



PERSONAL

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subject Updated assessment of the cost to the Netherlands government of the MH17 disaster

Dear Mr. Bosman,

Malaysia Airlines Flight MH17 was brought down above southeast Ukraine on 17 July 2014. All 298 passengers and crew, including 196 Dutch nationals, lost their lives. The Kingdom of the Netherlands and Australia hold the Russian Federation responsible for the downing of Flight MH17. They accordingly wish to recover from the Russian Federation the costs they have incurred on account of the downing of Flight MH17.

On behalf of the government, the Prime Minister asked the Netherlands Court of Audit on 21 June 2021 to assess the costs incurred by the Netherlands government on account of the Flight MH17 disaster. The Court of Audit agreed to the request and undertook to update the assessment to take account of the costs that are incurred until the final application for compensation is submitted to an international dispute settlement body. The costs concerned are those incurred by the Netherlands government, not the losses suffered and still being suffered by the next of kin.

On 29 February 2024, we published our initial assessment of the costs incurred by the Netherlands government between summer 2014 and year-end 2022 on account of the Flight MH17 disaster (Netherlands Court of Audit, 2024).

By means of this letter, we wish to inform you of our assessment of the costs incurred by the Netherlands government in 2023. The letter also includes adjustments to the costs incurred between summer 2014 and year-end 2022.

our reference 24003929 R

1. Summary

We conclude from our assessment that the Netherlands government incurred costs of €198.6 million between summer 2014 and year-end 2023, an increase of €32.4 million on the costs incurred between summer 2014 and year-end 2022.

The greater part of the cost increase was due to the advance payment of €16.9 million in compensation to the next of kin of the victims of the Flight MH17 disaster. In addition, more accurate indexation of the costs incurred in 2014-2022 increased aggregate costs by €3.5 million. Indexation of the costs incurred in 2023 amounts to €6.5 million.

Table 1 shows aggregate costs by category, with the increase in costs in 2023 relative to 2014-2022 listed separately.

Table 1 Updated statement of the costs incurred by the Netherlands government on account of the MH17 disaster (amounts in euros)

Government activities on account of the MH17 disaster	Costs in 2014-2022	Costs in 2023	Costs in 2014-2023
1 Crisis management	8,589,348.43 + pm		8,589,348.43 + pm
2 Repatriation	22,604,498.88 + pm		22,604,498.88 + pm
3 Identification	8,976,130.07 + pm		8,976,130.07 + pm
4 MH17 accident investigation	53,346,703.79 + pm	428,359.35	53,775,063.14 + pm
5 Formal government tasks for the deceased	334,746.51 + pm		334,746.51 + pm
6 Support for next of kin / psychotrauma support	788,865.53 + pm		788,865.53 + pm
7 Commemoration	8,145,677.22 + pm	358,570.72	8,504,247.94 + pm
8 Hotspot MH17 archives	665,216.54 + pm	586,164.40	1,251,380.94 + pm
9 Criminal prosecution and trial in the Netherlands	34,100,237.00 + pm	19,920,659.03	54,020,896.03 + pm
10 International proceedings and diplomacy	5,744,962.78	912,315.63	6,657,278.41
11 Study and regulation of flights over conflict zones	557,076.27	970.00	558,046.27
12 Death of public employees	48,790.24		48,790.24
13 Cost statements prepared for the Court of Audit	9,177.81 + pm		9,177.81 + pm
14 Miscellaneous MH17 activities		185,047.92	185,047.92
Total	143,911,431.07 + pm	22,392,087.05	166,303,518.12 + pm
Indexation for 2014-2022/2023	22,215,642.06	10,031,675.94	32,247,318.00
Total including indexation	166,127,073.13 + pm	32,423,762.99	198,550,836.12 + pm

The total cost to the Netherlands government excluding indexation has risen from **€143,911,431.07** to **€166,303,518.12**, an increase of **€22,392,087.05**.

Including indexation, the aggregate cost has risen from **€166,127,073.13** to **€198,550,836.12**, an increase of **€32,423,762.99**.

This amount represents the cost of activities undertaken by the Netherlands government or otherwise incurred by it. We have grouped the activities into 14 categories, as detailed in appendix 1.

