



# Netherlands Attractiveness Survey 2025

Making tough choices for a strategic shift



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# Foreword

Our report, “Netherlands Attractiveness Survey 2025: Making tough choices for a strategic shift”, arrives at a time when the world is in turmoil. Global tensions, economic competition, trade barriers, climate change, the energy transition, political instability and the rise of disruptive technologies are drastically reshaping the landscape. These events are not distant; they impact us directly. They remind us that we must take decisive action to secure our future.

Who are we currently, and who do we want to be as a country? This question is more urgent than ever as we look toward 2050. What kind of country do we want to be for ourselves, for future generations, and in Europe and the world? We cannot leave this answer to drift. We must define this clearly and purposefully. This is not just a philosophical reflection; it is a question of direction.

We envision a country that thrives on broad prosperity, or “brede welvaart”. A society that is attractive to live in and to invest in. One that offers opportunity, resilience and cohesion, grounded in democratic values and long-term vision. A society where innovation and inclusion go hand in hand.

But this vision requires action. The world around us is shifting rapidly. The investment climate in the Netherlands is under pressure. Where we once ranked among the top five countries for Foreign Direct Investment (FDI) in Europe, we have now fallen to 10th place. This underscores the urgent need to reassess and strengthen our appeal as a destination for business.

To keep and grow our prosperity, we must address deep structural challenges. Nitrogen emissions are putting pressure on land use, nature and economic activity. Housing shortages are undermining availability and affordability. Our civil and digital infrastructure requires investment. Grid congestion is slowing progress. Regulation and taxation lack consistency, making long-term planning difficult. National and digital security have become vital preconditions for economic stability and an open and resilient society.

Solving these challenges requires more than patchwork fixes. It demands clear vision, strong strategies and effective execution. To maintain and enhance our attractiveness, we must invest in the foundations of sustainable growth: education and research, innovation and entrepreneurship, and access to capital. We need a clear focus on high added value industries that will drive our economy in the decades to come, including semiconductors, agri and food science, biotechnology, medtech, advanced materials, climate technology, quantum technology, fintech, artificial intelligence and security. These are not abstract ambitions. They are essential building blocks for future-proof prosperity.

How can we realize this ambition? By working closely together, including with our European partners. Europe is not just our internal market. It is our strategic home. Within the EU, we must strengthen competitiveness, increase our collective resilience and protect our shared values.

We must also make sure we have both sufficient and the right talent. This includes upskilling and reskilling the workforce, leveraging AI and attracting and retaining international talent through migration where our economy needs it most. At the same time, we must offer the conditions that keep talent here: affordable housing, access to opportunity, excellent education and a culture of entrepreneurship and innovation.

To drive long-term investment, we must improve how capital is accessed and allocated, through policies that drive investments in SMEs, start up and scale up companies. A public investment bank could be valuable part of the solution. A public investment bank can invest structurally and professionally in the Netherlands where market dynamics fall short. It can help unlock transformation at scale. We need to be open and honest about the challenges and opportunities ahead. That means setting clear priorities, offering predictable policies and taxes, and giving entrepreneurs the space to thrive.

But, none of this is possible without trust. Trust between leaders, between public and private organizations, and within society itself. We need leaders who are courageous, clear and focused on long-term outcomes. Leaders who unite people, build bridges, foster trust, and take responsibility. Strong leadership in politics, business, and civil society will be key to moving forward. This is a call for genuine collaboration among all leaders and within society itself. We must leave behind the “we versus they” mindset and embrace a “together” approach. Upholding our democratic values is vital, as is resisting any calls for autocratic responses to the challenges we face.

At EY, we are committed to supporting this important conversation with insight, expertise, and partnership. We believe that with shared leadership, and clear vision, we can create a future that is prosperous, fair, and sustainable.

Now is the time to come together. To lead with purpose and build a legacy of sustainable prosperity. Let’s shape the future with confidence.



**Patrick Gabriëls**  
Country Managing  
Partner



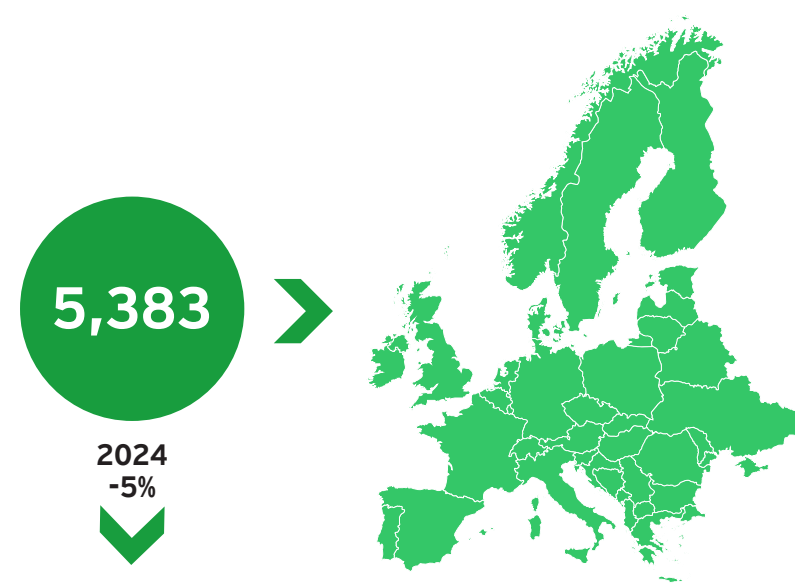
**Cecile Heemels**  
Markets Leader



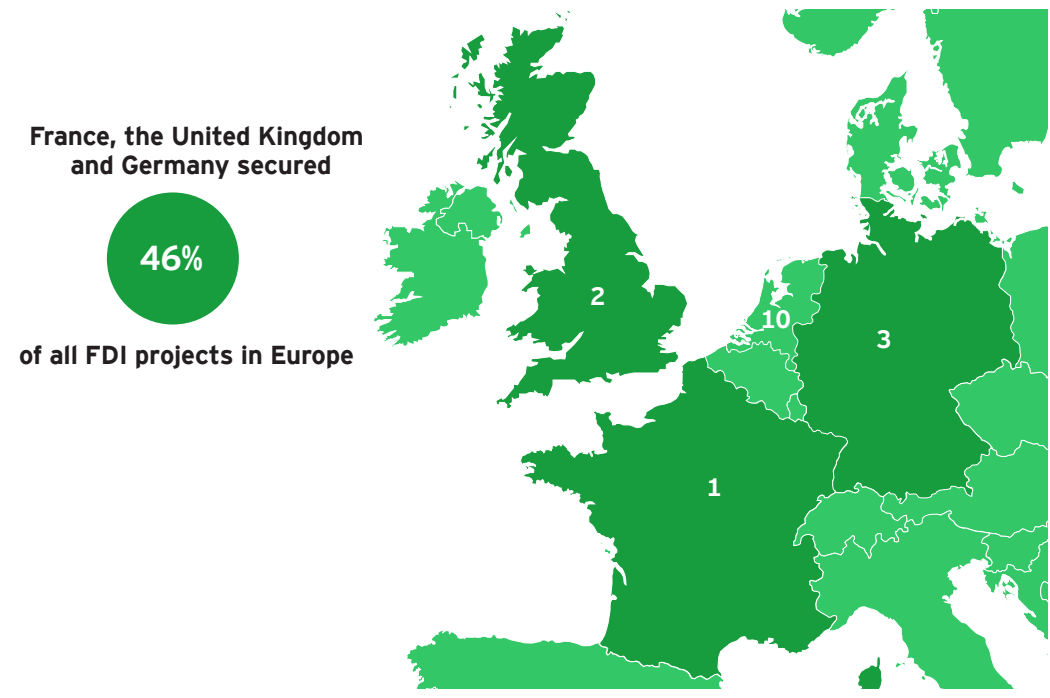
**Patrick Boertien**  
Partner EY-Parthenon  
Netherlands  
Attractiveness Lead

# Management summary

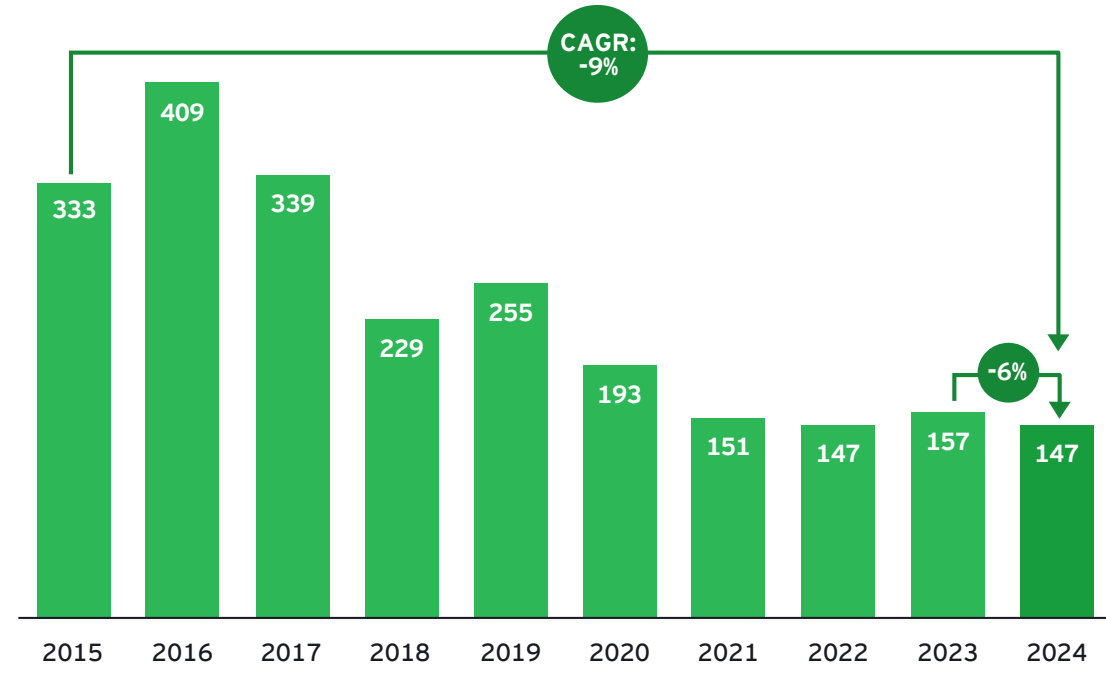
**01 Total Foreign Direct Investment (FDI) in Europe**  
FDI in Europe decreased by 5%, totaling 5,383 in 2024, while creating 269,740 jobs.



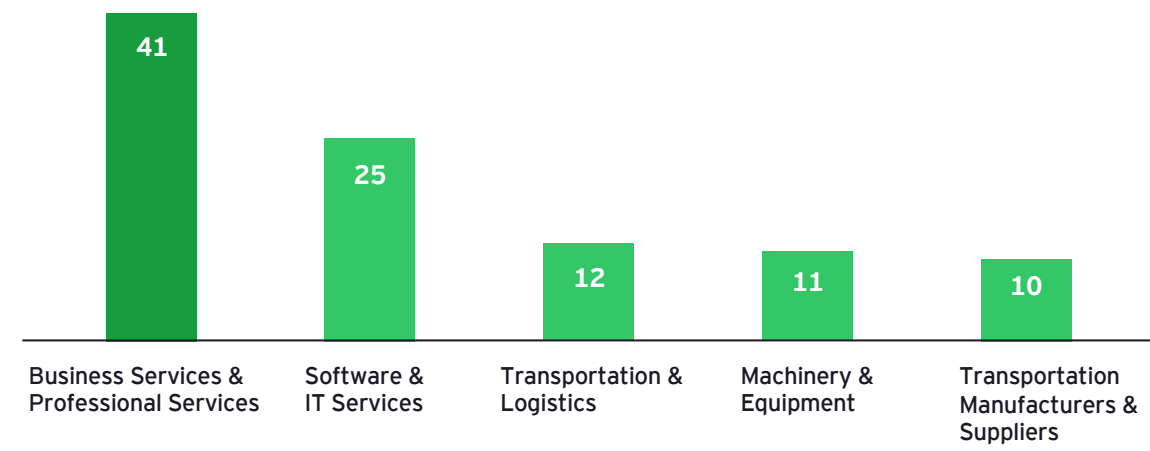
**03 The Netherlands remains in the top 10**  
Once a top-five FDI destination, the Netherlands now ranks 10th in Europe. The top three countries collectively account for 46% of all inbound investments.



**02 FDI in the Netherlands**  
The Netherlands experienced a significant decline in investments, marking 2024 as one of the weakest years in nearly a decade.



