

## **Conférence internationale sur le financement du développement**

Doha, Qatar, 29 novembre – 2 décembre 2008

### **Déclaration de la Suisse**

par

**S.E. Madame Micheline Calmy-Rey**  
Ministre des affaires étrangères

30 novembre 2008

---

Check against delivery

## **International Conference on Financing for Development**

Doha, Qatar, November 29 – December 2, 2008

### **Statement of Switzerland**

by

**H.E. Micheline Calmy-Rey**  
Minister of Foreign Affairs

November 30, 2008

Mr President, Excellencies,

We are experiencing a financial crisis with grave consequences. Many countries, including Switzerland, have taken unprecedented actions to mitigate the effects on the real economy. The concern remains however that all our countries will be affected, including the poorest ones, even if they are only little integrated into the global economy.

In this difficult context I would like to draw your attention to four important questions regarding development. I shall begin with the role and the responsibilities of the private sector, which in our understanding is at the core of the Monterrey Consensus (MC).

Mr President,

The current crisis, and notably the need to (re) build confidence in the private sector, illustrates how important it is that the commercial strategies of the companies respect ethical, environmental and social values.

Integrating principles of corporate responsibility (CR) in business strategies goes hand in hand with the implementation of stricter norms on good governance and transparency. In the long run, respecting those principles will ensure not only sustained commercial development, but also ensure a more positive contribution of private enterprise to sustainable development in a broader sense.

Mr President,

Let me now address the second question, which is close to my heart, namely the quality of our development cooperation.

The Monterrey Consensus clarifies the global partnership necessary to finance development and achievement of the MDGs.

At the same time, it was recognised that development was not only linked to funding alone, but also to the way funds were used and policies applied. Questions on aid effectiveness and measuring the impact of engagement resulted and were strongly promoted – by both donor and recipient countries.

However, the implementation of the principles of the Accra Agenda for Action will bear its fruits only, if the populations are fully involved in the definition of the actions to be taken and the policies to be implemented.

In other words, governance in the partner countries must be democratic, participatory and respectful of the fundamental rights. Transparent and predictable governance, which constantly responds to the needs and aspirations of the populations facilitates a rational utilisation of the financial means available and significantly increases their impact.

Mr President,

Switzerland – and this is my third point – fully shares the concerns about the detrimental effects the illegal financial flows have on development, particularly tax evasion, money laundering and the transfer of illegal assets.

Switzerland closely cooperates with the OECD and has adopted most of its recommendations such as its guidelines on transfer pricing for multinational companies and its model tax convention.

Since 2004, Switzerland agreed to withhold taxes on interest payable to tax residents in the EU and to transfer 75% to the countries concerned.

Switzerland could cooperate with other countries to introduce on a large scale a system of withholding taxes on interest payments for the benefit of foreign tax authorities.

Switzerland is thoroughly committed to the fight against the transfer of illegal funds. Restitution of stolen or fraudulently acquired assets to their rightful owners is a priority of Swiss foreign policy in financial matters. Over the past 20 years, Switzerland has returned about US \$ 1.8 Billion to their country of origin. No other government comes close to this amount of returned funds.

My fourth point: we are all faced with challenges of global dimensions, one of the most urgent ones being climate change. In August 2008, Switzerland submitted to the UN secretariat of the Framework Convention on Climate Change (UNFCCC) a proposal for a global CO<sup>2</sup> tax.

Therefore, we have to sensitise the population of the notion of global public goods and to defend a broader interpretation of ODA, underlining that the current problems call for additional funds.

In order to ensure the predictability of aid, we have to demonstrate that the funds dedicated through multilateral as well as bilateral channels promote development and have a real impact.

The current crisis seriously compromises the achievement of Millennium Development Goals, and even threatens certain successes achieved so far. The aid budgets are under strong pressure. It is therefore important that we donor countries remain reliable partners and respect the commitments we have made.

Switzerland reconfirms its global commitment to the spirit of the Monterrey Consensus. It furthermore agrees that we should find more efficient ways of following up on the results of our collective efforts as defined in the Monterrey Consensus and now in the Doha Outcome Document.

Mr President, thank you for your attention.