the leading local providers of business information. Thanks to the expertise and deep knowledge of our local suppliers, SkyMinder offers the most complete and updated full reports on any company registered in the Netherlands.

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All SkyMinder Full Reports on Netherlands are online and updated and they include the following information (if available at local sources):

- Complete company identification details: correct company name, address(es), contact details such as phone, fax, email, webs, etc.
- Company registration details: our local providers try to access local registries and to get registration number, company id, fiscal code, and any information that can be retrieved at the local registry
- Directors and company structure: board of directors, shareholders and related companies
- Financials: balance sheet and profit and loss (if companies are obliged to disclose).
- Credit rating and suggested credit limit
- Payment information
- Number of employees
- Activity details: sector and industry of the company, when possible also information on import and export activities.
- Negative information on the company

In addition to the Full Report including all complete details on Dutch companies, it is possible to keep them monitored thanks to the Full Monitoring service: every time a change affects a company, a detailed notification is generated, with all the specifics about the type of variation and the area interested.

On SkyMinder it is possible to order other types of reports depending on your specific needs:

- Slim Report which include synthetic information about the company credit situation.
- Verification Report focusing on the shareholding structure of a company.
- Compliance Check Report and Extended Check Report: Through SkyMinder you can access the Lexis Nexis Risk Solutions platform and check if a business partner is involved in financial crimes, bribery, corruption and money laundering actions.
- Patent Due Diligence Report: a report with an in-depth analysis of the patents owned by a company
- Cyber Risk Report: thanks to the test performed to a company website and related domains and emails, you can understand in advance if a partner or potential partner is vulnerable to a cyber-attack.

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