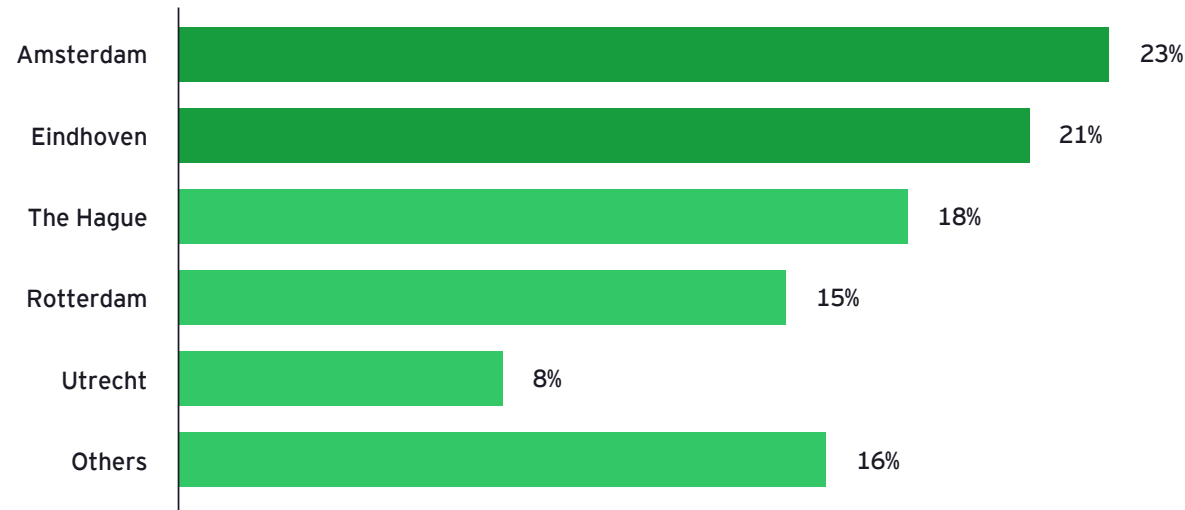
**04 The five key sectors driving FDI in the Netherlands**  
The top five FDI-attracting sectors account for 67% of all inbound investments.



# Management summary

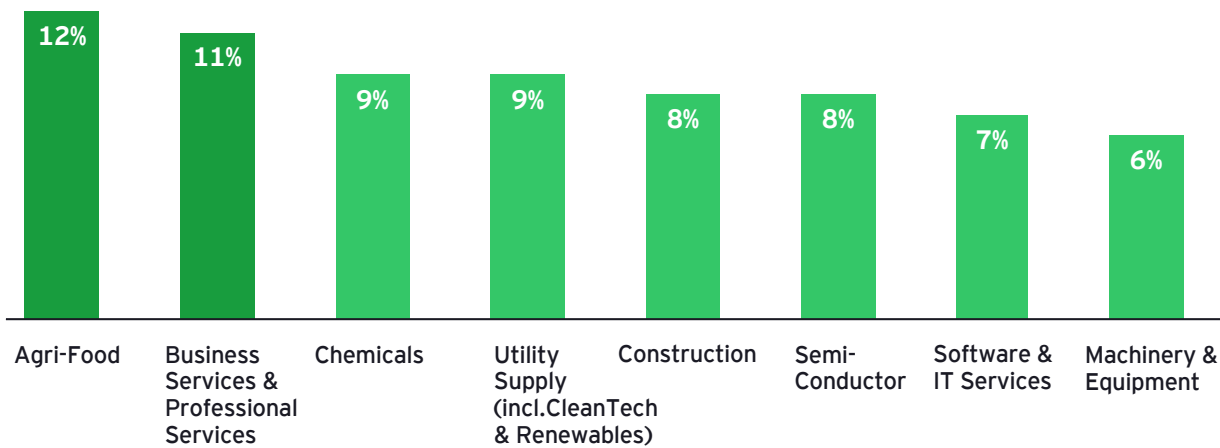
## 05 Top five most attractive Dutch regions to establish new operations

While Amsterdam has historically been the dominant FDI hub, other regional centers are important as well. In particular, Eindhoven emerged as a strong runner-up.



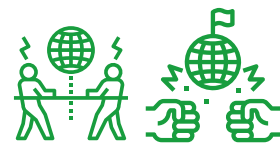
## 07 Top business sectors for growth in the Netherlands

A diverse range of sectors, including Agri-Food and Business Services & Professional Services, are expected to drive economic growth in the near term.



## 06 What's holding back investment in the Netherlands?

The Dutch investment climate faces significant risks, including geopolitical tensions, rising costs, infrastructure and spatial constraints, and unpredictable policies that hinder competitiveness.



Geopolitical tensions



Macroeconomic conditions



Costs of doing business



Nitrogen constraints



Energy grid congestion



Political instability

## 08 Focus areas for improving investment attractiveness

Investors emphasize the need for infrastructure investments, support for strategic industries, talent development, and reform of regulations to enhance the Netherlands' competitiveness.



Invest in infrastructure



Invest in affordable housing



Support strategic industries



Reduce energy prices and increase independency



Develop education and skills



Reform regulation to reduce burdens



# 01

## FDI projects in Europe



The changing face of investment in Europe

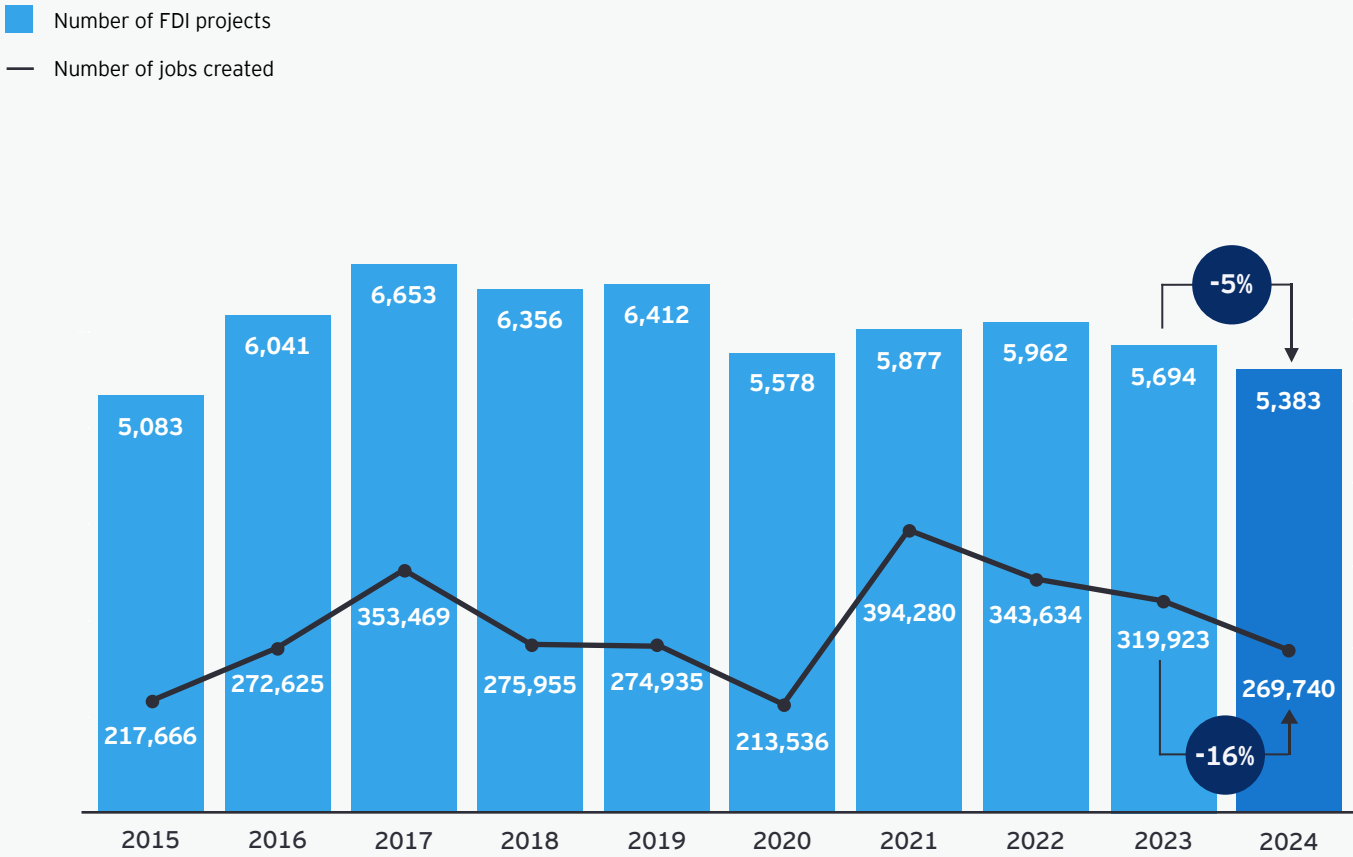
The European investment landscape is currently navigating turbulent waters. FDI has taken a hit, with the number of projects falling to 5,383– a 5% decline for the second consecutive year. This marks the lowest level in nine years and is accompanied by a significant drop in job creation, with FDI generating 269,740 jobs in 2024 in Europe, reflecting a 16% decrease from the previous year.

The Netherlands has not been spared, experiencing a 6% decline in FDI projects and slipping to 10th place in the European rankings, now positioned behind countries such as Spain, Belgium, and Poland. France, the United Kingdom, and Germany dominate the scene, collectively accounting for 46% of all inbound investments in the region.

FDI is critically important to Europe’s economy. According to the latest Eurostat data, foreign-controlled enterprises accounted for just 1.1% of market-producing businesses in the EU in 2021. Despite their small share, they contributed significantly to the European economy, generating 15% of total employment and 22.5% of value added in the EU’s market production sector.<sup>1</sup>

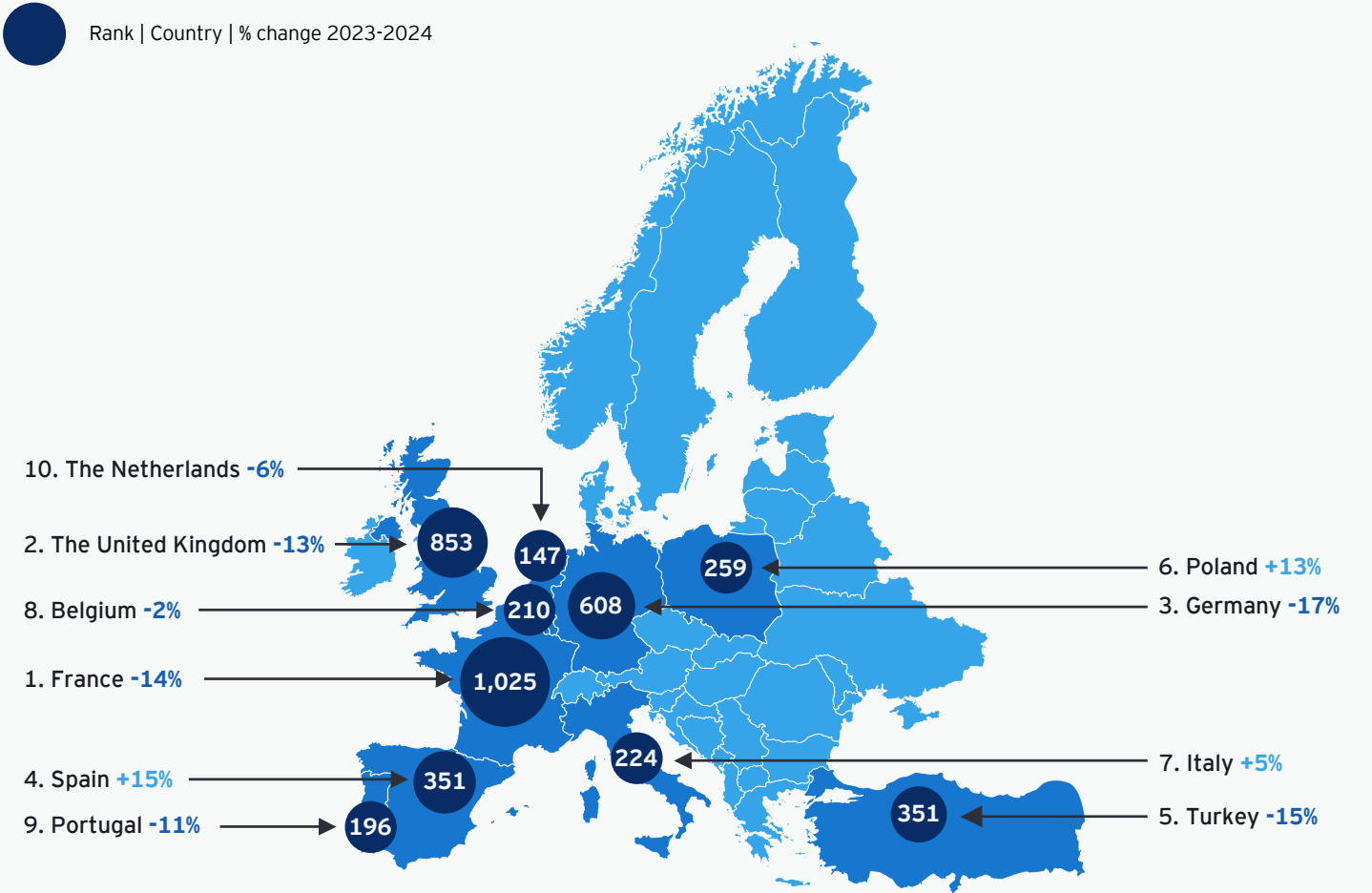
In the United Kingdom, this share is even more significant, with recent figures by the Office for National Statistics showing that foreign-owned firms account for 29% of gross domestic product (GDP).<sup>2</sup> As a key pillar of sustainable growth across the continent, FDI remains essential to Europe’s economic resilience.

Number of FDI projects announced and jobs created in Europe (2015-2024)



Source: EY European Investment Monitor (EIM) 2025

Top 10 countries by FDI projects in 2024



Source: EY EIM 2025

1 Foreign enterprises contribute notably to EU economy, Eurostat website, dated 9 February 2024 <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20240209-1>  
2 Foreign-owned businesses in the UK non-financial business economy: 2021, Office for National Statistics website, dated 6 July 2023 <https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/articles/annualbusinesssurvey/2021>

Factors contributing to the decline

Several factors are fueling the downturn in FDI in Europe, including persistently sluggish economic growth, ongoing high energy prices, and geopolitical tensions such as the conflicts in Ukraine and the Middle East, which create a climate of uncertainty for investors. The Eurozone economy grew by just 0.8% in 2024, significantly below the growth rates of the United States (2.8%) and China (5.0%).<sup>3</sup> Additionally, longer-term structural issues, such as the continued erosion of manufacturing competitiveness with the United States and China, have further impacted investment.

