

Input CMI! to online MFA consultation on Foreign Trade and Development Cooperation

(Max. 2500 characters per question!)

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Nexus between development cooperation and foreign trade

Through their trade, investment and market position, Dutch businesses can play a key role in tackling some of the major challenges facing the world today. The focus of Dutch policy vis-a-vis the private sector will be on the 'twin transitions' of digitalisation (including artificial intelligence) and sustainability – both of which will be key to achieving the Paris and Glasgow climate goals in the years ahead. We must achieve these goals not only in the Netherlands, but across the world as a whole. While Dutch expertise and investment funding are in great demand, we also see that more may be needed when it comes to getting Dutch companies involved in these transitions in low- and middle-income countries.

1. How can we increase the involvement of Dutch companies in the twin transitions in low- and middle-income countries?

It's the Dutch government's role to ensure Dutch companies are able to support and contribute to sustainable development in low- and middle-income countries. It is critical for the Dutch government to assess the cases in which the involvement of Dutch companies might have a negative and harmful impact in the particular context. This may be a harmful impact on the economy (e.g., normalising precarious and indirect employment in the labour market), on the society (e.g., by controversial extractive projects that entail police repression against communities), and on the environment (e.g., taking advantage of lower environmental standards set by law). In doing so, we consider it important to do that in line with the following points:

For any development project or investment in sustainable development it is key to involve the communities it is intending to benefit. They understand their own context best and how this will impact their land, resources and livelihoods. Local communities' needs should be forefronted in decision making on sustainable economic transitions and investment projects to prevent them from becoming extractive by nature.

Extractive projects extract natural goods and resources harming the livelihoods of local communities. Women human rights defenders face violence when resisting extractive projects.

We call on the Dutch government to ensure that all its efforts build on the expressed local needs and already existing initiatives and that local civil society, in particular women's rights organisations and formations, are engaged in the decision making. The government needs to ensure that no harm is done to local communities and women human rights defenders in the context of Dutch investments and trade and that their right to say no to a project is respected by investors and Dutch companies. All Dutch companies supported by the Dutch government must not hinder or negatively impact these transitions and respect international climate, human rights and environmental protection obligations (Paris agreement, OECD Guidelines, UN Guiding Principles). Gender equality and women's rights should be a key focus in the CSR regulation within the Netherlands and at EU level.

In contexts where civic space is shrinking, digitalisation comes with its own digital security risks for civil society and puts already structurally excluded communities at greater risk.

We recommend that the Dutch government in its policies, investments and engagement in bilateral and multilateral spaces propagates:

1. Transparency and accountability
2. Community engagement, support and safety, particularly of women, community-led organisations and women human rights defenders
3. Responsibility and due diligence: fulfilling and monitoring international human rights and environmental protection obligations

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The Netherlands has a long tradition of public-private partnership. As the global challenges grow ever bigger, it is important to deepen and accelerate these partnerships. The Sustainable Development Goals were presented in 2015 as a plan of action for governments, companies, knowledge institutions and private individuals to achieve sustainable development worldwide.

2. How can government, the private sector and knowledge institutions work together better to achieve the Sustainable Development Goals?

Civil society played a key role in the establishment of the SDGs and is an invaluable partner for their achievement. Women's rights organisations bring the knowledge, issues and experiences of marginalised women to the global level, connecting local, national, regional and global networks. They are key to informing and ensuring effective and meaningful implementation that makes a difference for women in all their diversity and that leaves no one behind.

To work together better to achieve the SDGs, women's rights organisations and civil society need to be actively engaged in the partnership of government, companies and knowledge institutes to drive implementation, policy making at all levels and monitoring and evaluation of the impacts of those policies. We recommend the Dutch government recognise that achieving gender equality and empowerment of all women and girls (SDG 5) is an intrinsic part of the entire SDG agenda. Involving civil society and marginalised communities will ensure policies that effectively contribute to e.g. climate, water or energy goals and not exacerbate existing gender and other inequalities.