2. The Court of Audit's cost assessment for 2023

We assessed the costs incurred by the Netherlands government in 2023 in the same way that we had assessed the costs incurred in the period from summer 2014 to year-end 2022. We approached all ministries, provinces, municipalities and joint arrangements that had incurred costs between summer 2014 and year-end 2022 and requested a statement of the costs they had incurred in 2023. We also asked whether adjustments had to be made to the cost statements prepared for 2014-2022. The statements we received were assessed in the same way as the cost statements for 2014-2022. Our assessment method is explained in the report we published on 29 February 2024 (Netherlands Court of Audit, 2024).

14 organisations prepared statements of the public money they had had to spend in 2023 on account of the MH17 disaster. The organisations were 6 ministries (Foreign Affairs; Interior and Kingdom Relations; Defence; Justice and Security; Education, Culture and Science; and Infrastructure and Water Management), 5 public institutions (National Police; Council for the Judiciary; Legal Aid Board; Public Prosecution Service; and Central Judicial Collection Agency), 2 municipalities (Haarlemmermeer and Hilversum) and 1 joint arrangement (Spaarnwoude Park Board).

In addition to the costs they incurred in 2023, the National Police, Spaarnwoude Park Board and the Information and Heritage Inspectorate submitted additional prior-year costs that had not been included in their previous costs statements.

2.1 Accuracy of amounts and pm items

Amounts stated to 2 decimal places indicate a high degree of accuracy. Where we could establish and verify the costs, we could do so with great precision. However, we could not establish or verify the cost of some activities because necessary accounting records were missing or activities were disclosed without costs. We have had to recognise many activities in various cost items as 'pm' (without amount). We cannot express an opinion on the total amount recognised as pm. Reference to pm amounts, however, indicates that the costs presented are a conservative estimate of the total.

2.2 Price level and indexation

We based our cost assessment on historical price levels, i.e. the prices pertaining when the costs were incurred. This is important because the amounts were disclosed at these price levels in the accounts of the public bodies concerned. A euro today, however, is worth less than a euro several years ago. Account must therefore be taken of inflation. This is done by indexing the costs from year to year. We indexed the total amount of the costs using the Consumer Price Index (CPI) calculated by Statistics Netherlands (CBS). For simplicity's sake, in The cost to the Netherlands government of the Flight MH17 disaster, which we published on 29 February 2024, we assumed that the costs were spread evenly over the 9 years from 2014 to 2022. For this update, we calculated the indexation more accurately by allocating costs to the year in which they were incurred and indexing them year by year. If we apply this method to the costs incurred in 2014-2022, the adjusted indexation for this period comes to €25,760,294.14, an increase of €3,544,652.08.

The updated indexation (totalling €10,031,675.94) therefore consists of €3,544,652.08, being the adjusted, more accurate indexation for 2014-2022, plus an amount of €6,487,023.86 in 2023 based on the CPI for 2023 of 3.8%.