In 2024, there were double-digit percentage decreases in the number of projects announced in key European economies, with France experiencing a decline of 14%, the United Kingdom 13%, and Germany 17%. Weak economic growth and geopolitical uncertainty have affected investment across the board. Improving conditions in the United States have intensified competition for investment, especially with the new administration in place, raising concerns about American protectionism (“America First”) and unpredictable tariff policies. Investment projects from the United States in Europe have decreased by 11% compared to 2023 and a staggering 24% compared to 2022.<sup>4</sup> Overall, while European FDI declined in 2024, greenfield FDI projects rose 20% in North America and remained relatively stable in Asia, according to the United Nations Conference on Trade and Development (UNCTAD) Monitor.<sup>5</sup>

3 Global economic outlook shifts as trade policy uncertainty weakens growth, OECD website, dated 3 June 2025 <https://www.oecd.org/en/about/news/press-releases/2025/06/global-economic-outlook-shifts-as-trade-policy-uncertainty-weakens-growth.html#:~:text=In%20the%20euro%20area%2C%20growth,have%20resurfaced%20in%20some%20economies>.  
4 How can Europe act now to create advantage from adversity?, EY website, dated June 2025 <https://www.ey.com/content/dam/ey-unified-site/ey-com/en-gl/campaigns/foreign-direct-investment-surveys/documents/ey-gl-europe-attractiveness-survey-report-06-2025.pdf>

Changing investor sentiment

Investor confidence in a long-term recovery is waning. Our European survey revealed that 37% of investors have postponed or scaled back their European investment plans. The intent to invest in the next 12 months has dropped from 72% to 59%, reflecting growing concerns about geopolitical tensions and the impact of tariffs.<sup>6</sup> This shift in sentiment underscores the need for Europe to adapt and respond to these evolving challenges.

Resilience in Central, Eastern and Southern Europe

In contrast to the declines seen in the United Kingdom, Germany, France, and the Netherlands, FDI increased in several Central, Eastern, and Southern European countries. Spain has emerged as the fourth-largest recipient of FDI, surpassing Turkey in terms of FDI received in 2024. Spain boasts a 15% increase compared to 2023. A combination of strong economic performance, relatively low energy and labor costs, and an abundant supply of land made Spain the standout performer. Spain also benefited from €163 billion of funding from the NextGenerationEU scheme, the second-largest amount secured in the EU.<sup>7</sup> Poland has consolidated its position as an industrial and logistics hub, capitalizing on its central location, cost competitiveness and sizeable pool of skilled talent. Across Europe, some economic indicators are also moving in the right direction, with wage growth outstripping inflation and interest rates trending down.

5 Global Investment Trends Monitor, UNCTAD website, dated January 2025 [https://unctad.org/system/files/official-document/dlaeiainf2025d1\\_en.pdf](https://unctad.org/system/files/official-document/dlaeiainf2025d1_en.pdf)  
6 How can Europe act now to create advantage from adversity?, EY website, dated June 2025 <https://www.ey.com/content/dam/ey-unified-site/ey-com/en-gl/campaigns/foreign-direct-investment-surveys/documents/ey-gl-europe-attractiveness-survey-report-06-2025.pdf>  
7 Spain's National Recovery and Resilience Plan: Latest state of play, European Parliament website, dated 25 October 2024 [https://www.europarl.europa.eu/thinktank/en/document/EPRS\\_BRK\(2022\)698878](https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRK(2022)698878)

Future opportunities

Looking ahead, there are promising signs of growth in industries such as renewable energy, semiconductors, and pharmaceuticals. These industries indicate that Europe, including the Netherlands, remains an attractive hub for innovation. However, the looming presence of United States import tariffs poses a significant barrier to recovery, necessitating a strategic response from European stakeholders. The changing global power dynamics, with a potential shift from Western dominance to emerging economies like China and the BRICS+, present both challenges and opportunities. According to our European survey, 61% of respondents believe Europe's attractiveness will increase during the next three years, compared to 67% and 74% for China and the United States, respectively, highlighting the competitive landscape.<sup>8</sup>

To ensure sustainable prosperity and enhance competitiveness, former ECB President Mario Draghi emphasized the need for Europe to strengthen its competitive position through innovation, climate policy, and strategic autonomy in his report: “*The future of European Competitiveness*”.<sup>9</sup> Adding to this Enrico Letta's report, “*Much more than a market*” has warned that Europe must leverage its Single Market far more effectively.<sup>10</sup> In January 2025, the European Commission presented the Competitiveness Compass, a new roadmap to restore Europe's dynamism and boost economic growth. The Compass outlines a strategy for Europe to become the hub for future technologies, services, and clean products, while also aiming to be the first continent to achieve climate neutrality. The Competitiveness Compass identifies three core areas for action: innovation, decarbonization, and security.<sup>11</sup> The Compass presents a significant opportunity for Europe and the Netherlands to leverage their strengths in innovation and sustainability by focusing on strategic investments in high-growth sectors.

8 How can Europe act now to create advantage from adversity?, EY website, dated June 2025 <https://www.ey.com/content/dam/ey-unified-site/ey-com/en-gl/campaigns/foreign-direct-investment-surveys/documents/ey-gl-europe-attractiveness-survey-report-06-2025.pdf>  
9 The Future of European Competitiveness, European Commission website, dated 9 September 2024 [https://commission.europa.eu/topics/eu-competitiveness/draghi-report\\_en](https://commission.europa.eu/topics/eu-competitiveness/draghi-report_en)  
10 Much more than a market, European Council website, dated April 2024 <https://www.consilium.europa.eu/media/ny3i24sm/much-more-than-a-market-report-by-enrico-letta.pdf>  
11 Competitiveness Compass, European Commission website, dated 29 January 2025, accessed 09 June 2025 [https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass\\_en](https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass_en)

Point of view

This is a critical moment for us to act decisively and seize opportunities



MARNIX VAN RIJ  
Member of the Executive Board of the IMF

“I’m concerned about the current state of the multilateral system that underpins global functioning, which is increasingly under pressure. We are facing rising geopolitical uncertainties that significantly impact global trade and market stability, particularly in regions like the Middle East, Ukraine, and Asia. These uncertainties create a challenging environment for both businesses and investors, making it essential for the Netherlands to recognize the necessity of substantial investments in defense and technology to navigate these challenges effectively.

I see Germany as a frontrunner in this regard, especially with its decision to abolish the debt brake, signaling a significant shift in fiscal policy that could inspire other nations to follow suit. European leaders must take the initiative to deepen the internal market to enhance our collective resilience and ensure that we are prepared for future disruptions.

Moreover, we must focus on harnessing opportunities in high-tech and food sectors while addressing pressing issues like nitrogen discussions that hinder our progress. By fostering innovation and implementing results-oriented policies, we can strengthen the Netherlands’ competitive position in the global market and secure a thriving future for all citizens. This is a critical moment for us to act decisively.”





02

# FDI projects in the Netherlands

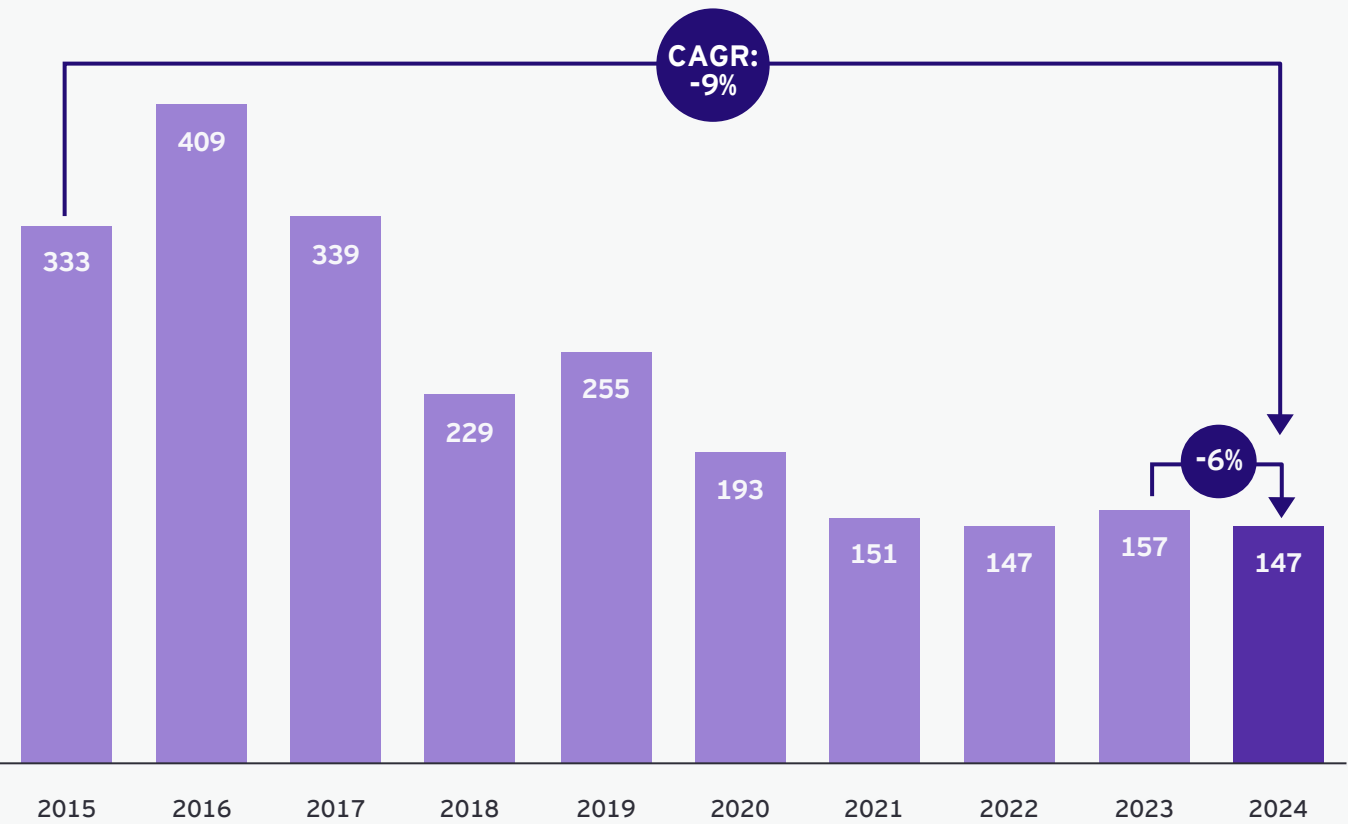


The Netherlands feels the costs of a changing investment landscape

For decades, the Netherlands has thrived due to its strategic location, world-class infrastructure, and robust institutions. From the Port of Rotterdam and Schiphol Airport to its dense road network and advanced digital infrastructure, the country has established a solid foundation for economic growth. However, in the past decade, this position has begun to erode.

Once ranked among the top five destinations for FDI in Europe, the Netherlands has fallen to 10th place in 2024. Between 2015 and 2024, the number of FDI projects in the country plummeted from 333 to just 147, reflecting a compound annual growth rate (CAGR) of -9%. This decline is part of a broader global fragmentation of FDI, influenced by geopolitical tensions and protectionist policies.

Number of FDI projects in the Netherlands (2015-2024)



Source: EY EIM 2025

Top investors

In 2024, the United States was the largest source of FDI, contributing 38 projects. FDI from the United States include Lamb Weston's potato processing plant and a data center from Alphabet. Furthermore, the United Kingdom accounted for 29 projects, Germany for 16, Belgium for 8 and Canada for 6 projects in 2024. FDI projects include International Cargo Logistics (United Kingdom), Greyparrot, an AI waste analytics provider (United Kingdom), BYK Additives (Germany), Imec, nano-technology (Belgium), and McCain, a potato processor (Canada).

