



## Market Spotlight - Netherlands

Please note that details, including named contacts, of all companies/organisations mentioned in this article are included on the accompanying Netherlands Key Construction Contacts database. The database contains over 150 entries (most with named contacts) including 100 architectural practices, plus contractors, merchants, engineers, trade shows, journals and trade associations. Subscribers can obtain it in MS Excel format from the website, on the Downloads tab.



### Key Facts

<b>Official Name:</b>	Kingdom of the Netherlands
<b>Population:</b>	16.7 million
<b>Main cities:</b>	Amsterdam (capital), Rotterdam, Utrecht, The Hague
<b>Language(s):</b>	Dutch & Frisian (English, German and French widely spoken)
<b>Currency:</b>	Euro (EUR)
<b>Local time:</b>	GMT +1
<b>International dialling code:</b>	+31

### Country Profile

Bordered by Germany & Belgium, The Netherlands is made up of 12 provinces and covers an area of 41,000 sq km. With over 16 million inhabitants, it has one of the world's highest population densities, at over 450 people per sq km. Land is therefore at a premium and much of it is reclaimed, with 40% being below sea level. The geographical location of The Netherlands provides for good trade and transportation links throughout Europe and, with Europe's largest port located in Rotterdam, the country's extensive, and well used, network of waterways provides efficient delivery of goods throughout the country and the wider continent. The Netherlands is a constitutional monarchy with a parliamentary system of Government and is one of the founding members of the EU, joining in 1957.

The Dutch economy is stable and mature (it is one of the few economies to still retain a triple 'A' credit rating) and the population enjoys a high standard of living. However, in recent years, the economy has experienced contraction as a result of the global slowdown. This has been compounded by the consequential government spending cuts, weak domestic demand and a fall-off in international trade. The latest indications from the Dutch Central Bank (June 2013) are that the economy will contract by 0.8% in 2013 before returning to growth in 2014. Nominal GDP is US\$773.116 billion (2012 estimate).

### Construction Industry

In 2012, the Dutch construction market output was estimated at €52 billion by the European Construction Federation (the latest report by research firm Timetric estimates €73.1 bn), whilst total employment was estimated at 467,000. The total number of enterprises in the industry was estimated at 131,000; however most of these are small- to medium-sized enterprises and the contracting market is dominated by a small number of major groups, eg Royal BAM Group includes 163 separate construction firms in the Netherlands.

In line with the markets in many developed nations, the industry experienced a 12.9 % decline in output between 2008 and 2010. Although the first quarter of 2011 showed a recovery of 9.3 %, this proved to be a short-lived uplift as output in subsequent quarters remained flat, and in 2012 output fell by 6.6%, according to a 2013 report by BNP Paribas, some 30% below the peak in 2007 (Statistics Netherlands suggest 8%). Last year's overall performance was weighed down by the slump in the property market affecting new construction in the residential and non-residential sectors, but this concealed a more favourable picture for the civil engineering sub-sector.

There are tentative signs that the industry is beginning to turn the corner and return to growth. In the latest survey by ArchVision, Dutch architects reported that their order books, and turnover, for Q1 2013 showed a noticeable improvement over that during Q4 2012. In terms of the outlook, 23% of the architects surveyed were concerned about a lack of orders in the next 12 months, which compares favourably to the 37% recorded at the end of Q4 2012.

Meanwhile, construction research firm EIB expects that the overall Dutch economy will return to growth in 2014 and the construction industry will also experience the early stages of recovery, and now predicts an average growth of 4% per year between 2015 and 2018. In terms of non-residential new build construction, EIB predicts that output will reach €6,750 million in 2013, €6,875 million in 2014 and €7,900 by 2018. Healthcare construction is thought to provide the best prospects for new orders amongst the non-residential subsectors in the medium- to longer-term and research organisation EIB identified it as a major growth sector in the medium-term.

### **Residential**

Residential new build is the largest construction sector, estimated at 45.1%. In its report 'The Housing Market in the Netherlands' (July 2012), the European Commission asserts that "over the past three decades the Dutch housing market has shifted towards higher owner-occupancy. Today, around 60% of the 7.4 million dwellings are owner occupied, up from 42% in 1980 but still comparatively low on a European scale. By contrast, nowhere else in Europe does social housing dominate the housing market as it does in the Netherlands. Today, social housing represents 33% of total dwellings. The expansion of the social sector up to the mid-1990s was accompanied by a sharp fall in private renting, which currently accounts for a mere 7% of the total housing stock."