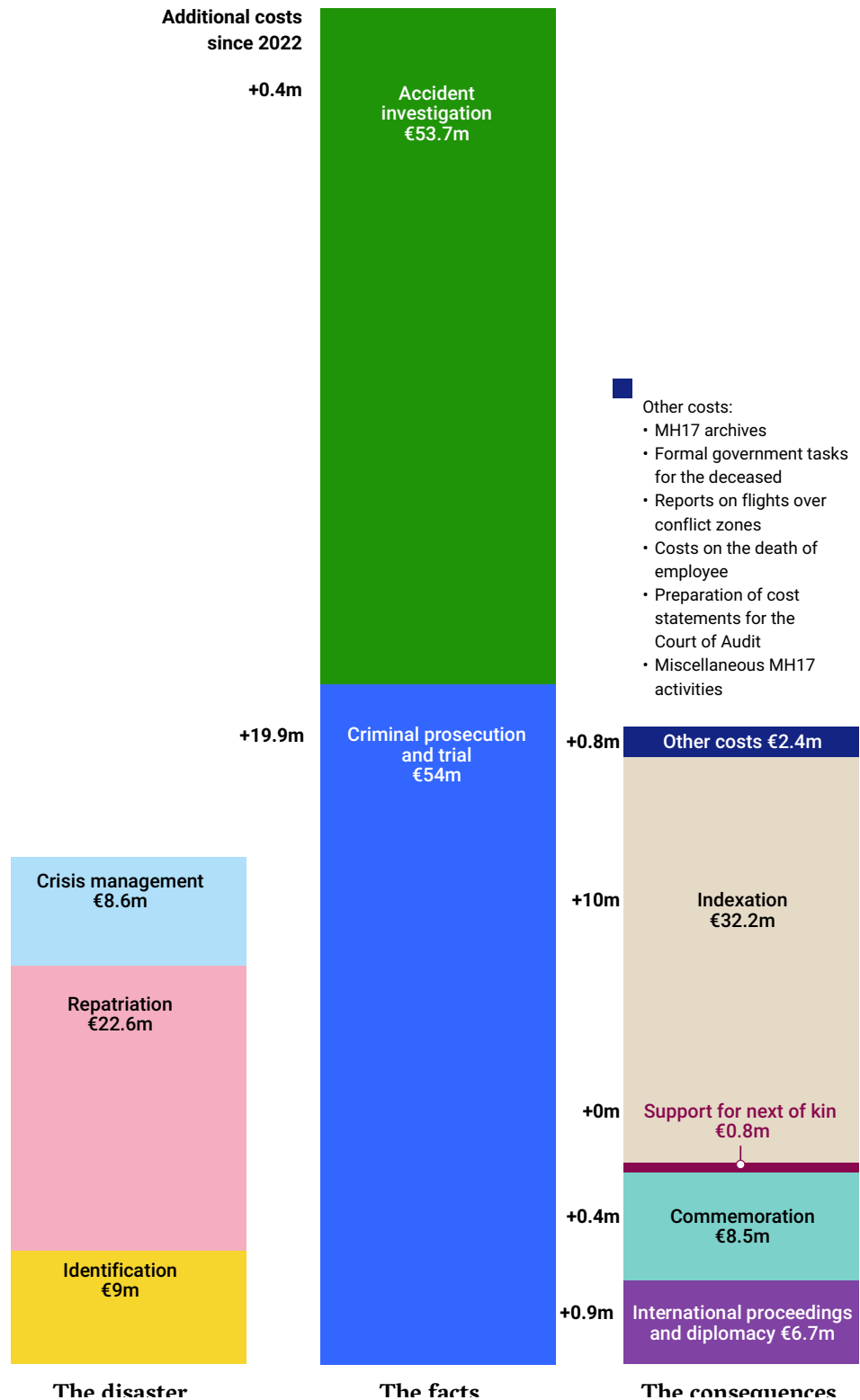
3. Cost per activity

Figure 1 presents an updated cost statement by activity, clustered into 3 groups: 'The disaster', 'The facts' and 'The consequences'.

In the remainder of this section, we look at the costs incurred for each activity since 2022.

Figure 1 Updated cost to the Netherlands government of the MH17 disaster

**Cost to the Netherlands government of the MH17 disaster:
additional €32.4 million since 2022 (€198.5 million in total)**



3.1 MH17 accident investigation

Table 2 Cost of investigating the MH17 circumstances in 2023 and prior year adjustments (amounts in euros)

Organisation	Activity	Costs in 2023 (incl. prior year adjustments)
Ministry of Defence	Provision of facilities at Gilze-Rijen	41,054.00
National Police	Criminal investigation	387,305.35
Total cost of MH17 accident investigation		428,359.35

The Ministry of Defence again provided facilities at Gilze-Rijen airbase in 2023 for the storage and reconstruction of wreckage.

The National Police also incurred costs in 2023 for the criminal investigation. The 2014-2022 cost statement, moreover, had included only the costs incurred by the National Police to the end of September 2022. The update also includes the costs incurred in October, November and December 2022.

3.2 Criminal prosecution and trial in the Netherlands

Table 3 Cost of criminal prosecution and trial in 2023 (amounts in euros)

Organisation	Activity	Costs in 2023 (incl. prior year adjustments)
OM	Prosecution: all activities including personnel, hiring and office expenses	440,223.67
OM	Press conferences and other communication activities	23,963.71
OM	Availability fee, etc. for Schiphol Judicial Complex (JCS)	1,311,403.03
OM	Travel and accommodation, Netherlands and abroad	564.16
RvdR	Salaries of court officials, court clerk	73,220.81
RvdR	Entertainment	2,878.49
RvdR	Safety and security	336,559.37
RvdR	ICT costs	1,797,150.36
RvdR	Accommodation, JCS etc.	274,348.50
RvdR	Other operating costs	35,851.13
RvdR	Travel	2,027.27
RvR	Legal aid for next of kin	124,569.63
RvR	Translations	684.57
RvR	MH17 legal aid regulation implementation costs	14,250.00
CJIB	Compensation of next of kin	16,902,661.33
CJIB	Implementation costs	229,392.00
Total	Criminal prosecution and trial in the Netherlands	21,569,748.03
	Contribution by other JIT countries	-1,649,089.00
	Net cost of criminal prosecution and trial in the Netherlands	19,920,659.03

The trial of 4 persons suspected of downing Flight MH17 ended on 17 November 2022. The court sentenced 3 of the 4 suspects to life imprisonment and the payment of compensation to the victims' next of kin. The government advanced the compensation to the next of kin. The Central Judicial Collection Agency (CJIB) paid out the advances in 2023.

