

Netherlands Fossil Fuel Subsidy Phase-out Plan: Assessment summary note

May 2026

This assessment evaluates the 2025 Netherlands Fossil Fuel Subsidy Phase-out Plan against the COFFIS Observatory methodology (v0.1p - Alpha).

The plan achieves an overall score of **11 out of 50**, with a large room for improvement. It lacks the legal force, comprehensive coverage, credible phase-out timelines, and the monitoring frameworks necessary for a credible fossil fuel subsidy phase-out. While the Netherlands has demonstrated transparency by publishing a plan and inventory, the document remains unambitious, especially given that the Netherlands serves as the COFFIS chair.

- The current plan is a non-binding policy document with no regulatory force. This weakens the credibility of the transition as it relies solely on the current government's intentions.
- A significant 87% of the total amount of subsidies has no phase-out pathway.
- The plan fails to address the socio-economic impacts of reform. There are no reported support schemes for vulnerable sectors or households, nor is there a clear communication strategy to mitigate public resistance.
- The plan does not contain provisions to prevent backsliding (introduction of new fossil fuel subsidies or increased amounts of fossil fuel subsidies).

Key recommendations

1. Legally anchor the phase-out plan and adopt a standstill policy.
2. Establish rigorous justification and an independent review mechanism
3. Develop alternative pathways for subsidies momentarily difficult to phase out.
4. Institutionalize oversight, communication, and stakeholder engagement.