New housing construction has suffered a severe decline during the crisis - underlined by 2012 recording the lowest number of new-build house purchases since 1950. Consequently, the Netherlands government has, in 2013, announced a package of measures to boost construction, including a temporary tax cut for refurbishment and renovation work. Recent research from BNP Paribas reports that housing demand has severely declined since 2008. In the private sector, this has been hindered by a lack of mortgage availability and confidence in prices (24% below the peak in real terms), and this has impacted construction. In the three months to November 2012, new housing permits were 60% lower than three years earlier. However, BNP Paribas suggests that there are now (Feb 2013) signs that the market is close to the bottom and that construction is likely to pick up again once it has turned, boosted by a Governmental reforms/incentives and improved bank lending, relieving the pent-up demand caused by the lack of mortgage availability and confidence. Construction research firm EIB predicts that output for new residential construction will reach €9,475 million in 2013, €69,750 million in 2014 and €13,775 by 2018.

### **Healthcare**

In December 2012, research organisation EIB published a report looking at the prospects for the Dutch construction industry in the healthcare sector in the years 2016 to 2030. The researchers estimate that in response to changes in population demographics and the development of treatments, overall spending on healthcare is likely to increase from approximately 13% of GDP to 22% by 2040. This level of growth is, in-turn, expected to feed down to the investment in new construction for the sector and thereby provide opportunities for industry-related businesses.

To quantify the prospects, EIB estimated the current provision of healthcare property at some 52 million m sq. In order to meet the anticipated demand, this is expected to increase to 58.6 million m sq by 2016 and to 1.3 million m sq by 2030. In terms of value, EIB estimated the construction output in € millions as follows:

<b>New Build Construction</b>		
2010 - €1200	2016 - €1550	2030 -€3300
<b>Refurb &amp; Renovation</b>		
2010 - € 375	2016 - € 275	2030 -€ 375
<b>Total</b>		
2010 - €1575	2016 - €1825	2030 -€3675

## Government PPP/Tenders

The Dutch Government uses the PPP framework to construct and maintain its portfolio of buildings. The 'Government Buildings Agency' (part of the Ministry of the Interior) is the body responsible ([www.rgd.nl/english](http://www.rgd.nl/english)) and details of project tenders can be found at on their website (see Contacts Database) [www.ppsbijhetrijk.nl/english](http://www.ppsbijhetrijk.nl/english). Tenders are categorised by project type as follows: Infrastructure, Housing, Ministry of Defence, Healthcare and Schools. Some of the projects currently invited for tender are:

- New building for the Supreme Court of the Netherlands at the Korte Voorhout in The Hague, with a 30-year DBFMO (Design, Build, Finance, Maintain, Operate) contract.
- New building for Soesterberg Military Museum at the north end of the former airbase in Soesterberg, with a 25-year DBFMO contract. For further details see 'Other Projects' below.
- New building for Prison in Zaanstad at Hoogtij, with a 25-year DBFMO contract.

Forthcoming projects planned for which tenders will be invited include:

- A new housing scheme for the Dutch Centre for Biodiversity/Naturalis Leiden.
- Renovation of the current Ministry of Infrastructure and Environment building at Rijnstraat 8 in The Hague.
- A new housing scheme for the Court of Justice in Breda to be located near the main train station.

## Other Projects

### National Military Museum, Soesterberg

The planned National Military Museum has been commissioned by the Dutch Ministry of Defence to combine and house the collections from the existing Military Aviation Museum and the Army Museum. The proposed complex will be located in the grounds of the former military air base in Soesterberg.



The winning plan was submitted by a consortium comprising major developers Heijmans, Claus en Kaan Architecten, H+N+S Landschapsarchitecten and Kossmann.dejong Exhibition Architects. The €160 million project is expected to be completed by early 2015 and will provide a large museum as the focal point of a development covering an area of some 45 hectares. In addition, a number of existing, historically valuable buildings will be re-designated and, aside from the construction of the museum complex, the site will be re-designed and landscaped as a nature preserve so that it can accommodate holiday-makers (<http://uk.heijmans.nl>).