The Public Prosecution Service (OM) incurred costs in 2023 to prosecute the now convicted perpetrators of the Flight MH17 disaster. The costs related chiefly to the provision of Schiphol Judicial Complex (JCS) in Badhoevedorp.

The Council for the Judiciary (RvdR) provided legal aid in 2023 to defray the costs incurred by the victims' next of kin for the criminal prosecution of the suspects. The costs related primarily to maintaining and updating the MH17 website.

The Legal Aid Board (RvR) incurred costs for the provision of legal aid to the next of kin in the MH17 criminal proceedings.

Contribution by other JIT countries

Besides the Netherlands, the Joint Investigation Team (JIT) was made up of Australia, Malaysia, Belgium and Ukraine. These countries made financial contributions, mainly so that their nationals and media could attend the criminal proceedings in the Netherlands. Their total contribution to the proceedings and trial amounted to €1,649,089.00. The net cost of the proceedings to the Netherlands in 2023 accordingly came to €19,920,659.03.

3.3 Other costs

3.3.1 Hotspot MH17 archives

Table 4 *Cost of Hotspot MH17 archives in 2023 and prior year adjustments (amounts in euros)*

Organisation	Activit	Costs in 2023 (incl. prior year adjustments)
Ministry of BZK	Doc-Direkt activities for Hotspot MH17	1,025.00
Information and Heritage Inspectorate	Hotspot MH17 study	585,139.40
Total cost of Hotspot MH17 archives		586,164.40

In 2023 Doc-Direkt (as from 1 May 2024, the Central Government Information Management Organisation, part of the Ministry of the Interior and Kingdom Affairs, BZK) filed documents for the Hotspot MH17 archives. The Information and Heritage Inspectorate (part of the Ministry of Education, Culture and Science, OCW) carried out a study in 2020 of permanent access to information on the Flight MH17 disaster (Information and Heritage Inspectorate, 2020). These costs had not been included in the 2014-2022 cost statement.

3.3.2 Study and regulation of flights over conflict zones

Table 5 Cost of the study and regulation of flights over conflict zones in 2023
(amounts in euroes)

Organisation	Activity	Costs in 2023
Ministry of I&W	'Flights over conflict zones' study	970.00
Total cost of study and regulation of flights over conflict zones		970.00

The Human Environment and Transport Inspectorate (part of the Ministry of Infrastructure and Water Management, I&W) mapped out the additional work necessary to manage flight paths.

3.3.3 Miscellaneous MH17 activities

Table 6 Cost of miscellaneous MH17 activities in 2023 (amounts in euros)

Organisation	Activity	Costs in 2023
Ministry of I&W	Miscellaneous MH17 activities	80,150.00
Ministry of J&V	Miscellaneous MH17 activities	104,897.92
Total cost of miscellaneous MH17 activities		185,047.92

The Ministry of Infrastructure and Water Management (I&W) incurred costs in 2023 for miscellaneous MH17-related activities that are difficult to separate from other activities performed during the year. They include the follow-up on the recommendations of the Dutch Safety Board, dealing with freedom of MH17 information requests and assisting the Ministry of Foreign Affairs in the MH17 criminal proceedings. The Ministry of Justice and Security (J&V) also carried out miscellaneous MH17-related activities in 2023 that are difficult to isolate from its other activities. They include meetings with the MH17 Air Disaster Foundation every 6 weeks, consultation with the Ministry of Foreign Affairs to discuss ongoing international proceedings, meetings with ministerial officials in the MH17 Taskforce once every 2 weeks and dealing with freedom of information requests, press requests and policy matters.