The SDGs should lead in all policymaking, with SDG 5 on achieving gender equality and empowering all women and girls in all their diversity as a crosscutting dimension throughout the SDG agenda. Important goals such as SDG 1, 8, 10 and 16, should shape how the Dutch government seeks to achieve sustainable development worldwide.

The CMI! consortium, a Strategic Partnership with the Dutch government, and its members and partners represent an extensive network of 1000s of women-led groups across all regions, many of whom experience the impact of policies on a daily basis and have contextual knowledge and ideas on how best to achieve the SDGs.

Dutch government should identify the multiple instances of conflict of interests for the private sector in the sphere of development and where achievement of SDGs and the public good is at risk. These must be transparent, and access and influence of the private sector to decision-making and policy processes intended for public rather than private interest should be limited accordingly. The Dutch government should acknowledge the limitations and potential harms of multi stakeholder approaches, e.g. "[Multistakeholderism: a critical look](#)", and address the harm done to SDG 5 and other SDGs by public-private partnerships, see e.g. "[Can public-private partnerships deliver gender equality?](#)"

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The Netherlands has had an action plan on policy coherence for development since 2016. The aim of policy coherence is to reduce the negative effects on developing countries caused by policies in areas other than development, and to strengthen synergies and cooperation. The action plan, which was revised in 2018, identifies five Dutch policy themes that can enhance developing countries' opportunities for development: (1) combating tax avoidance/evasion, (2) development-friendly trade agreements, (3) a development-friendly investment regime, (4) more sustainable production and trade, and (5) combating climate change.

3. How can the Netherlands' efforts to achieve policy coherence for development be further strengthened or enhanced?

Gender inequality persists worldwide. This is even more acute for those who experience structural discrimination based on both their gender and because of their race, class, caste, ethnicity, language, nationality, sexual orientation or work. The disparities and injustices they face are rooted in historic and present-day systems of oppression all around the world maintained by dominant social norms, institutions, laws and policies, from whose benefits and safety nets they are excluded. The exclusion of women and girls from civic and political participation results in and is maintained through gender based violence (GBV) and economic inequality.

The Dutch government's objective to achieve gender equality should therefore focus on all dimensions that contribute to transforming the systemic roots of injustice and inequalities. For effective policy coherence for development it is essential to take the impacts of all policies on the position and human rights of women and girls, trans, intersex, gender non-conforming and non-binary persons into account across all areas including international cooperation, trade, defence, diplomacy and immigration policy. Policies affect people differently and have a gendered impact.

CMI! therefore urges the government to not compromise on the development goals, to strictly apply a do no harm principle across all policies and to comply with international human rights obligations, including the right of free, prior and informed consent of communities.

Policy coherence can also be strengthened by adopting a more rigorous and independent practice for monitoring, evaluation, research and learning tied to policies' intended outcomes.

Involving local women-led organisations and communities in sustainable economic development planning, climate responses and political decision making will lead to better outcomes for all. This will ensure that policies are not just gender-sensitive or -responsive, but become gender-transformative by contributing to systemic change that benefits all.

The Dutch government must also cease blocking the legally-binding UN instrument on transnational corporations and human rights, and advocate for the same shift with other EU Member States and with the EU as a block. Gender-responsive mechanisms for corporate accountability, prevention of corporate human rights abuses, access to justice and compensation must be made accessible for communities impacted by Dutch public and private operations.

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Foreign trade

International trade and investment are crucial to prosperity and jobs in the Netherlands. International trade accounts for a third of our national income and is linked to a third of our jobs. But our international competitiveness faces risks posed by the twin transitions (digitalisation/innovation and climate/sustainability) and the shifting geopolitical balance of power. It is therefore vital for the Netherlands to strengthen its earning capacity, both now and in the future.

Strategic and sustainable trade policy

Other states are also anticipating the above-mentioned transitions and geopolitical shifts, and are adjusting their national and international policies accordingly, for instance by pursuing their international objectives through more aggressive economic diplomacy and the use of economic instruments of power. The Netherlands cannot afford to fall behind. Our country's interconnections with the rest of the world are both greater and more fragile than ever. The Netherlands will therefore focus on strategic and sustainable trade policy as part of its coherent foreign policy.