### The 'Icedome' at Almere

The proposal is to provide a national ice skating arena in the city of Almere to replace the out-dated existing facilities in the city of Thialf. Budget €180 million.

### Wijnhavenkwartier Development and Leiden University Campus

The proposed Wijnhavenkwartier development will transform the former buildings of the Ministry of Justice and the Home Affairs Ministry in the Hague. The works will be carried out in several phases and will provide a range of facilities including a campus for Leiden University, residential and commercial accommodation. Construction of the first phase (contract value estimated at €65 million) is expected to begin in mid-2014 and will accommodate 170 apartments, 224 parking spaces, approximately 1,000 sq m of commercial space and over 13,000 sq m for Leiden University's The Hague Campus. Completion is expected by mid-2016.



According to the Alderman of The Hague, Marnix Norder, "The development of the Wijnhavenkwartier improves the connection between the central station and the city centre. This area forms the link between the two sub-districts within the city centre. By attracting Leiden

University's 'The Hague Campus' a key step has been taken in the revival of this area." (<http://uk.heijmans.nl>).

### **Supreme Court of the Netherlands**



The Government Buildings Agency (Rijksgebouwendienst) has selected the consortium 'Poort van Den Haag' to design, build and subsequently maintain the proposed new Dutch Supreme Court in The Hague. The consortium comprises BAM, Claus and Kaan Architects, Arup, ISS Integrated Facility Services and DGMR. The project will provide 15,000 sq m of office accommodation, court rooms and an underground car park. Completion is expected in 2015 ([www.clausenkaan.nl](http://www.clausenkaan.nl)).

### **Amsterdam and Almere Motorway**

The 'SAAone Consortium' has been awarded by the Dutch Government a €1 billion contract to build and operate a section of the A1 & A6, Amsterdam to Almere motorway which represents the first part of the road expansion programme Schiphol Airport-Amsterdam-Almere. The consortium comprises Hochtief Solutions and the Dutch construction companies Boskalis and VolkerWessels and will plan, finance and build the motorway, the basis of a public-private partnership (PPP). "We are very pleased that Hochtief has succeeded in entering the Dutch market with this project. In light of the many upcoming PPP projects in the Netherlands, winning this contract is an important step for us," said Bernd Romanski of the Hochtief Solutions Executive Board.

### **New Dutch Headquarters for Fluor**

Architectenbureau Paul de Ruiter (in partnership with Dura Vermeer) has won the contract to design and build the new Dutch head office for engineering firm Fluor. The new 20,000 sq m development will be constructed on the Beukenhorst-Zuid business park in Hoofddorp, near Amsterdam's Schiphol Airport. Construction is expected to commence this summer with completion by mid 2015 ([www.paulderuiter.nl](http://www.paulderuiter.nl)).



### **Olympia Quarter, Almere**



The city of Almere was established in 1976 on reclaimed land, and is quickly developing into The Netherlands fifth largest city. Commissioned by the housing association Stadgenoot and master-planned by architects MVRD, the Olympia Quarter is planned as a secondary centre to provide 62,000 sq m of commercial accommodation, 120,000 sq m residential (1,000 homes), 15,000 sq m education facilities, 2,640 parking spaces and various public spaces. The scheme has been divided into 82 sub-projects, 40 of which are to be designed by MVRD and the remaining 42 are to be designed by 24 different international architectural firms to create urban variety ([www.mvrddv.nl](http://www.mvrddv.nl)).