3.4 Commemoration

Table 7 Cost of commemorations in 2023 and prior-year adjustments (amounts in euros)

Organisation	Activity	Costs in 2023 (incl. prior year adjustments)
Ministry of Foreign Affairs	Maintaining website timeline	2,202.20
Ministry of Justice and Security	MH17 Air Disaster Foundation grants	294,830.00
Haarlemmermeer municipality	Maintenance of National MH17 Monument	3,375.00
Hilversum municipality	Local memorial services	12,713.75
Spaarnwoude Park Board	Maintenance of National MH17 Monument	45,449.77
Total cost of commemoration		358,570.72

The Ministry of Foreign Affairs incurred costs in 2023 to maintain the website dedicated to the Flight MH17 disaster.

The Ministry of Justice and Security (J&V) awards grants for the MH17 Air Disaster Foundation to organise memorial services. The grants awarded in 2015 and 2020-2022 had not been included in the 2014-2022 cost statement. The ministry awarded another grant to the MH17 Air Disaster Foundation in 2023.

Spaarnwoude Park Board maintains the park in which the National MH17 Monument is located. In 2018, it applied funding from by the Ministry of J&V (awarded via Haarlemmermeer municipality), North Holland province and its own resources to form a designated reserve amounting to €900,000 to cover annual maintenance costs. In our report on 2014-2022, we recognised this reserve in full as a cost to the government. Our assessment of the costs incurred in 2023 revealed that the Board had also incurred costs in 2016, i.e. before it had formed a designated reserve, in the form of a €25,000 donation to the National MH17 Monument Foundation. In addition, it had received a total of €20,449.77 in interest on the designated funds. The funds must be held in an account with the Ministry of Finance (treasury banking). Interest income represents an expenditure by the Ministry of Finance and is therefore a cost to the Netherlands government. The interest, like the grants awarded by the Ministry of J&V and North Holland province, is added to the designated reserve to maintain the National MH17 Monument; we therefore do not recognise it at the Ministry of Finance but at the Park Board. We have accordingly increased the total costs incurred by Spaarnwoude Park Board by €45,449.77.

Haarlemmermeer municipality provided staff in 2023 to manage and maintain the National MH17 Monument.

Finally, Hilversum municipality incurred costs for the annual memorial service.

3.5 International proceedings and diplomacy

Table 8 *Cost of international proceedings and diplomacy in 2023 and prior year adjustments (amounts in euros)*

Organisation	Activity	Costs in 2023 (incl prior year adjustments)
Ministry of BZ	General MH17 activities	380,535.00
Ministry of BZ	MH17 Taskforce	277,485.00
Ministry of BZ	MH17 activities by the missions	170,290.26
Ministry of BZ	Other MH17 Taskforce costs	84,005.37
Total cost of international proceedings and diplomacy		912,315.63

The Ministry of Foreign Affairs (BZ) incurred costs in 2023 for international judicial proceedings.

The Netherlands and Australia submitted a joint application to the Council of the United Nations' International Civil Aviation Organisation (ICAO) in Montreal, Canada, requesting a decision on whether Russia had breached the Chicago Convention and, if so, on the legal consequences. One of the legal consequences requested is the payment of compensation for losses suffered. On 17 June 2024, Russia withdrew from the proceedings before the ICAO Council. The proceedings, however, are continuing and will probably last for several more years. Next of kin have also brought proceedings before the European Court of Human Rights (ECtHR). In 2019 the ECtHR invited the Netherlands to intervene in the case brought by the next of kin. The intervention allows the Netherlands to express its opinion on the complaints in support of the next of kin. The activities relating to these international judicial proceedings are performed by the Ministry of Foreign Affairs and diplomatic missions in the countries concerned. In 2018, the Ministry of Foreign Affairs established an MH17 Taskforce to oversee the proceedings.

4. Closing remarks

This letter presents a first update of the costs incurred by the Netherlands government on account of the downing of Flight MH17. It is a supplement to the 2014-2022 cost statement we published on 29 February 2024. Several government bodies have incurred costs since December 2023 and we will continue to assess the costs until the government submits its final application for compensation.

Netherlands Court of Audit

Pieter Duisenberg,
president

Cornelis van der Werf,
secretary-general

Appendix 1. Activity categories

1. Crisis management

Crisis management comprises the measures and actions taken by the Netherlands government in conjunction with public and private partners in a situation in which national security is or may be at risk, or in another situation in which there is or may be a major impact on society.¹ It includes the primary activities of the government and cabinet in response to the downing of Flight MH17, activities that are not related to the performance of specific tasks or projects. Municipalities and other organisations also perform crisis management. This category includes the evaluation of crisis management operations.