Assessment Scoring Overview

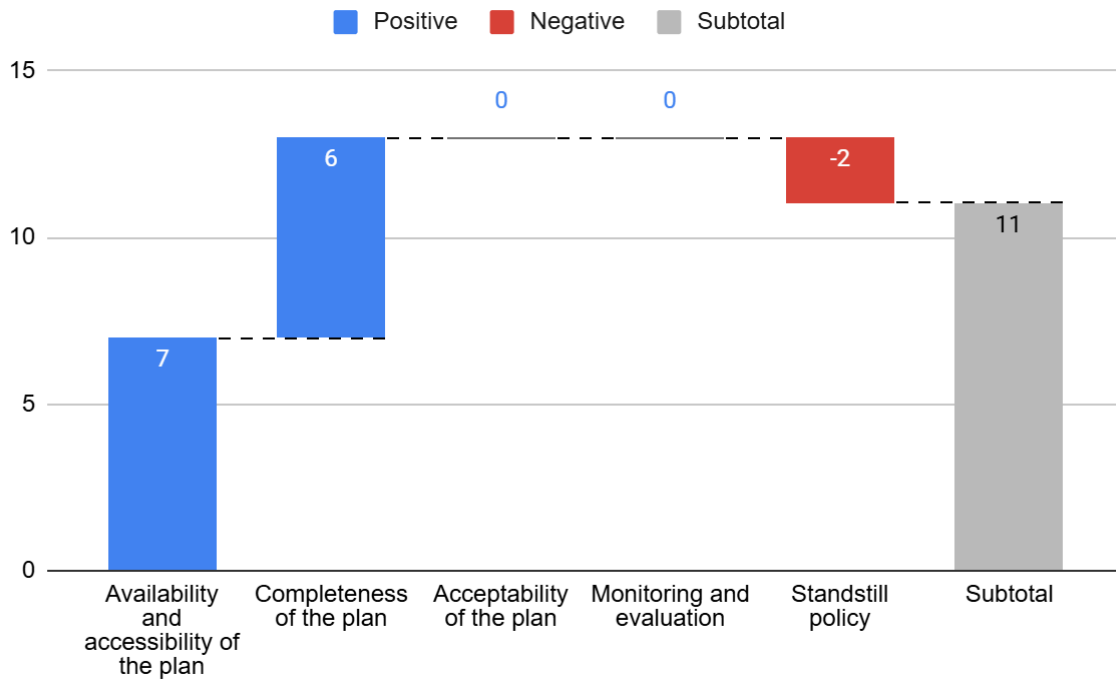


Figure 1: Score obtained by the phase-out plan of the Netherlands

Maximum score

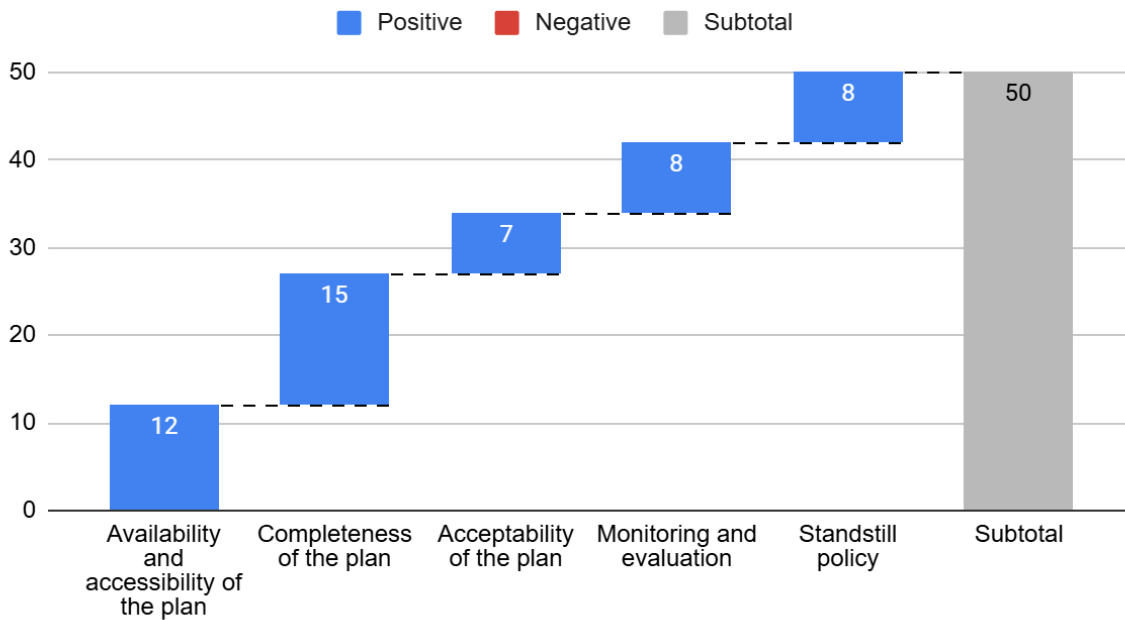


Figure 2: Maximum score possible

Category	Score	Main findings
<p>Availability and accessibility of the plan</p> <p><i>This category assesses whether a phase-out plan has been developed and officially published by the country. It also assesses its legal validity and accessibility.</i></p>	7 / 12	<p>The plan, submitted in November 2025, is publicly accessible and available in English, besides being in Dutch.</p> <p>The plan is a policy document with no legal value, reiterating information already present in the previously submitted Budget Memorandum (Miljoennota) as inventory. The Budget Memorandum itself has no legal validity either.</p> <p>The plan is available on the COFFIS website and on the government website as well.</p>
<p>Completeness of the plan</p> <p><i>This category assesses whether the phase-out plan is complete for all identified subsidies and whether a credible phase-out timeline is assigned to each.</i></p>	6 / 15	<p>All subsidies listed in the inventory submitted have a corresponding action in the plan (either phase-out or no phase-out)</p> <p>Around 13% of total subsidies are being phased out. Of the subsidies with no international legal constraints, only around 7% are being phased out.</p> <p>All subsidies are under Category 2 (“phase-out with robust strategy”), except one under Category 1 (“Quick phase-out”) and one under Category 3 (“Time-limited exemption from phase-out”).</p> <p>No deadline for full phase-out is set.</p> <p>According to the information contained in the plan, more than EUR 25 billion in subsidies are projected to still be present in 2050.</p> <p>Several subsidies that are not going to be phased out do not feature an explanation.</p> <p>The phase-out of several subsidies is constrained by international law.</p>
<p>Acceptability of the plan</p> <p><i>This category assesses whether the phase-out plan is societally acceptable and can be sustained in the long term.</i></p>	0 / 7	<p>No information is provided regarding stakeholder consultations, mitigation measures, or a whole-of-government approach.</p>

Category	Score	Main findings
<p>Monitoring and evaluation</p> <p><i>This category looks at whether the plan contains provisions related to the monitoring of the implementation.</i></p>	0 / 8	The submission contains no provisions for monitoring implementation or conducting periodic assessments.
<p>Standstill policy</p> <p><i>This category looks at whether the plan contains provisions to prevent backtracking.</i></p>	-2 / 8	The plan lacks a ban on new fossil fuel subsidies, resulting in a penalty score. No provisions to prevent backsliding are mentioned.