## **Useful Contacts**

### **Exhibitions**

GEVEL - [www.gevel-online.nl/en](http://www.gevel-online.nl/en)

Bouwbeurs - International Construction Fair - [www.bouwbeurs.nl](http://www.bouwbeurs.nl)

Renovatie - [www.renovatiebeurs.nl](http://www.renovatiebeurs.nl)

Material Experience - [www.materialxperience.nl/en/](http://www.materialxperience.nl/en/)

Elektrotechniek - [www.elektrotechniek-online.nl](http://www.elektrotechniek-online.nl)

Energie - [www.energievakbeurs.nl/en](http://www.energievakbeurs.nl/en)

VSK (Heating, Sanitary Engineering, Climate Control and Refrigeration Technology) - [www.vsk.nl](http://www.vsk.nl)

Building Holland - [www.buildingholland.nl](http://www.buildingholland.nl)

## **Journals**

Architectenweb - [www.architectenweb.nl](http://www.architectenweb.nl)  
Archis / Volume Magazine - [www.archis.org](http://www.archis.org)  
OASE Journal for Architecture - [www.oasejournal.nl](http://www.oasejournal.nl)  
DASH (Delft Architectural Studies on Housing) - [www.naipublishers.nl](http://www.naipublishers.nl)  
Hunch (architecture) - [www.naipublishers.nl](http://www.naipublishers.nl)  
BouwRevue - [www.ebi.nl](http://www.ebi.nl)  
BMB - Bouwmaterieel Benelux - [www.bouwmaterieel-benelux.nl](http://www.bouwmaterieel-benelux.nl)  
Cobouw - [www.cobouw.nl/abonneren](http://www.cobouw.nl/abonneren)  
Bouwregels in de praktijk - [www.bereikdebouw.nl](http://www.bereikdebouw.nl)  
De Architect - [www.dearchitect.nl/](http://www.dearchitect.nl/)  
Gawalo - [www.cobouw.nl/vakgebieden/w-installatie](http://www.cobouw.nl/vakgebieden/w-installatie)  
Installatie Journaal - <http://installatiejournaal.cobouw.nl/>  
Materieelkrant - [www.bereikdebouw.nl/](http://www.bereikdebouw.nl/)  
Bouwmarkt - [www.bereikdebouw.nl/](http://www.bereikdebouw.nl/)  
NBD BouwPraktijk - [www.bereikdebouw.nl/](http://www.bereikdebouw.nl/)  
Frame Magazine - [www.framemag.com](http://www.framemag.com)  
Mebest (refurbishment & renovation sectors) - [www.mebest.nl](http://www.mebest.nl)  
Roofing Holland - [www.dakweb.nl](http://www.dakweb.nl)

## **Market Researchers**

The 'Centre for Information Based Decision Making & Marketing Research' provides details of over 250 market research firms, providing bespoke analysis, of which 62 are included in the specialist sub-category 'Construction and Housing'. Visit [www.dutchresearchers.com](http://www.dutchresearchers.com).

## **Trade Associations**

Architects Registration Office - [www.architectenregister.nl](http://www.architectenregister.nl)  
The Dutch Green Building Council - [www.dgbc.nl](http://www.dgbc.nl)  
Association of Consulting Engineers (NLingenieurs) - [www.nlingenieurs.nl](http://www.nlingenieurs.nl)  
Association of Dutch Property Developers (NEPROM) - [www.neprom.nl](http://www.neprom.nl)  
Bouwend Nederlands - [www.bouwendnederland.nl](http://www.bouwendnederland.nl)  
Central Office for Statistics - [www.cbs.nl](http://www.cbs.nl)  
Dutch Building Suppliers Association - [www.nvtb.nl](http://www.nvtb.nl)  
Economisch Instituut voor de Bouw (EIB) - [www.eib.nl](http://www.eib.nl)  
Ministry of Infrastructure - [www.rijksoverheid.nl](http://www.rijksoverheid.nl)  
Netherlands Architect Institute - [www.nai.nl](http://www.nai.nl)  
Netherlands Foreign Investment Agency - [www.nfia.nl](http://www.nfia.nl)  
Royal Institute of Dutch Architects (BNA) - [www.bna.nl](http://www.bna.nl)  
Royal Institution of Chartered Surveyors, Netherlands - [www.joinricsineurope.eu](http://www.joinricsineurope.eu)  
Koninklijke Hibin (Builders' Merchants Assoc) - [www.hibin.nl](http://www.hibin.nl)  
Bouwend Nederland (Contractors' Association) - [www.bouwendnederland.nl](http://www.bouwendnederland.nl)  
Government Buildings Agency - [www.rgd.nl/english](http://www.rgd.nl/english)  
Government Buildings Agency Tenders - [www.ppsbijhetrijk.nl/english](http://www.ppsbijhetrijk.nl/english)

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