2. Repatriation

Repatriation involves the return of the victims' remains from the disaster area to the Netherlands. It comprises the search for and recovery of human remains, local transport and storage facilities and transportation to the Netherlands. Although this category does not formally include activities to transport aircraft wreckage to the Netherlands, we have also included this activity under repatriation.

3. Identification

Identification comprises the identification of victims from the repatriated human remains.

4. MH17 accident investigation

This category consists of the Dutch Safety Board's investigation of the circumstances of the MH17 disaster, including support provided for the investigation. It also includes the Public Prosecution Service and JIT's criminal investigation of the perpetrators of the MH17 disaster.

5. Formal government tasks for the deceased

Formal activities have had to be carried out since the downing of Flight MH17 and the death of all passengers and crew, such as issuing death certificates and amending the population register. Both municipalities and central government performed formal tasks, including visits to the disaster area.

¹ Definition given by the National Coordinator for Counterterrorism and Security (NCTV) (<https://www.ncctv.nl/themas/crisisbeheersing>)

6. Support for the next of kin/psychotrauma support

There are 4 aspects of support for the next of kin:

- initial reception of the next of kin;
- provision of information;
- psychosocial support;
- financial and other practical assistance.

7. Commemoration

Commemoration comprises the provision of books of condolence, publication of death notices, organisation of memorial services and silent marches, and the facilitation of funerals. This category also includes the erection of monuments to commemorate the victims, including donations and management and maintenance of monuments.

8. Hotspot MH17 archives: 'Permanently in our memory'

This category comprises the follow-up on the House of Representatives' motion to keep a permanent archive of all documents relating to the downing of Flight MH17. It includes the Ministry of OCW's establishment and performance of the project to create the Hotspot MH17 archives, including reporting on and evaluating the project, and filing documents for the Hotspot MH17 archives by all government organisations concerned.

9. Criminal prosecution and trial in the Netherlands

This category concerns the prosecution and trial in the Netherlands of the persons suspected of downing Flight MH17. It includes activities performed by the Public Prosecution Service and the court, the provision of interpreters and other services, assistance for the next of kin to attend and participate in the proceedings and press facilities. Account is taken of financial contributions made by other JIT countries. The legal aid provided to the next of kin to defray the cost of their participation in the criminal proceedings, in so far as the costs were borne by the government, is also recognised in this category.

10. International proceedings and diplomacy

The Ministry of Foreign Affairs has played a leading role in holding the Russian Federation to account for its State responsibility for the disaster. Its activities have included negotiation with other countries and the Russian Federation and participation in international judicial proceedings. This category also recognises the State's activities in the human rights case before the European Court of Human Rights in Strasbourg and the legal aid provided to next of kin in this case.

11. Study and regulation of flights over conflict zones

This category recognises a number of specific studies of flights over high risk areas carried out in the years following the disaster.

12. Death of public employees

Employees of some public organisations lost their lives in the Flight MH17 disaster. In their capacity as employers, the public bodies concerned paid a death benefit to the next of kin in accordance with the applicable collective labour agreement (CAO) or the General Civil Service Regulations (ARAR). This category also includes the cost of recruiting replacement staff and the cost of any temporary loss of productivity

13. Cost of statements prepared for the Court of Audit

The activities organisations performed to prepare cost statements for the Court of Audit form a distinct cost category. They include the preparation of cost statements, participation in round tables organised by the Court of Audit and other costs incurred for the assessment.

14. Miscellaneous MH17 activities

Activities that cannot be allocated directly to one of the other categories.

Appendix 2 References

Netherlands Court of Audit (2024). The Cost to the Netherlands government of the Flight MH17 disaster. The Hague: self-published. Appendix to parliamentary paper 33 997, no. 181. House of Representatives, session 2023-2024.

Information and Heritage Inspectorate (2020). Archiving MH17 information. Study of permanent access to information on the downing of Flight MH17 [Report] Central government. <https://www.rijksoverheid.nl/documenten/kamerstukken/2020/09/30/rapport-de-archivering-van-de-mh17-informatie>

<https://www.rijksoverheid.nl/onderwerpen/neerhalen-vlucht-mh17/documenten/kamerstukken/2024/09/16/stand-van-zaken-opvolging-aanbevelingen-onderzoeksraad-voor-veiligheid-10-jaar-na-het-neerhalen-van-vlucht-mh17>

MH17 website, Ministry of Foreign Affairs: <https://mh17tijdlijn.nl/>

MH17 website, Council of the Judiciary: <https://www.courtmh17.com/>