4. How can the government strengthen Dutch companies' sustainable earning capacity abroad?

The Dutch government's efforts to strengthen Dutch companies' sustainable earning capacity should be linked to sustainable development. That will ensure economic development focuses on long-term viability and contributes to poverty reduction, reduces inequalities between countries and within countries, ensures decent work for all and does no harm to local communities, their livelihoods and environments (see the SDG framework). To achieve this the government should ensure that all its efforts build on the expressed local needs and already existing initiatives, and that local civil society, in particular women's rights organisations, are involved in decision making and impact assessment. Local communities' needs should be forefronted in decision making on sustainable economic transitions and investment projects to prevent them from becoming extractive by nature.

The government needs to ensure that no harm is done to local communities and women human rights defenders in the context of Dutch investments and trade and that human rights are respected, protected, promoted and fulfilled. The government can do this by monitoring its own efforts and investments. They can support companies by collecting best practices in addressing inequalities and integrating short and long term sustainability considerations, and ensure sustainability and gender standards are strict requirements for Dutch private sector support, via mechanisms of RVO or FMO. Income inequality, unequal labour participation and unequal economic growth is harmful to everyone, including companies that do business abroad. Ensure female entrepreneurs and gender experts are part of Dutch trade mission delegations, and local female entrepreneurs, companies and civil society organisations, including women's rights organisations are consulted and engaged in these missions.

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Themes and sectors of the future

The focus of companies, governments and knowledge institutions is changing in light of the global transition to ensure a bright future for current and future generations.

5. In which themes or sectors do you see opportunities for international enterprise?

The Dutch government should support and invest in the development and testing of alternative economic models that lead to just economies and address the root causes of poverty, inequalities and exclusion. These can ensure that also international trade advances gender equality and realises women's rights by expanding decent work opportunities for women and contributing to sustainable and equitable economic development.

Women's rights organisations and feminist groups in many different contexts have developed and successfully tested alternative economic models that benefit entire communities and are more sustainable for communities, bio-diversity, resources and future generations (for examples see <https://bit.ly/3uxuqz3>).

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Public-private cooperation and role of SMEs

A successful approach to international trade requires cooperation between the public, companies, civil society and government. It is also useful to align with market demand. What would help companies, and SMEs in particular, to increase their export performance and innovative capacity?

6. How can the government better support companies (and SMEs specifically), that are doing or wish to do business abroad?

a. What type of support do companies need in order to achieve international success in the areas of digital innovation (innovation partnerships) and sustainability?

The government can provide:

- Clear frameworks for sustainable, inclusive and accountable businesses, including via CSR legislation
- Support in building best practices around digital innovation, human rights protections, sustainability and just transitions, to compete effectively and sustainably in the international market.
- Support in linkages between companies and civil society to ensure their (potential) operations are based on and tailored to local needs. Dutch embassies have a key role here, as they can provide connections, information and context analysis that allow Dutch companies to invest, based on local demand and without risks or negative impacts.

b. For what countries, regions or markets should the government provide private sector support?

c. What type of trade promotion activities should the government stop doing?

Promotion of all trade which revolves around fossil fuel or fossil fuel related activities, are extractive by nature, or activities leading to exacerbated inequalities, human right violations or environmental damage.

Supporting private-public partnerships that are harmful to SDG 5 as well as other SDGs, see for example "[Can public-private partnerships deliver gender equality?](#)".

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Dutch development cooperation activities

The Netherlands is actively pursuing a number of policy themes in the area of development cooperation. For example, we're investing in efforts to advance the Sustainable Development Goals (SDGs), reception in the region, access to vaccines, and climate adaptation and mitigation. The Netherlands will continue its efforts in areas where progress is being made and will focus on its strengths, such as linking diplomacy and development. For more information about Dutch development policy, go to www.nlontwikkelingssamenwerking.nl.