Top five countries investing in the Netherlands by number of FDI projects

Rank	Origin country	2024
1	United States	38
2	United Kingdom	29
3	Germany	16
4	Belgium	8
5	Canada	6

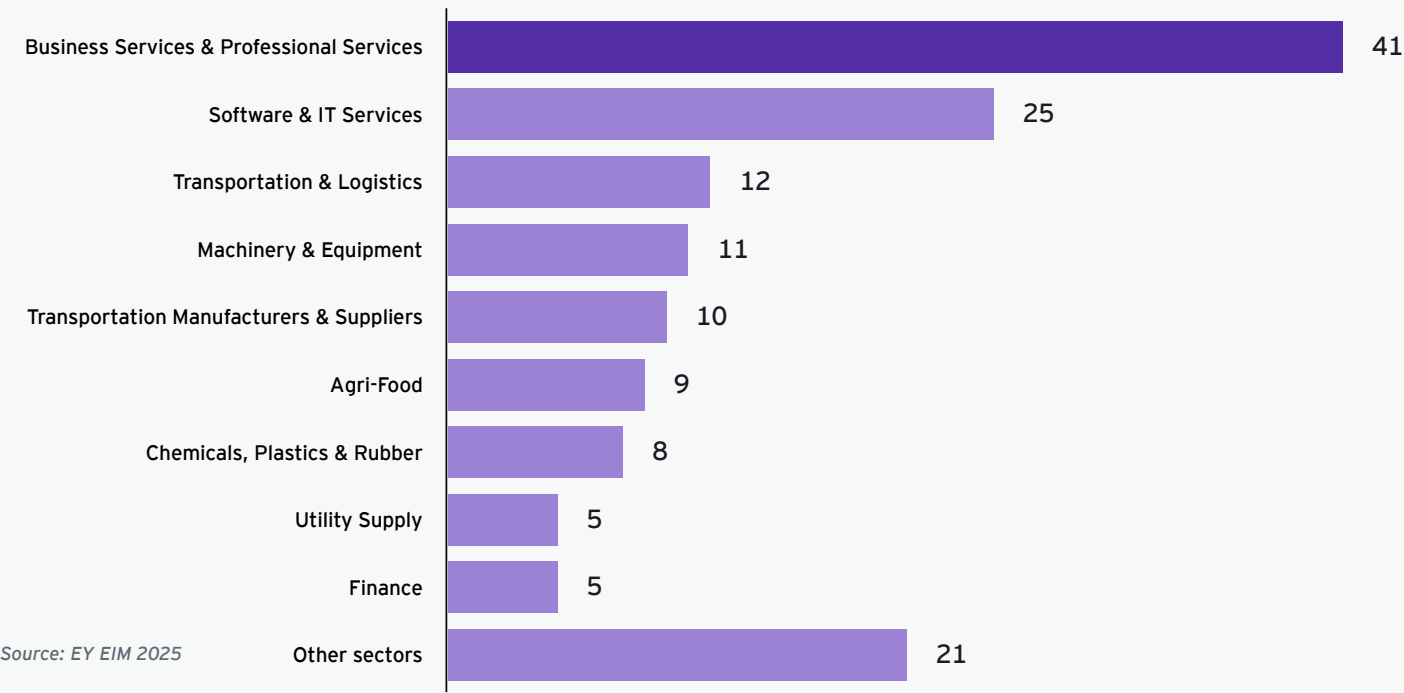
Source: EY EIM 2025

Investment per sector

Most FDI took place in the Business Services & Professional Services (Services) sector with 41 projects. The Services sector is dominated by relatively small-scale investments; new offices, European headquarters, and advisory hubs—rather than large industrial operations. This aligns with broader trends in FDI activity, where business services, sales & marketing, research & development, and headquarter functions together made up over 74% of all projects in 2024.

Several recent investments illustrate this trend. SCS Consulting Services, a United States based company, set up a European advisory office in The Hague. Financial technology firm Clear-Bank and footwear company New Balance established their European headquarters in Amsterdam. These examples illustrate how international firms continue to choose the Netherlands as a strategic base for their European operations.

Number of FDI projects per sector in 2024



Source: EY EIM 2025



Contributions from other key industries

While the Services sector dominated, other industries also contributed in 2024. The Software & IT Services sector saw new offices opened by companies such as Valtech, OneTrust, and Dustin, along with a €600 million investment by Alphabet in a new data center in Groningen.

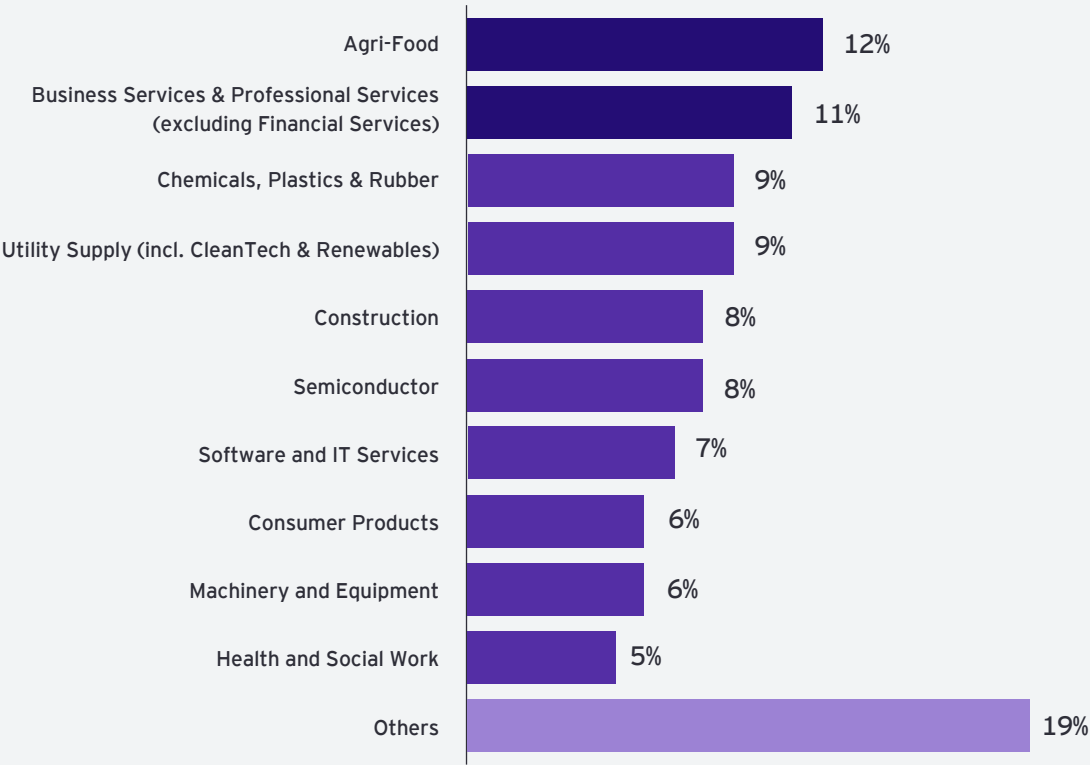
The logistics sector remains dynamic, highlighted by the construction of the Netherlands’ second largest distribution center by the Danish company DSV Logistics in Moerdijk and the expansion of UPS Healthcare’s European hub facility in Roermond. Additionally, Dachser has signed a contract for a new food logistics distribution center in Waddinxveen.

Furthermore, several more asset-heavy and operational sectors, including Transportation & Logistics, Machinery & Equipment, and Transportation Manufacturers & Suppliers made a notable contribution to FDI activity in 2024.

Sectors expected to drive future growth

Looking ahead to the next two years, respondents anticipate a broad spread of sectors to drive future growth in the Netherlands. Agri-Food (12%) and Business Services & Professional Services (11%) received the highest scores. Although the Agri-Food sector currently ranks sixth in terms of FDI, an increase in investments focused on agricultural technology, biotechnology, and AI-based farming solutions is expected, positioning the Netherlands as a leader in this area of innovation. The growth in Business Services & Professional Services presents both opportunities and challenges as the Netherlands continues to position itself as a service-oriented economy.

Top sectors expected to drive the Netherlands’ growth in the next two years



Note: The “Others” category includes Financial services and Furniture, wood, ceramics and glass, each contributing 4%; Leisure, culture and tourism, Medical devices, and Metals and minerals, each contributing 3%; Pharmaceuticals and Transportation and logistics, each at 2%; and finally, Oil and gas, Telecommunications, and Textile, clothing and leather, each contributing 1%. While individually modest, together these sectors represent a significant portion of the overall distribution.

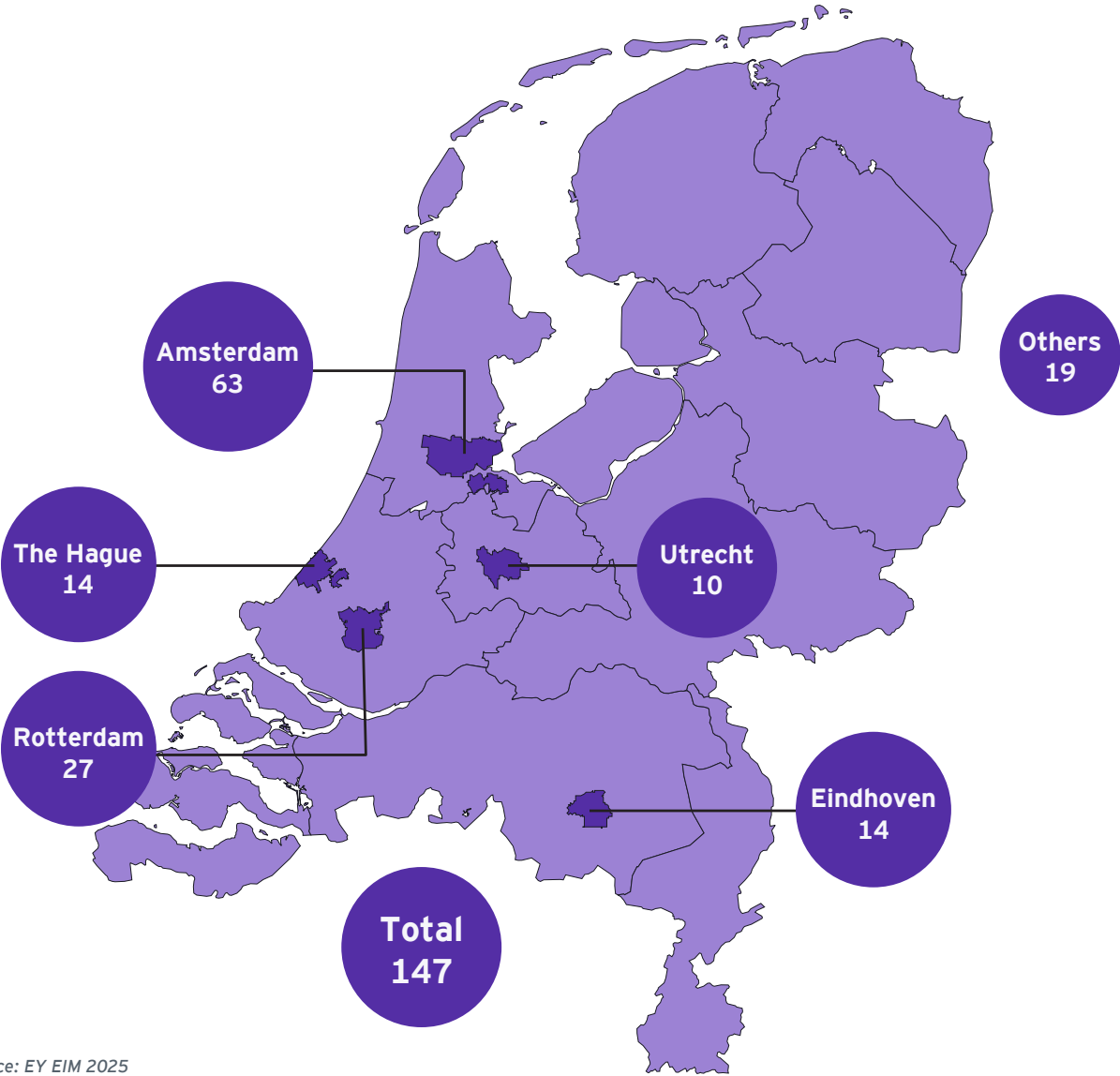
Source: EY Europe Attractiveness Survey Netherlands 2025

Cities: Amsterdam leads, but momentum is shifting

Although Amsterdam saw a modest one-percentage-point increase in perceived attractiveness in 2024, it continues to decline in the European rankings. The city has slipped from 11th to 12th place in the overall European standings, reinforcing a troubling long-term trend. Amsterdam previously held 5th position in 2018.

The Amsterdam alderman for Economic Affairs warned that Amsterdam’s international magnetic appeal is under growing pressure.<sup>12</sup> He urged the Dutch government to take coordinated action to improve the overall business climate. Without decisive intervention, Amsterdam risks further erosion of its position as a competitive destination for FDI.

Top five cities for FDI in the Netherlands (with 10 km radius)



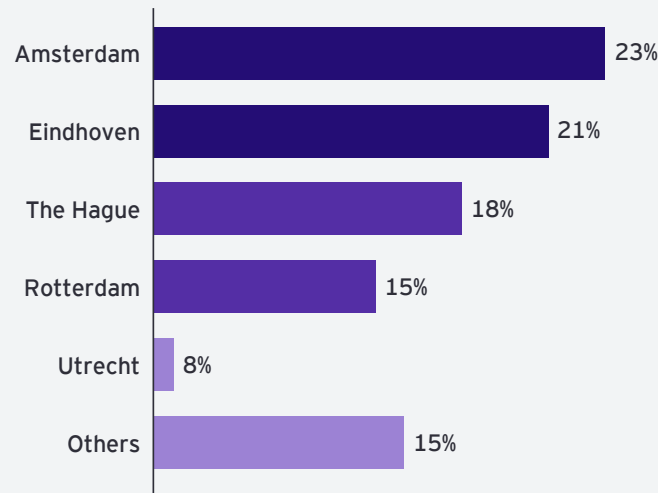
Source: EY EIM 2025

12 Amsterdam verliest aantrekkingskracht voor buitenlandse bedrijven, Financieel Dagblad website, dated 25 March 2025 <https://fd.nl/bedrijfsleven/1549886/regio-amsterdam-trekt-steeds-minder-buitenlandse-bedrijven>

Despite this, Amsterdam remains the Netherlands’ primary hub for FDI, accounting for 63 projects out of a national total of 147. Rotterdam follows with 27 projects. Mid-sized hubs like The Hague and Eindhoven each recorded 14 projects, while Utrecht saw 10 projects. Additionally, 19 other projects were established outside of these regions across the country. However, when investors were asked which regions they found most attractive for future operations, Eindhoven emerged as a strong runner-up behind Amsterdam. Anchored by tech giant ASML and a dense cluster of advanced manufacturing firms, the Brainport region is clearly gaining strategic relevance.

While Amsterdam has historically been the dominant FDI hub, other regional centers are important as well. These hubs are playing a growing role in diversifying the Dutch investment landscape and driving innovation across key sectors.