Best practices

- The policy considerations (pricing of external effects; generating budgetary revenue; prospects for action, carbon leakage effect and playing field; fairness; legal obstacles; feasibility; positive impact on business innovation) provide context for the decisions taken regarding phase-out pathways.
- The document has a good structure, categorising the subsidies into those to be phased out or reduced, those that cannot be phased out due to international legal constraints, and those that will not be phased out. For almost every subsidy, the reasons for not phasing out are listed; the respective amount is also listed.
- Each subsidy is described at a good level of detail.

Recommendations

- **Upgrade the legal status:** Anchor the phase-out plan in law or a binding ministerial act to ensure long-term durability and resistance to political shifts.
- **Introduce a full phase-out deadline:** Consider setting a deadline year by when all subsidies must be phased out.
- **Justify all no phase-out decisions:** For all subsidies that are not being phased out, a detailed explanation should be attached.
 - Improve references to impact assessments: Consider adding hyperlinks to the impact assessments or excerpts thereof, or both, in an annex for ease of consultation.

- **Review impact assessments:** The justifications put forward by some impact assessments for not phasing out certain subsidies are questionable at best from a climate policy and scientific consensus point of view. These should be reviewed.
 - For example, the non-phase-out of the “investment deduction for the exploration and production of natural gas from small fields in the North Sea” is justified by an official analysis (2024) that argues “that scrapping the scheme will probably result in more greenhouse gas emissions, less government revenue and more energy dependency” (p. 20). This 1) goes against the [assessment by the International Energy Agency](#) that “no new oil and natural gas fields are needed” for a Paris-aligned pathway; 2) apparently does not take into considerations how much the externalities caused by these activities cost to the government, against the expected revenue; 3) [makes little sense in terms of energy security](#), as it further entrenches the fossil fuel dependency of the Dutch economy, making it less resilient to energy shocks; 4) assumes the import of constant amounts of gas from abroad without considering that the government can introduce policies to reduce the country’s total consumption of natural gas.
- **Investigate which fossil fuel subsidies can be substituted:** Some consumption subsidies (e.g. Energy tax refund scheme for institutions) could be scrapped in favour of equivalent measures that do not support fossil fuels.
- **Develop measures to enable phase-out:** For subsidies that are not going to be phased out (for socio-economic reasons), establish policy measures to support a phase-out in the medium or long-term, with periodical review clauses.
- **Develop legal reform pathways:** Develop active pathways for subsidies currently blocked by international law, including diplomatic efforts to renegotiate treaties or trigger sunset clauses.
 - “If there are legal obstacles to the phasing out of fossil fuel subsidies at a national level, or restrictions as a result of international treaties or EU regulations, the Netherlands will investigate how these can be removed” (p.13): It is unclear *when* the government will investigate how the restrictions can be removed.
 - Provide more detailed information on the specific provisions (e.g. articles) in international and European law that prevent reform.
- **Engage stakeholders:** Launch public consultations and impact assessments to design support schemes, ensuring the phase-out is both socially equitable and politically sustainable.
- **Develop a communication strategy:** Communicate to the public the phase-out policy and how it is going to affect business and the general public.
- **Institutionalize monitoring:** Establish a formal inter-ministerial task force with a clear mandate to monitor progress and report annually on the implementation.
 - Consider relying on the support of a third-party scientific advisory body.
- **Adopt a standstill policy:** Formally ban the introduction of new fossil fuel subsidies to prevent policy incoherence and backtracking.

- Introduce provisions that regulate the introduction of subsidies under exceptional circumstances.