7. In your opinion, what are the Netherlands' strengths when it comes to development cooperation? In which policy themes could the Netherlands play a leading role?

For decades, the Netherlands have been leading the way internationally in the fight for women's rights and gender equality. The MFA has been a global innovator and front-runner in gender equality, shifting power and championing Southern leadership. It has played a key role in not just funding but mobilising more resources for women's and feminist movements worldwide through initiating groundbreaking funding mechanisms like the Leading from the South Fund and being a driving force behind new multi-stakeholder initiatives like the Global Alliance for Sustainable Feminist Movements. Your leadership on sex workers' rights and structurally excluded women has had significant impact for their visibility.

With Dutch support many women human rights defenders have been able to create change and contribute to more just and peaceful societies, advocate for their rights and resist violence and discrimination. Gender equality and women's rights need to remain a cross-cutting theme as well as a principle and funded goal of your policy. Important steps forward have been made in the policy framework 'Investeren in Perspectief' with SDG 5 as the central objective of all policy areas. More investment however is needed to achieve those objectives.

Now women's rights advocates need our support more than ever, as the backlash against women's rights is growing and civic space is shrinking. Civil society organisations holding the line for women's rights need to be able to count on Dutch support to uphold and protect universal women's human rights, while women's movements remain under resourced. Continued support for lobbying and advocacy, creating civic space and building feminist movements and their leadership is needed.

We recommend that you ensure that gender equality and women's rights are applied as a crosscutting dimension in all policy areas, including aid, foreign trade and investment, climate and sustainable economic development.

We call on your commitment to continue increasing investments in gender equality as a principle and funded goal, and to allocate more funding to feminist and women's rights organizations and movements.

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Innovative development cooperation

Dutch international cooperation is flexible and knowledge-intensive. We are also innovative, developing new ways of working and new types of partnership that are subsequently adopted or scaled up by others, like the European Commission and the World Bank. In this respect, Dutch international cooperation is like a creative and knowledge-intensive incubator. We are a relatively small donor, but as an EU member state and through bilateral aid we can make EU aid more visible and generate additional, relevant capital flows.

8. In what other ways and areas could Dutch development cooperation innovate more?

The Netherlands has been a global innovator and front-runner in gender equality, shifting power and championing leadership from the Global South. We encourage you to be bolder and more innovative in your efforts to shift the power.

The Dialogue and Dissent framework (2016 - 2020) was exemplary to the innovative donor that the Dutch government can be. It marked a significant shift to adopting a partnership approach, away from managerial models to the use of Theories of Change, being willing to fund social norm change and recognising how social change happens. As an EU member state, we encourage you to advocate towards other donor EU member states to adopt this funding model.

In the Power of Voices more emphasis was put on perspectives from the Global South. However, more can be done, as only 2 out of 20 partnerships are led by organisations in the Global South. We welcome your commitment to remain a frontrunner for gender equality and to work on equal footing with your partners, as stated during the World Cafe on 31 March.

We call on you to honour that commitment for equal partnership and shifting the power by actively engaging organisations and consortia from the Global South throughout all your policy making processes and advisory structures (e.g. *Adviesraad Internationale Vraagstukken*). Feminists offer alternative solutions that are driven by local needs and create change that benefits all.

The Netherlands could for example set an ambitious target of 50% of consortia in the next round of Power of Voices to be led by Global South-based organisations and by actively engaging communities in funding and investment decisions that affect them.

Continue to make good use of trusted, proven mechanisms, such as (local) women's funds, to reach the most critical actors in the Global South - namely women-led organisations and movements, and feminist groups and networks operating at the 'grassroots'. Leading from

the South is one such example, as is the Count Me In! model of including women's funds. CMI! would be happy to share its experience with innovative models of community engagement in funding decisions, e.g. participatory grantmaking and community panels, with the Ministry. In addition we would be happy to contribute to thinking about alternative economic models for sustainable development.