Top five most attractive Dutch regions to establish new operations



Source: EY Europe Attractiveness Survey Netherlands 2025

Point of view

Brainport Eindhoven:  
A unique region in Europe



**JOOST C SMITS**  
*EY BrainportConnect Lead and  
Partner People Advisory Services Tax*

“Cities play a crucial role in shaping the investment climate, particularly in regions known for technological innovation. The Brainport region, located in the Eindhoven area exemplifies this with its collaborative ecosystem that attracts substantial investment. The region is anchored by ASML, manufacturer of machines for advanced chips production, essential for various industries. The developments in the chip industry bring opportunities for other Tech regions in the Netherlands, such as Twente, and Leuven in Belgium.

Several initiatives foster collaboration among industry, municipalities, healthcare institutions, and educational entities. However, challenges such as nitrogen regulations, spatial planning, and the attraction of high skilled labor persist. Despite these hurdles, Brainport is set to significantly contribute to prosperity in the Netherlands, including to national security, particularly as artificial intelligence gains importance.

The ecosystem in Brainport is unique in the world. Rebuilding that elsewhere? You’d be looking at fifteen years. Strategic long-term planning is essential for ensuring Brainport remains economically vibrant and socially livable.”

Dutch knowledge and investment hubs

Brainport Eindhoven has firmly established itself as a global player in the semiconductor industry. The 2024 opening of a state-of-the-art lithography lab in Veldhoven has further strengthened this position, equipping chipmakers with cutting-edge tools and deepening collaboration between research institutions and technology firms.

Delft, with its strong engineering and design heritage, is home to a thriving ecosystem of startups and companies in robotics, aerospace, civil engineering, and industrial design. The arrival of United States-based Axient, which chose Delft for its first international office, underscores the city’s culture of innovation.

Wageningen showcases the Dutch leadership in sustainable agriculture, nutrition, and food technology. The establishment of Thailand-based Thai Union’s Innovation Hub reflects the strength of the region’s food-tech ecosystem and the pivotal role played by Wageningen University & Research, Europe’s foremost institution in agri-food science.

Other examples of established excellence centers can be found across the country. In Leiden, biotechnology and pharmaceuticals are flourishing in a research-driven environment. The University of Twente in Enschede is advancing high-tech materials and digital innovation. Rotterdam, at the intersection of energy, logistics, and the circular economy, embodies the national strategy for sustainable industry and infrastructure.

These hubs are national assets that must be recognized, supported, and fully leveraged. Strengthening our capacity to turn knowledge into practical solutions is essential for improving the Netherlands’ FDI climate and enhancing long-term competitiveness.

Point of view

An increasingly pro-active  
government role is required  
to boost strategic and  
innovative investments



**ERWIN NIJSSE**  
*Director General at the Ministry  
of Economic Affairs*

“The Netherlands has a significant number of world-leading innovative and competitive economic sectors. At the same time, with the current geopolitical developments and bottlenecks at national level we see a decline in private investment. A lower investment ratio raises questions about our economic stability. This situation underscores the need for a more proactive government role in fostering a favorable investment environment.

The public sector should strengthen its efforts to create an attractive investment climate and support strategic sectors, whereby we need to secure essential raw materials and support foundational and vital industries within Europe. That is why we focus on, for example, deregulation and improving access to finance. We need investments for our future prosperity and for our economic and societal resilience.

The Netherlands has many promising technology and innovation sectors, which through the triple helix of universities, industry and government and improved access to capital can be valorized better. To remain competitive, continued investment in high-quality innovative sectors is essential. Ensuring a level playing field for Dutch companies is crucial, and government support is vital, particularly in areas like artificial intelligence. By investing in infrastructure and fostering public-private partnerships, we can enhance our resilience and create a thriving future for the Netherlands.”



# 03

## FDI attractiveness risks



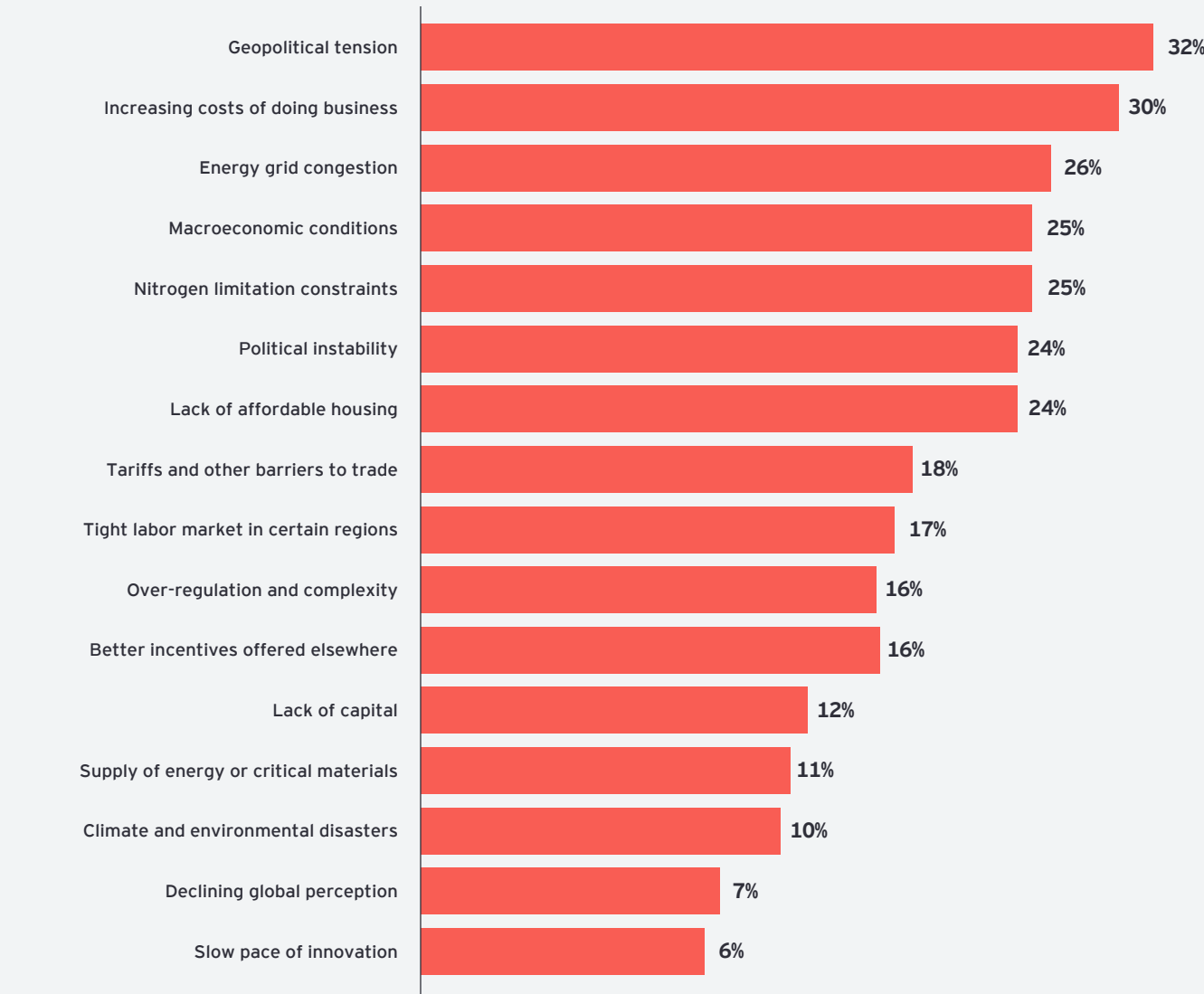


The Netherlands risks losing its competitive spark

The Netherlands is currently grappling with a range of challenges that threaten its competitive position as a destination for FDI. Respondents have pointed to several key factors contributing to the country’s declining attractiveness for investors. Despite being recognized as one of the world’s most advanced economies, the Netherlands is becoming increasingly vulnerable to geopolitical tensions and rising business costs. These issues, exacerbated by energy grid congestion and slow progress on critical infra-

structure development, complicate the investment climate. In addition, macroeconomic pressures such as inflation and wage growth are weakening the overall appeal of the Dutch economy. Environmental constraints, particularly nitrogen-related regulations, are limiting land use and restricting economic activity. Political uncertainty and a shortage of affordable housing are further fueling investor hesitation. To secure long-term prosperity, the Netherlands must address these deep-rooted structural challenges through coordinated and comprehensive policy responses.

Main risks in the Netherlands



Note: Respondents indicated their top three risks

Source: EY Europe Attractiveness Survey Netherlands 2025

Point of view

We must act with urgency to strengthen the Netherlands’ competitive position in the global market. Without a long-term vision, we risk falling behind.

GERARD VAN DE AAST  
Chairman of the supervisory board at Signify and KPN

“There is a lack of decisiveness from the government, which leads to delays in critical areas like housing and nitrogen regulations. Everything takes too long, and that makes it expensive.

We need a reliable and proactive government to facilitate business plans. The Netherlands must change its government strategy to address issues more swiftly and effectively, similar to the decisive actions taken during the COVID crisis.

Migration stimulates our knowledge economy. We need young, well-educated individuals to seize opportunities and contribute to our future. I advocate for a delta plan to tackle current challenges, as existing regulations pose obstacles to solving the housing crisis and other societal issues.

We must act with urgency to strengthen the Netherlands’ competitive position in the global market. Without a long-term vision, we risk falling behind.”

Geopolitical and economic tensions

The war in Ukraine, the resulting spiraling energy prices and the recent imposition of tariffs on imports from the United States, has created significant upheaval. When considering the longer-term trends of declining manufacturing competitiveness with China and widening productivity disparities with the United States, it becomes clear why Europe, including the Netherlands, is under immense pressure. A new major threat to Europe’s and the Netherlands’ attractiveness for foreign investment is the direction of the current United States administration. While import tariffs have garnered headlines, the administration’s revised stance on European security also poses profound risks.

Geopolitical tensions rank as the top risk identified by respondents, underscoring the urgent need for the Netherlands to navigate these challenges effectively. The instability in global relations not only impacts investment decisions but also creates uncertainty in economic forecasts, making it imperative for the Netherlands to strengthen its strategic positioning within Europe.

Underinvestment threatens the Netherlands’ economic backbone

Chronic underinvestment is emerging as a systemic threat to the economic resilience of the Netherlands. Key challenges include our civil and digital infrastructure, congested energy grids, and environmental bottlenecks such as nitrogen emissions and climate adaptation. Legal hurdles and planning delays exacerbate these issues, with projects often stalled by regulatory uncertainty, particularly in spatial planning, environmental law, and energy.

Respondents have underscored that risks such as grid congestion and nitrogen limitations are significant concerns, indicating that without adequate investment in infrastructure and resources, the Netherlands may struggle to maintain its competitive edge in the face of geopolitical challenges. This concern highlights that the lack of investment in critical areas could hinder the country’s ability to attract foreign capital and sustain economic growth.



Innovation and access to capital

Despite its reputation as a knowledge economy, Dutch spending on research and development (R&D) has decreased. In 2023, R&D investment stood at just 2.08% of GDP, which is 6 basis points lower than a decade earlier and also below the EU average of 2.22%. This lags behind innovation leaders like South Korea (4.85%), the United States (3.59%), Sweden (3.57%), Japan (3.41%), Belgium (3.32%), and Austria (3.29%).<sup>13</sup>

Globally, the proportion of early-stage funding going to Europe is woefully low. Just 5% of the global share of venture capital is

raised in the EU, compared to 52% in the United States and 40% in China.<sup>14</sup> This reflects a structural bias towards liquidity and low risk appetite. As a result, Dutch businesses often struggle to secure the funding needed to scale up and grow once they reached a certain stage. In response, many secure funding from outside the EU. The lack of capital and slow pace of innovation are critical risks identified by respondents, as they hamper the ability of Dutch companies to compete effectively on a global scale.

Point of view

The Netherlands must rethink its vision and funding for the future



**PETRI HOFSTÉ**  
*Member of the supervisory board of Royal Friesland Campina, ING and Pon Holdings, as well as chairwoman of Stichting Nyenrode, Vereniging Hendrick de Keyser and Stichting Capital Amsterdam*

“The open economy of the Netherlands is a long-standing key location for foreign investments. Our country has historically been attractive due to its excellent infrastructure, including accessibility, high-quality education and research, energy availability, and pleasant living environment.

However, the Netherlands has lost ground in recent years. There is a pressing need for investment in innovation, education and research, infrastructure, and resilience to strengthen and enhance its competitiveness.

Access to capital is a critical theme. Despite various funding sources, entrepreneurs often struggle to navigate the path to attracting (risk) capital, especially scale-up companies. The availability of capital needs to be improved. Enhancing access to financing is crucial for business growth and innovation. We require more initiatives to support entrepreneurs in finding the right funding options and therefore support innovation and sustainable growth.

Furthermore, the Netherlands must make clear choices about its strategic sectors. By focusing on areas like food, biotechnology, transport, sustainable energy and semi-conductors, we can strengthen our competitive position and attract foreign investment. With focus, public-private cooperation and clear choices, the Netherlands can enhance its standing in the global market.”

