

Summary

The Green Deals make up an interactive way with which the Dutch Government gives space for innovative and sustainable initiatives from society. The main idea is that the government facilitates initiatives from companies, groups of citizens, CSOs, and local authorities by removing bottlenecks. These bottlenecks can come from laws and regulations, the lack of market stimulation, the lack of innovation or the lack of a network. Each Green Deal is assigned a contact person within one of the three participating ministries ('governmental contact') who helps to realize the initiative. Since the programme began in 2011 and up until April 2016, a total of 201 Green Deals have been made surrounding nine themes: biobased economy, biodiversity, construction, energy, commodities/circular economy, climate, mobility, food, and water.

Consultancy and research bureau KWINK groep has been asked to evaluate the Green Deals by the Dutch ministry of Economic Affairs. The policy evaluation is based on document research, data-analysis of monitoring information from Netherlands Enterprising Agency (RVO), a survey among field parties (n = 57) and governmental contacts (n = 49), 30 telephone interviews with field parties and 27 (group) conversations with policy departments, experts, and other involved parties. The study was carried out between November 2015 and May 2016.

The goal of Green Deals is 'to facilitate dynamics in society to generate innovative initiatives in the field of green growth'. This goal has been achieved.

Without Green Deals, there would have been less innovative initiatives contributing to sustainable and economic growth ('green growth'). So far, more than 1300 parties have contributed to realizing green growth within 201 Green Deals. Approximately 70% of the field parties and governmental contacts are positive about the added value of the Green Deals for the realization of their initiative. Furthermore, Green Deals inspire deal parties and other parties to participate in more sustainable initiatives. A final indication of the facilitation of dynamics in society is that the Green Deal approach is emulated in other sectors in the shape of, for example, 'Health Deals' and 'City Deals' and outside of the Netherlands in the shape of 'Innovation Deals', among others.

With Green Deals, agreements as a policy instrument are made more accessible and systematically used to support a large number of bottom-up initiatives. By the systematic and accessible use of agreements, the government can offer bottom-up initiatives much more than before. On different themes, the distance between the government and community initiator has shrunk as a result. The applicability of agreements has improved for involved policy makers as they can make use of the support structure (legal support, formats, coordination, interdepartmental consultation). Additionally, it is helpful that governmental contacts feel legitimized to work via the Green Deals in finding solutions for bottlenecks that field parties run into in realizing initiatives. Finally, Green Deals lead to more and improved cooperation within the government.

The context in which the Green Deals are enacted differs per theme. The context influences the Green Deals that are made and the way they are developed.

There are considerable differences between the nine themes. We have noticed that initiatives relating to biobased economy and food are mostly at the start of the innovation curve and are characterized by an experimental air, while initiatives relating to energy and construction are much further and can already switch focus to deployment and upscaling. Furthermore, there are differences in the organization of sectors in The Netherlands. Some themes have a few large institutional players (like the theme of water). As a result, they do not require Green Deals to the same extent as other themes. The parties are well aware of the other actors that are active with regards to the theme and the parties have made an entrance to the government before. These themes have far less Green Deals than themes with many small parties with less experience with the

government (like biodiversity). Furthermore, we have noted that the Dutch government has many instruments to stimulate green growth for a number of themes, the Green Deal being one of them. For the theme of energy, there is the National Energy Agreement ('Energieakkoord') and there is a relatively high amount of financing available. For the themes of biodiversity, commodities, and biobased economy, there are far less alternative instruments available to stimulate green growth. Moreover, there are visible differences in the methods of operation of policy departments responsible for themes (such as their positioning with regards to the market).

Some Green Deals lead to the removal of structural obstacles for green growth. For other deals, important procedural steps are taken that lead to system results. Information about the quantitative sustainability effects and economic effects of Green Deals only has limited availability.