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A bold donor

Dutch international efforts can be characterised as bold, because we link financial investment to diplomatic efforts and expertise. We will continue our work on themes where we have always added value: sexual and reproductive health and rights (SRHR), water, food security, and security and the rule of law. We will also make better use of the diplomatic weight of the EU. To ensure we achieve the SDGs by 2030, we will invest in systemic change, i.e. tackling the structures that maintain poverty and inequality.

9. In what ways or areas could the Netherlands, as a donor, be even bolder?

For decades, the Netherlands have been leading the way internationally in the fight for women's rights and gender equality. The Netherlands has been a global innovator and front-runner in gender equality, shifting power and championing leadership from the Global South. The Netherlands has also been a key propagator of the important role of civil society in respecting, protecting and fulfilling human rights and democracy.

We do however want to express our concern about signs of wavering support of the government. Gender equality and women's rights did not receive any mention in the international chapter of the government agreement. While more and more countries adopt a Feminist Foreign Policy, with Germany latest to join the growing list, the process of global women's rights frontrunner the Netherlands seems to be stalling.

Your bold leadership and unwavering support for gender equality and women's rights are needed given the multiple and complex challenges that women face globally.

Of all gender equality funding only 1% reaches local women-led organisations. Most gender-focused funding goes to Northern-based NGOs. We call on your commitment to continue increasing investments in gender equality as a principle and funded goal, and to allocate more funding that is directly accessible to feminist and women's rights organizations and movements globally rather than in a number of focus countries.

We have welcomed the Dutch government's commitment to strengthen civil society and local ownership in the Global South and to Shifting Power dynamics in its current funding framework Strengthening Civil Society. More and better resources will lead to greater autonomy, self-determination, and economic independence of women and structurally excluded people.

However, of the current 20 Power of Voices consortia only 2 are Southern-led. The people that the Development Cooperation policy framework is designed to support are locked out of participating in this consultation process that helps shape it.

We call on you to be bolder and more transformational in your approach to shifting the power by actively engaging Southern-based organisations and consortia throughout your policy making processes and advisory structures (e.g. *Adviesraad Internationale Vraagstukken*).

We ask you to set a more ambitious target of 50% of funding directly reaching Southern-led organisations and consortia and actively engaging communities in funding and investment decisions that affect them.

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General closing question

10. Are there any other points that you believe should be included in the new policy document?

The new policy should recognise that the challenges we are dealing with transcend borders, e.g. climate change, conflicts, poverty and inequalities, and require a global response. Applying country criteria, such as the DAC list, disregards that also within middle and high income countries there can be huge inequalities with groups being structurally excluded and not benefiting from development. The policy should recognise that achieving gender equality goals must be addressed at all levels and requires an approach that is context-sensitive, and yet also stretches beyond specific countries, to incorporate the global and cross-regional.

The COVID-19 pandemic has laid bare the existing inequalities across all regions. While it may seem to have less impact in the Netherlands, it continues to impact on our partners, women human rights defenders and structurally excluded communities. It led to even more economic insecurity, poverty, injustice, increased gender-based violence, heightened care burdens and exclusion from national emergency, relief and recovery plans. Lockdowns have hampered organising and community building and advocacy by our partners. We have seen that women-led organisations played a crucial role in ensuring resilience and autonomy in the face of the pandemic.

We therefore call for your continued support to women's rights organisations and address other governments for the inclusion of civil society and communities in national health and recovery plans. We call on your leadership to advocate for vaccine justice and collective solidarity by supporting access to vaccines at affordable prices and equal distribution to all states.

We would also welcome explicit next steps in the analysis, development and implementation of a Dutch Feminist Foreign Policy. Several countries including Canada, Sweden, Chile and France, already have such a Feminist Foreign Policy, and Germany is following their lead. With the continuing increase of populist and authoritarian tendencies, a rise in the prominence of fundamentalisms, and opposition to the rights of women, trans and gender-non conforming people, increased state control on civil society as well as corporate impunity, a strong countermovement and your continued leadership are urgently needed. Feminist Foreign Policy can provide a framework to thoroughly and structurally address unequal power relations underlying gender inequality and other forms of discrimination, oppression and injustice, and is key in ensuring policy coherence.

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