13 R&D Expenditure, Eurostat website, dated December 2024 <https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=551418#:~:text=In%202023%2C%20the%20EU%20spent%20%E2%82%AC381%20billion%20on,2.22%25%20in%202023%2C%20compared%20with%202.08%25%20in%202013>  
14 EU Startup and Scaleup Strategy, European Commission website, dated 28 May 2025 [https://research-and-innovation.ec.europa.eu/strategy/strategy-research-and-innovation/jobs-and-economy/eu-startup-and-scaleup-strategy\\_en](https://research-and-innovation.ec.europa.eu/strategy/strategy-research-and-innovation/jobs-and-economy/eu-startup-and-scaleup-strategy_en)

Tight labor market

The Netherlands is experiencing a tight and increasingly strained labor market, with the unemployment rate projected to be 3.9% in 2025.<sup>15</sup> Labor productivity in the country, although still above the EU average, has dropped from 6th to 10th place in the global rankings over the past decade.<sup>16</sup>

Respondents consider the current tight labor market a significant risk, highlighting the need for increased investments in the knowledge economy and improved measures to attract foreign talent. Taking into consideration

our aging population addressing these issues is essential to prevent a further deterioration of the situation. Investments in infrastructure and sustainable growth in the Netherlands necessitate a more flexible labor market and optimized labor productivity. By fostering a more adaptable workforce and enhancing productivity, the Netherlands can strengthen its competitive position in the global market.

Point of view

Lack of urgency is undermining Dutch competitiveness



**ROBERT JAN VAN DE KRAATS**  
*Member/chair of various (supervisory) boards including Ahold and former CFO of Randstad*

“I observe a creeping deterioration of the investment climate, largely due to a lack of urgency among both politicians and the public and a shrinking entrepreneurial space. We need to recognize that political instability, declining effectiveness and trust in governments and reduced availability of advanced

financial institutions are not good for retaining and attracting businesses in/to the Netherlands. Over many decades this has been our strength and this strength is reducing rapidly now. Furthermore, if you like it or not, the world competes through fiscal policies. Recent treatment of expats in our wealth tax (box3) can lead to double taxation and is discouraging international companies and hindering talent development and succession. If we continue down this path, we risk losing our competitive edge in the global investment landscape. Addressing these challenges is essential for a vibrant future.

In terms of our labor market, we have a clear opportunity as we are underutilizing our labor potential. Many individuals remain sidelined, receiving unemployment benefits or pensions, who could be partially employed, while companies hire foreign workers for lower education labor intensive roles. Although I appreciate the protection of workers, there is room for improvement in participation and flexibility. There is substantial demand for people in sectors such as logistics, retail, catering, warehousing, health- and other types of care work. Next to training and education this could be supported through lower taxes for longer working hours (or continued working after the formal retirement age) and higher taxes for parttime work and/or lower allowances from the government, motivating less parttime and more full time work. Where we have real scarcity we should want to educate and hire foreign talent to ensure our competitive edge in the world.”

15 Economic forecast for the Netherlands, European Commission website, dated 19 May 2025 [https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/netherlands/economic-forecast-netherlands\\_en](https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/netherlands/economic-forecast-netherlands_en)  
16 Labor Productivity, Dutch Ministry of Economic Affairs website, accessed 28 May 2025 <https://www.bedrijvenbeleidinbeeld.nl/kernindicatoren/arbeidsproductiviteit>

Point of view

Boosting the Netherlands' investment climate through tax appeal



MAX VELTHOVEN  
Partner International Tax and  
Transactions Services at EY NL

“As this study reveals, rising costs of doing business are a significant concern for attracting investment to the Netherlands. Political and economic uncertainty further complicates the investment landscape, making it essential for the country to focus on tax predictability and certainty. There is a consensus among respondents that Europe should lower corporate tax rates and offer more targeted tax incentives to improve its attractiveness.

Taxes are a major component of business costs in the Netherlands, with corporate income tax receipts doubling from 2018 to 2023. While recent efforts to harmonize corporate taxes across Europe have strengthened tax bases, they have also introduced challenges related to tax certainty and predictability. Furthermore, this restricts the ability of the Netherlands to provide targeted tax incentives that could attract investment.

As corporate income tax receipts remain a vital source of revenue for European budgets, the Netherlands must ensure that its tax policies do not create unnecessary barriers to investment. Prioritizing tax certainty and predictability can transform taxation from a challenge into an opportunity, ultimately enhancing the country's investment appeal.”

Political instability and unpredictable regulation

The current political landscape in the Netherlands, characterized by a demissionary cabinet, has led to inconsistent policies that have resulted, among other things, in delays in addressing nitrogen constraints and the phasing out of the National Growth Fund (Nationaal Groeifonds). This unpredictability creates uncertainty for businesses and investors. There are concerns that new legislation, particularly that required to boost the energy transition, is being delayed. Respondents identified political instability as a significant risk, underscoring that this instability can hinder the country's ability to attract FDI.

Recent changes to Dutch tax policy have further eroded business confidence. Adjustments to tax exemptions and incentives have added complexity to an already uncertain investment landscape. For many firms, the unpredictability surrounding future tax burdens is proving to be a significant deterrent. Investors typically value fiscal stability as much as favorable rates; tax predictability does not impose a fiscal cost to governments but can yield substantial long-term investment benefits. Without a consistent and transparent tax regime, the Netherlands risks turning taxation into a barrier rather than a tool for attracting growth.

Concerns from industry leaders

A prominent example of the challenges facing the Netherlands is the case of ASML, the leading Dutch semiconductor company and a global pioneer in lithography systems. ASML has expressed growing concerns about the deteriorating business climate in the country.<sup>17</sup>

In response to these challenges, the Dutch government launched Operation Beethoven in 2024. This €2.5 billion initiative aims to upgrade infrastructure, invest in talent, and enhance the country's appeal to high-tech industries.<sup>18</sup> Although ASML has not yet moved operations abroad, the warning signs are clear: top-tier companies are reassessing their long-term commitment to the Netherlands.

17 Dutch Economy Update: ASML expands while business climate pessimism and bankruptcies increase, Rabobank website, dated 8 May 2024 <https://www.rabobank.com/knowledge/s011425869-dutch-economy-update-asml-expands-while-business-climate-pessimism-and-bankruptcies-increase>  
18 The Netherlands to invest €2.5 billion to strengthen business climate for chip industry in Brainport Eindhoven, The Government of the Netherlands website, dated 28 March 2024 <https://www.government.nl/latest/news/2024/03/28/the-netherlands-to-invest-%E2%82%AC2.5-billion-to-strengthen-business-climate-for-chip-industry-in-brainport-eindhoven>

The shift to Central, Eastern and Southern Europe

Notably, Central, Eastern and Southern Europe have become preferred destinations for redirected FDI. These regions benefit from available land, well-developed infrastructure, and lower operational costs, making them attractive alternatives for investors. In 2023, the average gross monthly earnings for a single individual in the Netherlands stood at €5,190, compared to €3,417 in the EU27, resulting in a wage gap of 51.9%. Since 2018, gross average earnings in the Netherlands have risen by 20.7%, slightly outpacing the EU27's 19.8% growth.<sup>19</sup>

Meanwhile, Central, Eastern and Southern European countries have the lowest median gross hourly earnings in Europe, enhancing their attractiveness for FDI. This trend is evident as scaled-back or canceled investments are frequently redirected to these countries.

Positive indicators and opportunities

Despite facing various challenges, there are encouraging signs for the Netherlands. The post-pandemic recovery has improved consumer purchasing power, boosting confidence and potentially supporting investment and growth.<sup>20</sup> Efforts to simplify the tax system are also in progress, aimed at reducing regulatory burdens on businesses and enhancing the Netherlands' appeal to both domestic and foreign investors.

To maintain and enhance its competitiveness, the Netherlands must leverage its strengths and make strategic decisions that promote an innovative and sustainable future. By utilizing its fiscal capacity and robust financial and legal system, the country can implement forward-thinking strategies that not only address current challenges but also capitalize on future opportunities.

19 Labour Market Information: the Netherlands, European Union website, dated 24 February 2025 [https://eures.europa.eu/living-and-working/labour-market-information-europe/labour-market-information-netherlands\\_en](https://eures.europa.eu/living-and-working/labour-market-information-europe/labour-market-information-netherlands_en)  
20 Projections February 2024 (CEP 2024), CPB Netherlands Bureau for Economic Policy Analysis website, dated 22 February 2024 <https://www.cpb.nl/en/projections-february-2024-cep-2024>

Point of view

The energy transition as a double-edged sword



FRISO VERVELD  
Associate Partner and Renewable Energy Lead NL  
at EY-Parthenon

“The Dutch business climate is significantly influenced by the energy transition, which presents substantial opportunities through investments aimed at achieving carbon neutrality by 2050. Key growth areas include offshore wind, green hydrogen, battery storage, and industrial electrification, allowing investors to benefit from incentive schemes and innovative developments.

However, this transition also introduces risks. Grid congestion resulting from high renewable energy penetration leads to long wait times for grid access, hindering business development. Energy security is further challenged by the variability of renewable sources and fluctuating energy costs, which are generally higher than in neighboring countries. Nuclear energy is on the agenda to add emission-free baseload capacity into the mix, but high costs and limited flexibility are limiting factors of the technology. Energy-intensive industries are particularly vulnerable to the challenges of high energy cost, while cleantech companies see significant growth opportunities relating to investments in energy transition.

To mitigate these risks, the Netherlands should prioritize grid expansion and modernization, streamline permitting processes, and establish clear policies for grid access and pricing. By taking these steps, the Netherlands can enhance its attractiveness as a business location and position itself as a global leader in energy transition solutions.”



A woman with curly hair and glasses is working on a drone in a laboratory setting. She is wearing a grey cable-knit sweater and is focused on adjusting a component on the drone's frame. The drone is black with red accents and is suspended in the air. In the background, there are computer monitors and other lab equipment. The overall scene is dimly lit, with the primary light source coming from the monitors and the woman's work area.

# 04

**Future  
investments**



Making tough choices for a strategic shift

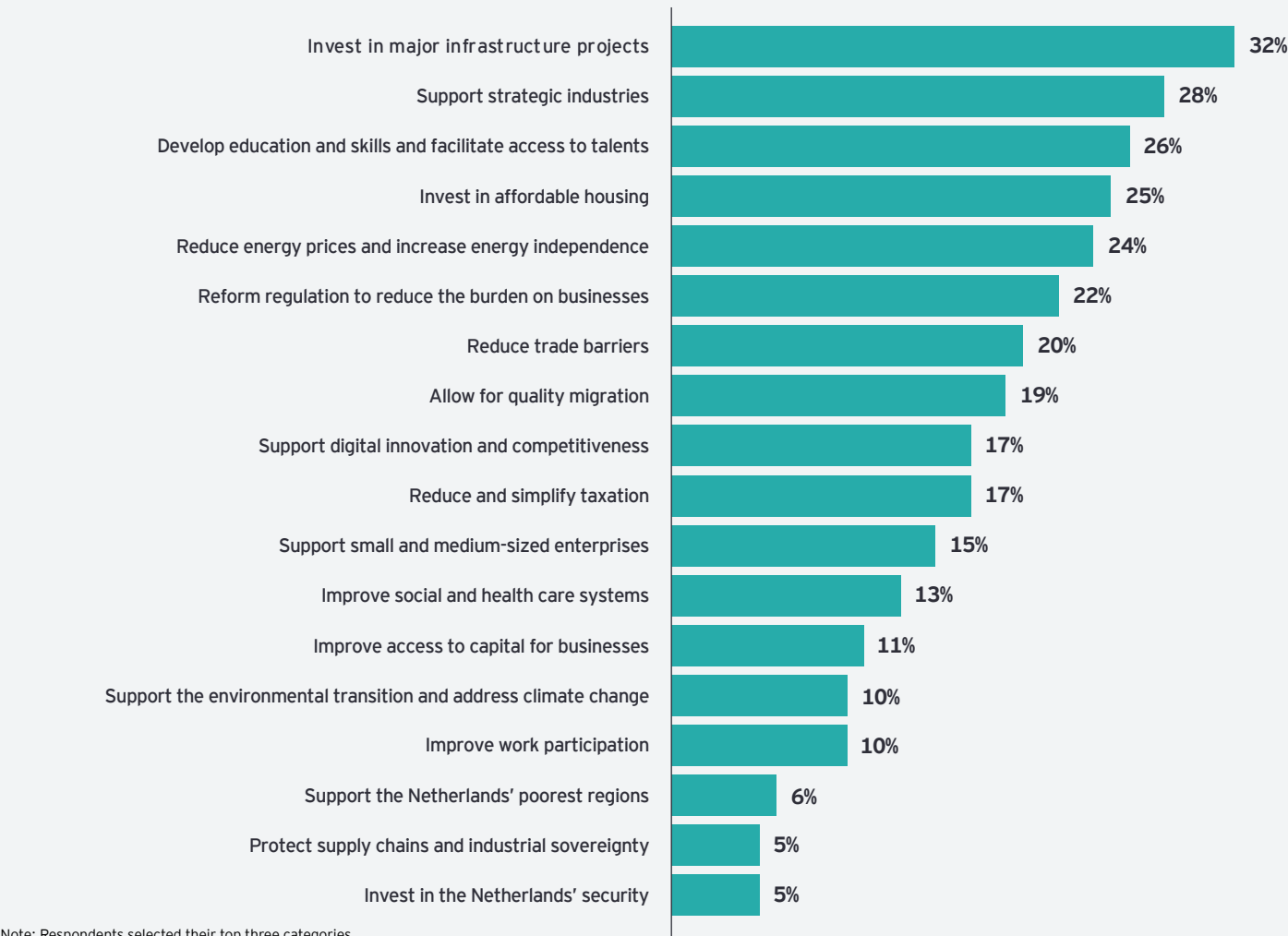
To enhance the Netherlands’ attractiveness for FDI, strategic investments in key areas are essential to support sustainable economic growth. This includes large-scale infrastructure projects, targeted support for strategic industries such as defense and technology, and improvements in education and workforce skills. These investments are crucial for building a strong and future-proof foundation.

At the same time, addressing pressing issues such as the shortage of affordable housing and high energy costs is critical. By focusing on long-term goals and strengthening

strategic industries, the Netherlands can boost its global competitiveness and reinforce its position as a leading player on the world stage.