In this evaluation, there is a distinction between outcomes, system results, and quantitative results. Almost all Green Deals facilitate deal parties in achieving outcomes such as knowledge exchange by setting up a work group, organizing a conference, implementing research, or putting a plan of action together. Furthermore, there is a large number of examples of system results. These are Green Deals with which structural obstacles have been removed, which speeds up the innovation process. It is plausible that system results in these Green Deals eventually lead to sustainable economic growth. The monitoring is primarily aimed at progress and categorization of Green Deals, resulting in a lack of information on the quantitative sustainability effects and economic effects of most deals.

Field parties and governmental contacts are positive on the possibilities of wider application of the results ('upscaling'). For example, due to more parties using innovation in a sector, the legal framework is altered or an innovation is deployed more quickly thanks to a Green Deal. There is more potential for scaling up. However, there are signs that not all upscaling possibilities are being used yet.

We have concluded that Green Deals are mostly innovative initiatives and as a result, they have a higher than average chance of failure. The results of the successful deals outweigh the efforts that are put into all deals together.

The added value of the Green Deals for field parties primarily consists of the legitimacy and prominence the initiative receives thanks to the Green Deal label and the added bonus of having a governmental contact.

In just a few years, the Green Deal has developed into a strong brand in the realm of green growth. Initiatives that culminate in a Green Deal benefit from being a Green Deal as they can make use of this strong brand: the initiative can derive legitimacy and prominence from it. For example, it can help those involved find collaborative partners within a sector or region, or ease access to investors.

Field parties consider the governmental contact their biggest asset from being a Green Deal. Many field parties have great appreciation for a person in the government helping in the realization of the initiative and organization of cooperation with other departments. Based on the actions that have been taken with regards to the deals, the government has defined four subjects where the government can fulfil a role: laws and regulations, market stimulus, innovation, and networking. The importance of the four roles and the appreciation for the enactment of these roles is great.

The Green Deal approach is an adaptive approach. The further development of Green Deals since the start in 2011 has provided a positive contribution to results.

Between 2011 and 2013 the number of themes has expanded from one (energy) to nine. The signup procedure has been improved. In the second government of PM Rutte, the strategical focus has successfully shifted from quantity to quality of the Green Deals. The number of new Green Deals has decreased considerably starting 2013 and the quality of the initiatives has improved. Other improvements in the formation process are that the agreements on goals, campaigns, and accountability in the Green Deals are clearer and more measurable

(‘SMART’) than in the period of 2011-2012. Additionally, the agreements in Green Deals have become more realistic. Furthermore, upscaling happens during the deal itself more often, as during the signing field parties are already striving for the involvement of as many relevant stakeholders as possible. Additionally we have noted that the internal coordination within the government (between policy departments themselves and legal departments) has improved and that in recent years there has been an uptick in attention for training, peer support, and knowledge sharing among the governmental contacts. Finally, the attention for external communication and clarity of communication has increased.

The conclusions have led to five recommendations.

1. **Keep Green Deals as an instrument.** Thanks to Green Deals, the agreement as a policy instrument has become more accessible for policy makers and field parties. The approach that has been developed within Green Deals is an invaluable addition to other governmental instruments in the Netherlands. We also recommend to continue the valuable interdepartmental support structure and coordination.
2. **Work on the further development of the Green Deals instrument while bearing in mind the difference between the nine themes.** In this evaluation, a number of leads have been found for the professionalization of the Green Deals, where it is important to leave space for "systematic customization."¹ A summary of operational recommendations pertaining to four aspects will follow:
 - a. **Signup and formation:** the current inflow of new deals is largely dependent on existing contacts with the government. Initiatives to interest parties in Green Deals outside the governmental network have not led to the desired results thus far. We recommend that the government and other deal parties continue to search for methods to reach new field parties, that are not part of the government's existing network. To gain insight into which parties have not been reached, we recommend that the government initiate a conversation with branch organizations. With regards to the role of the legal department in the formation of deal texts we recommend to (1) make better agreements per policy department with the Green Deal coordinators on the involvement of the legal department, (2) record the role division between the legal department and the involved policy departments more clearly, and (3) enrich the capacity for the Green Deals from the legal department. The final recommendation regarding signup and formation is to no longer allow space for (large-scale) project financing within Green Deals, such as subsidies to seal a business case.
 - b. **Supervision:** we recommend that the government pays more attention to the capacity, training, and development of governmental contacts. In particular, we request attention for the lack of a contact from the government for a few Green Deals (so-called 'orphan deals'). Furthermore, we recommend to enrich the role of the high-level Green Deal Board and to at least increase the prominence and visibility of the Green Deal Board, particularly to ensure that governmental contacts are aware of what the Green Deal Board can do for their deal.
 - c. **Implementation and progress:** We recommend, in accordance with the government ambitions on socially responsible procurement,² to pay more attention to the role of the government as 'launching customer', because (1) the government's buying power can make the difference in outcome for individual Green Deals; (2) the government as a sustainable buyer can convince other parties and (3) the procurement policy has an important symbolic function in the credibility of the wider sustainability policy of the government.³ Another recommendation is to keep the

¹ With systematic customization, we mean the balance that has been found within Green Deals between the systematic use of the instrument agreement and the space that the approach allows for customization per theme and per initiative.

² For the plan of action ('Plan van aanpak maatschappelijk verantwoord inkopen 2014-2020') visit the website of PIANOo (www.pianoo.nl, in Dutch) or read 'A review of Dutch policy for socially responsible public procurement' by SOMO (2014).

³ We have been notified that especially commitments made in 2011 and 2012 conflicted with the rules on public procurement or framework contracts and therefore were not realistic. Naturally, the increased attention for the role of the government as a 'launching customer' must be carried out within legal borders.

focus on initiatives from society. Also in cases where the government is an initiator, field parties must be intrinsically motivated as a base requirement.

- d. **Completion and upscaling:** Despite efforts made to provide more clarity on upscaling, there is still ambiguity among governmental contacts on what upscaling is and how to facilitate upscaling. Therefore, we recommend to increase the knowledge on this subject among governmental contacts. Additionally, we recommend to pay more attention to the compliance to agreements on completion and evaluation of individual Green Deals. Finally, we recommend that involved policy departments pay more attention to overarching reflection within the results and the bottlenecks of Green Deals and the possible consequences thereof for future policy as the current lessons learned are limited to the individual Green Deals.
- 3. Make monitoring more meaningful.** Now that Green Deals have been developed further, the procedural monitoring data no longer provides the needed insight in results, effects and added value. From the field parties and governmental contacts, there is a need for a feedback loop, so that the monitoring information can be used within the Green Deals to learn. In light of the development of the approach, we recommend to review the monitoring and to make it more meaningful for users, but at the same time it is important to maintain the efficiency of the current monitoring method.
- 4. Stimulate development and acceptance of other forms of accountability.** We recommend to pay more attention to the characteristics of network instruments such as the Green Deals, which deviate from regular policy, in the policy and political accountability cycle. As such, finding (quantitative) results between goals and results on a short term is just about impossible. However, there are few research methods available for accountability with regards to this network instrument, despite the issue of accountability being perfectly legitimate and understandable from a political and management perspective. Therefore we recommend stimulating the development of other forms of accountability for this type of network instrument.
- 5. Wider application of the support structure.** We have ascertained that other initiatives and sectors can profit from the support structure that has been developed within Green Deals. It is ineffective to reinvent the wheel when similar instruments are introduced. To prevent that the wider application of the support system in the Netherlands will negatively affect the 'strong brand' that is Green Deals, we recommend to divide the support structure that is in Green Deals from the brand name. This gives the opportunity to apply the support structure to initiatives in other sectors to an even great extent than before.

For more information visit www.greendeals.nl/english and www.kwinkgroep.nl/english