There is also a clear call for policy reform. Respondents highlight the need for streamlined regulations, fewer trade barriers, and simplified tax laws to ease the burden on businesses. Implementing these reforms will help foster a more investment-friendly environment. In addition, facilitating migration where our country needs it the most can further enhance the Netherlands’ appeal as a destination for FDI.

Respondents would like to see the following issues addressed by the Netherlands to increase its attractiveness



Note: Respondents selected their top three categories

Source: EY Europe Attractiveness Survey Netherlands 2025

Invest in infrastructure, housing and major transitions

To secure its future, the Netherlands must take decisive action in response to current geopolitical, economic, and societal challenges. There is growing consensus that substantial investments are urgently needed in civil and digital infrastructure, housing, and major transitions in defense, safety, climate, energy, and agriculture.

Germany’s recent decision to lift its debt brake exemplifies the importance of strategic investment. This move will allocate €500 billion over the next decade to modernize neglected infrastructure, including €100 billion dedicated to climate initiatives.<sup>21</sup>

A Dutch public investment bank could serve as a vital policy instrument to drive strategic investment. By integrating existing investment funds into a cohesive financial entity and significantly scaling it up, a Dutch public investment bank could operate independently of the annual national budget. This could provide a structural solution for enhancing both public and private investment in the Netherlands.

Support strategic industries

To ensure the long-term competitiveness of the Netherlands, it is essential to support strategic industries that will shape the future. Given the limited availability of land, labor shortages, relatively high labor costs, and a highly educated workforce within Europe, the Netherlands should concentrate on sectors with the highest added value, such as semiconductors, agri and food science, biotechnology, medtech, advanced materials, climate technology, artificial intelligence, quantum technology, fintech and security. This focus necessitates difficult choices in spatial planning, talent development, and capital allocation.

To fully unlock the potential of our strategic industries, we can build on our regional hubs to enhance and capitalize on ecosystems where innovation thrives. By fostering sustained collaboration between universities, industry, and government—the core of the triple helix model—we can strengthen the country’s capacity to translate research into economic and societal value.

<sup>21</sup> Germany’s Merz secures breakthrough on gargantuan spending plan, Politico website, dated 14 March 2025 <https://www.politico.eu/article/germanys-merz-secures-breakthrough-on-historic-spending-plan/>

Point of view

Dutch public investment bank as a solution for strategic investments



JEROEN KREMERS  
Chairman of the Advisory Board of the ACM and one of the initiators of the Dutch public Investment Bank

“The establishment of a Dutch National Investment Bank is not just a proposal; it is a necessity for improving capital availability in the Netherlands in a range of fields. In the face of current geopolitical and economic challenges, we find ourselves at a crossroads where significant investments are essential for transitions in defense, climate, digitalization, and infrastructure. Unlike many other countries, we lack a cohesive public investment institution of adequate scale and professionalism, which severely limits our ability to mobilize the necessary funding. A national investment bank is essential because the Dutch government is missing an important policy instrument.

This bank must operate independently of political influences while remaining aligned with national interests, serving as a dedicated financial entity for the country. To be effective, we must ensure that the bank possesses sufficient expertise, professional management, and robust capital. The fragmented landscape of departmental funds is inefficient and costly, often leading to a reliance on ad hoc subsidies rather than strategic investments. By creating a national investment bank, we can streamline funding processes, enhance access to European resources, and foster innovation and infrastructure development, ultimately securing a prosperous future for the Netherlands.”



Reduce energy prices and increase energy independence

Businesses rank reducing energy prices and increasing energy independence as top initiatives for Europe to maintain its competitive position in the global economy. High energy costs continue to deter investors. Electricity prices in Europe remain 2.5 times higher than in the United States, with natural gas prices nearly five times higher.<sup>22</sup> By reducing energy costs, Europe can create a more favorable environment for industrial growth and global investment. The continent is already taking action.

As part of the EU Clean Industrial Deal, the European Commission has launched the Action Plan for Affordable Energy. This plan aims to avoid cost increases of up to €103 billion by 2040 through initiatives such as integrating the energy market, expanding electricity grids, reducing permitting times for certain energy infrastructure, and collective purchasing of liquefied natural gas (LNG).<sup>23</sup>

In the Netherlands, the Ministry of Climate and Green Growth presented measures focused on affordable and available energy.<sup>24</sup> However, the recent changes in the political situation have increased concerns about the pace of the energy transition. The expansion of the energy grid is considered a key priority by business leaders and should be facilitated through expedited legislation, permit granting and spatial planning decisions.

Foster and attract top talent; allow quality migration

The Netherlands is facing an aging population, resulting in a decreasing workforce. We are already experiencing the economic and societal consequences of labor market shortages in sectors such as healthcare, public services, hospitality, and retail.<sup>25</sup> The Netherlands’ attractiveness for FDI could be significantly enhanced by ensuring sufficient and suitable talent.

Point of view

The Netherlands’ AI opportunity as a digital gateway



ANNA VAN DEN BREEMER-KLEENE  
Partner AI en Emerging Tech EY NL

“The Netherlands has long distinguished itself as a strategic gateway to Europe, excellent digital infrastructure forming one of the foundations of its economic prosperity. However, in the age of Artificial Intelligence (AI), this traditional foundation is no longer sufficient. AI is evolving from a technological novelty into an essential infrastructure layer, comparable to electricity or the internet. Countries that navigate this transition successfully will set the economic standards of the future.

The Netherlands faces a paradox: while politicians discuss digital sovereignty, companies struggle with bureaucracy and fiscal obstacles that deter talent and investment. True digital sovereignty requires modern legislation that fosters innovation, fiscal policies that attract talent, and an investment climate where AI startups can thrive. Competing countries are investing heavily in their tech ecosystems, offering attractive programs for digital entrepreneurs and competitive tax rates.

AI is a general-purpose technology that will transform all economic sectors, from precision agriculture to logistics optimization. The Netherlands has unique assets—its geographical location, strong universities, and stable rule of law—positioning it to lead in sustainable AI development. Urgent action is needed to ensure we do not fall behind in the global race for technological sovereignty.”

Measures to be taken include upskilling and reskilling the workforce, leveraging AI, implementing policies that reward labor participation, and attracting and retaining international talent through migration where the economy needs it most, ensuring that expertise in critical sectors is readily available.

The EU launched its Union of Skills, focusing on education, reskilling, improvement of science, technology, engineering and mathematics (STEM) skills, encouraging the free movement of labor, and attracting talent from outside the EU.<sup>26</sup> The Union of Skills targets to invest in the skills of its people to respond to new challenges and stay competitive.

Simplify and ensure consistent regulation

The Competitiveness Compass, the EU’s five-year plan to enhance competitiveness, aims to reduce reporting burdens by 25% for all companies and 35% for SMEs.<sup>27</sup> The rising importance of issues such as geopolitics and trade tariffs has also diminished the relative significance of regulation as a factor affecting Europe’s attractiveness. However, there is always room for improvement to provide greater stability and continuity.

At the end of February 2025, the European Commission presented the Omnibus 1 and Omnibus 2 packages, which simplify sustainability directives stemming from the Green Deal, such as the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), and the EU Taxonomy, thereby significantly reducing reporting requirements.

While the European Commission has ruled out fundamental reform of the EU AI Act, it has proposed plans to simplify its implementation.

To enhance competitiveness, policymakers must streamline regulations, reduce bureaucratic hurdles, and ensure that new policies are implemented in a manner that supports business growth and innovation. This approach will not only improve the investment climate but also position Europe as a more attractive

destination for global investors. As part of these efforts, policy-makers should further explore the so called “28th Regime”, a proposal allowing businesses in the 27 EU Member States to opt into a separate harmonized regulatory regime covering corporate, insolvency, labor, and tax law.<sup>28</sup> Instead of prioritizing short-term issues such as purchasing power, Dutch tax policies should be cohesive and aimed towards realizing long-term goals.<sup>29</sup>

Reinforce resilience

There is growing recognition that government intervention and collaboration with businesses are necessary to protect critical industries and reduce dependency on other countries for imports of certain goods and components. For example, the supply of critical raw materials used in strategically important industries such as clean energy comes from a very small number of providers, exposing European businesses to price volatility and shortages. Europe needs its own version of China’s Belt and Road Initiative or the US Inflation Reduction Act to shore up supply of important inputs.<sup>30</sup>

The Netherlands must also promote industries that spur innovation, create future employment, and enhance exports, helping the continent meet its defense, digital, and sustainability objectives. These sectors include clean energy, semiconductors, and AI.

As AI becomes an increasingly important driver of economic growth, the Netherlands will need to protect businesses’ ability to deploy the technology into their operations. It will need to implement digital sovereignty initiatives together with Europe that ensure access to semiconductors and the materials needed in their manufacture, network infrastructure, and data used to train complex AI models.<sup>31</sup>

In this context, in December 2024, the Dutch government announced plans to extend its Investment Screening Act (“Wet Vifo”) to include strategic technologies such as AI and biotech, empowering regulators to block foreign acquisitions on national security grounds.<sup>32</sup>

22 How enduring high energy prices could affect jobs, European Central Bank website, dated 05 May 2025 [https://www.ecb.europa.eu/press/blog/date/2025/html/ecb\\_blog20250505-86c88d726c.en.html](https://www.ecb.europa.eu/press/blog/date/2025/html/ecb_blog20250505-86c88d726c.en.html)  
23 Action Plan for Affordable Energy, Unlocking the true value of our Energy Union to secure affordable, efficient and clean energy for all Europeans, Communication from The Commission to the European Parliament, The Council, The European Economic And Social Committee And The Committee Of The Regions, dated 26 February 2025 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025DC0079&id=1741780110418>  
24 Kamerbrief Pakket voor Groene Groei voor een weerbaar energiesysteem en een toekomstbestendige industrie, Government of the Netherlands website, dated 25 April 2025. <https://www.rijksoverheid.nl/documenten/kamerstukken/2025/04/25/kamerbrief-pakket-voor-groene-groei-voor-een-weerbaar-energiesysteem-en-een-toekomstbestendige-industrie>  
25 Gematigde groei - Rapport van de Staatscommissie Demografische Ontwikkelingen 2050, Government of the Netherlands website, dated 15 January 2024 <https://www.rijksoverheid.nl/documenten/rapporten/2024/01/15/gematigde-groei-rapport-van-de-staatscommissie-demografische-ontwikkelingen-2050>

26 Union of skills Investing in people for a competitive European Union, The European Commission website, dated 5 March 2025, accessed 01 June 2025 [https://commission.europa.eu/topics/eu-competitiveness/union-skills\\_en](https://commission.europa.eu/topics/eu-competitiveness/union-skills_en)  
27 Competitiveness Compass, European Commission website, dated 29 January 2025, accessed 09 June 2025 [https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass\\_en](https://commission.europa.eu/topics/eu-competitiveness/competitiveness-compass_en)  
28 EU Commission opens door for ‘targeted changes’ to AI Act, Politico website, dated 13 May 2025, accessed 01 June 2025 <https://www.politico.eu/article/gpai-code-of-practice-to-come-in-weeks-ai-office-says/>  
29 Kingdom of the Netherlands-The Netherlands: Staff Concluding Statement of the 2025 Article IV Mission, IMF website dated 20 May 2025 <https://www.imf.org/en/News/Articles/2025/05/19/mcs-05192025-kingdom-of-the-netherlands-staff-concluding-statement-of-2025-art-iv-mission>

30 The future of European competitiveness, European Commission website, dated September 2024. [https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961\\_en?filename=The%20future%20of%20European%20competitiveness%20-%20A%20competitiveness%20strategy%20for%20Europe.pdf](https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961_en?filename=The%20future%20of%20European%20competitiveness%20-%20A%20competitiveness%20strategy%20for%20Europe.pdf)  
31 The 2025 Geostrategic Outlook - Top 10 geopolitical developments for 2025, EY website, dated 12 December 2024 [https://www.ey.com/en\\_gl/insights/geostrategy/2025-geostrategic-outlook](https://www.ey.com/en_gl/insights/geostrategy/2025-geostrategic-outlook)  
32 Kabinet breidt bescherming kennisintensief bedrijfsleven uit, The Government of the Netherlands website, dated 19 December 2024 <https://www.rijksoverheid.nl/actueel/nieuws/2024/12/19/het-kabinet-breidt-bescherming-kennisintensief-bedrijfsleven-uit>

Point of view

Geopolitical volatility as a unique opportunity



LIEKE VERSTEGEN  
Client Service Partner in the Defense sector  
at EY NL

“Today’s geopolitical volatility is not only a major risk, but also a unique opportunity. The resilience of the Netherlands –and Europe as a whole–has become a top priority. Rebuilding and strengthening our defense capabilities is essential to safeguard European sovereignty and creates momentum for growth in the defense and dual-use industries.

Resilience goes beyond military readiness. It requires our society and economy to be prepared for disruption. The Dutch model has long been built on efficiency and “just-in-time” supply chains. However, in this new era, embracing redundancy is crucial. Increasing strategic stockpiles and investing in secure, resilient infrastructure are also essential.

This shift demands public-private cooperation and a long-term vision. For the Netherlands to remain a trusted international partner, resilience needs to be applied to the investment climate as well. Supporting timely and abundant innovation, while ensuring investments are made with a long-term perspective, will make the Netherlands more resilient for today and the future.”

Foster innovation and provide more venture capital

While Europe’s banking sector is highly mature, its capital markets are significantly smaller than those in the United States. The shortage of venture capital within the EU is considered a major limiting factor for innovation. Closing the innovation gap is one of the three pillars of EU Competitiveness Compass. The Compass outlines a broad Start up and Scale up Strategy, promotes new applications of AI in production, services, and the public sector, proposes ‘AI Gigafactories’ for Europe-wide computing power and training of AI models.<sup>32</sup> Initiatives have been taken to realize an AI factory as well as an AI Gigafactory in the Netherlands.

In the Netherlands circa €600 billion is held on private saving accounts<sup>33</sup> and more than €1,600 billion on pension accounts.<sup>34</sup> A well-considered fiscal treatment of private investments, compared to private savings and investment opportunities in the Netherlands could help unlock funding potential in the Netherlands to help realizing strategic investments.

Sustain Green leadership

Europe is a sustainability leader with some of the most ambitious targets globally for reducing greenhouse gas (GHG) emissions, protecting biodiversity and implementing sustainable agriculture. It has the highest offshore wind-generation capacity globally and generates roughly half of its electricity from renewable sources.<sup>35</sup> The EU also offers significant grants through a wide range of programs that support more sustainable business models. Europe’s commitment to sustainability stands in stark contrast to the retrenchment in many other regions. For example, the new United States administration has pulled out of the Paris Agreement on climate change and plans to cut clean energy tax credits.

Europe’s green leadership position provides ample opportunity to build on and to improve competitive positioning through a focus on green innovation. In the Netherlands, European policy has been implemented in the ‘Maatwerkaanpak Industrie’.

32 Commission launches ambitious Strategy to make Europe a startup and scaleup powerhouse, European Commission website, dated 28 May 2025 [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_25\\_1350](https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1350)  
33 Nederlandse huishoudens sparen maar door: ruim € 600 miljard op de bankrekening, De Nederlandsche Bank website, dated 30 January 2025 <https://www.dnb.nl/algemeen-nieuws/statistiek/2025/nederlandse-huishoudens-sparen-maar-door-ruim-600-miljard-op-de-bankrekening/#:~:text=Ne>  
34 Groei belegd vermogen pensioenfondsen door koerswinsten op aandelen, De Nederlandsche Bank website, dated 4 July 2024 <https://www.dnb.nl/algemeen-nieuws/statistiek/2024/groei-belegd-vermogen-pensioenfondsen-door-koerswinsten-op-aandelen/#:~:text=Groei%20belegd%20vermogen%20pensioenfondsen%20door%20koerswinsten%20op%20aandelen,-Lees%20voor&text=Pensioenfondsen%20boekten%20dankzij%20de%20wereldwijd,macro%20Deconomische%20cijfers%20van%20DNB>  
35 Electricity from renewable sources reaches 47% in 2024, Eurostat website, dated 19 March 2025 <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250319-1>

Under Dutch policy, the top 15 industrial emitters are invited to make tailor-made agreements with the government to establish binding agreements for additional CO2 reduction, while addressing coordination issues and offering tailored financial support. This will trigger investment and accelerate sustainability efforts where it matters most.

Dutch leadership

While the Netherlands possesses many strengths—such as its strategic position in Europe, open economy, high-quality education, and elevated standard of living—complacency is not an option. To sustain and enhance our prosperity, the country must confront deep structural challenges head-on. This requires not only strategic investments but also forward-thinking policies that address the pressing issues of our time.

Making clear choices in spatial planning and investing in critical areas such as energy, digital and civil infrastructure, and housing is essential. Challenges like nitrogen management, housing shortages, and grid congestion must be tackled decisively to ensure a sustainable future. At the same time, fostering innovation and supporting high-value sectors will be vital to driving long-term economic growth.

Leadership must be willing to make bold decisions in the face of uncertainty, as our readiness for the future depends on proactively shaping the conditions for tomorrow’s success. This includes enhancing access to opportunity and creating an environment that nurtures entrepreneurship and innovation.

We must also ensure we have sufficient and appropriate talent. This includes upskilling and reskilling the workforce, leveraging artificial intelligence, implementing policies that promote labor participation, and attracting international talent where our economy needs it most. At the same time, we must provide the conditions that encourage talent to stay: affordable housing, access to opportunity, excellent education, and a culture of innovation.

Through strategic investment and broad collaboration, the Netherlands can build a resilient economy that supports widespread prosperity. The focus should be on long-term planning and proactive measures to keep the country competitive and prepared for future challenges. Together, we can lay a strong foundation for a prosperous and sustainable future.

Point of view

Sustainable innovation as a driver for long-term value creation



ANKE LAAN  
Lead Partner Climate Change & Sustainability Services  
at EY NL

“Many Dutch listed companies are important frontrunners in sustainability across Europe. Their enhanced focus on long-term value creation is driven through sustainable innovation initiatives and operational excellence. This goes beyond the energy transition and touches also upon other sustainability matters, such as the circular economy, water and waste management, and value chain due diligence/ supplier collaborations.

Over the past years, Europe has utilized regulation as a key driver to support sustainable business behavior. We must not forget that reporting is a measure to drive behavior, not its ultimate purpose. Only when strategic priorities and existing risk management practices are aligned with reporting initiatives can a foundation be established for strategic decision-making and seizing opportunities for sustainability performance improvement.

The new insights that emerge help leaders identify opportunities for operational efficiency, cost reduction, and green innovation. In the long term, this enables them to rethink and reshape their current business models and explore new markets to drive resilience. This is how their green leadership position provides ample opportunity to build on and improve our competitive position through sustainable innovation.”



# 05

## Methodology



The EY Netherlands Attractiveness Survey draws on three main sources

1. The EY European Investment Monitor

Our evaluation of FDI in Europe is based on the EY European Investment Monitor (EIM). This EY proprietary database helps us track projects announced in 2024 across 45 countries. The database records the FDI projects that have resulted in the creation or expansion of facilities and jobs.

The EY EIM database focuses on investment announcements, the number of new jobs created, and, where identifiable, the associated capital investment. Projects are identified through daily monitoring of more than 10,000 news sources. The EY EIM database reflects the reality of investment in manufacturing and services by foreign companies across the continent.

The following categories of investment projects are excluded from the EY EIM: mergers and acquisitions (M&A) and joint ventures (unless these result in new facilities or new jobs being created); license agreements; retail and leisure facilities, hotels, and real estate; utilities; extraction activities; portfolio investments (pensions, insurance, and financial funds); factory and other production replacement investments; and nonprofit organizations.

2. The perception survey

This study examined the Netherlands’ perceived attractiveness via an anonymous online survey of international decision-makers. We define attractiveness of a location as a combination of image, investor confidence, and the perception of a category’s or area’s ability to provide the most competitive benefits for FDI.

Field research was conducted by FT Longitude between April 28 and May 16, 2025, based on a representative panel of 200 senior corporate executives (C-suite or C-1 roles). Only individuals who are involved in or in charge of their organization’s decisions about establishing or expanding operations were included in the survey. The survey panel’s demographics were based on the most recently available FDI data (2023).

The survey aimed to cover a representative sample of investors into Europe by geography, industry grouping and company size. 52% of respondents work for companies headquartered in Europe, and 48% for companies headquartered elsewhere. Respondent companies operate across six broad sector categories and were distributed across a full spectrum of company size (by turnover).

3. Qualitative insights from experts

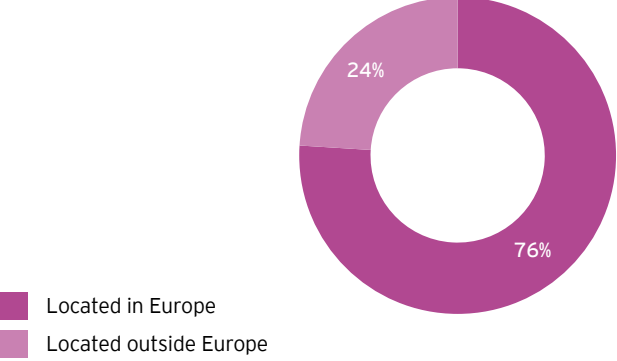
In addition to the quantitative survey, in-depth qualitative interviews were conducted to enrich the findings and provide broader strategic context. The interviewees included supervisory board members and (former) senior officials from government bodies. Their perspectives offered valuable insights into factors influencing the Netherlands’ investment climate.

The Netherlands Attractiveness Survey 2025 panel

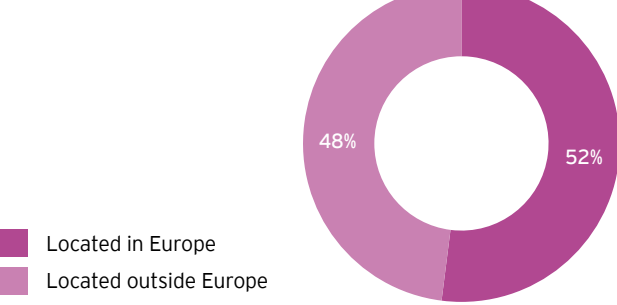
Field research was conducted for the EY organization by FT Longitude between April 28 and May 16 2025, based on a

representative panel of 200 respondents. The survey aimed to cover a representative sample of investors into Europe, by geography, industry grouping and size of company.

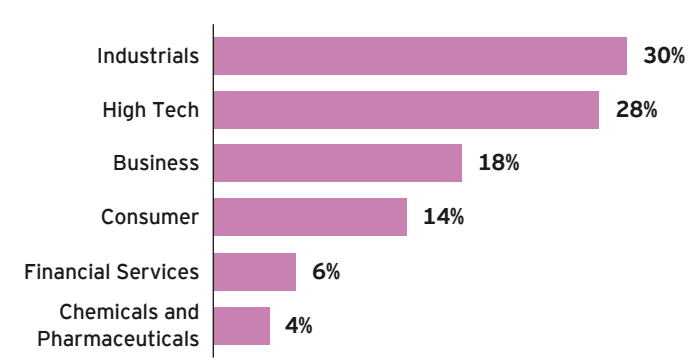
Respondent location



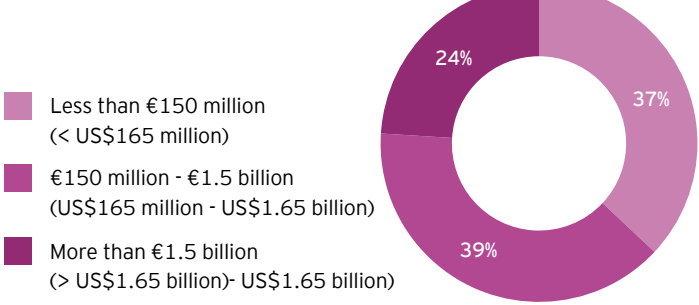
Company HQ location



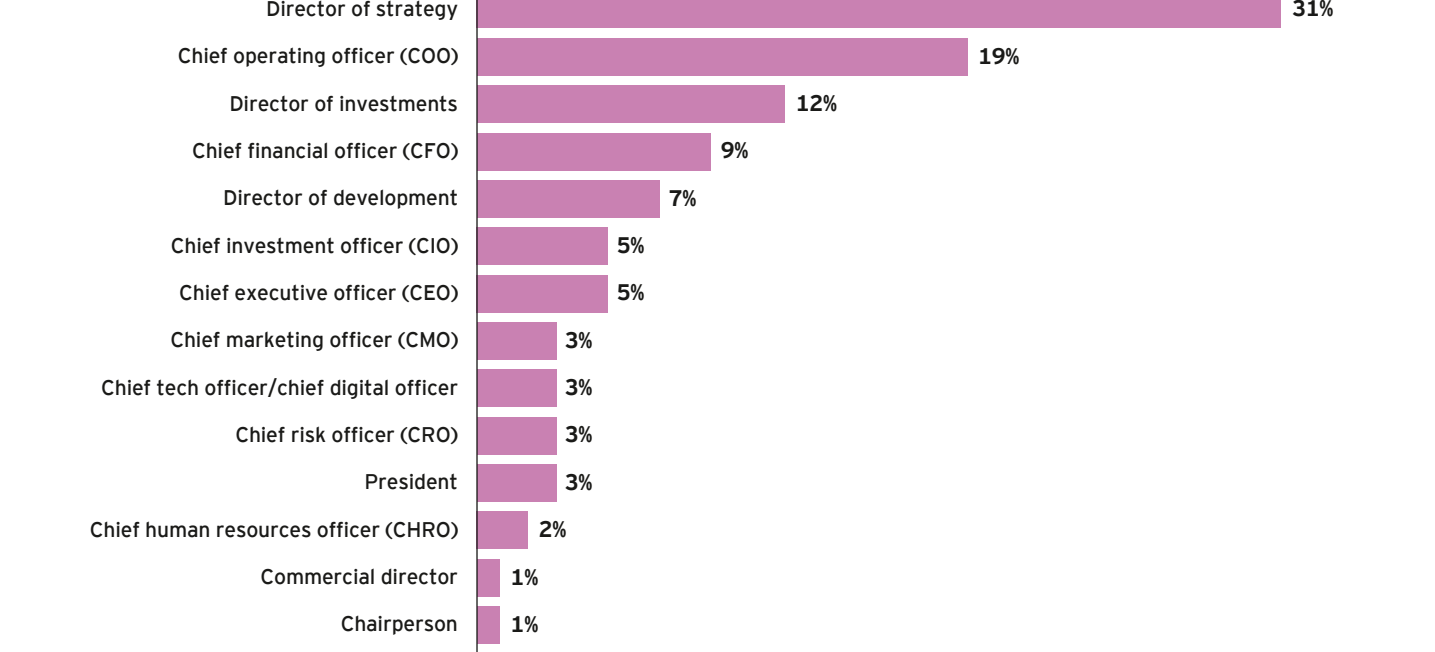
Primary sector of activity



Company size (turnover)



Job title





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