

**Netherlands Statement - Substantive informal sessions, Preparatory Process for the Third International Conference on Financing for Development, 13 November 2014**

Distinguished co-facilitators,

I am speaking on behalf of the Kingdom of the Netherlands and would like to align myself with the statements made by the EU.

We would like to thank the co-facilitators for their leadership in this process. We have also greatly appreciated the very interesting contributions by the panels and stakeholder partners.

We would like to present our thinking in two parts, namely on process and on substance.

On process, we would like to stress the importance of coherence between the post-2015 process and these discussions that will lead us to the conference in Addis Ababa, as was noted by many delegations including for example the Solomon Islands yesterday. The Financing for Development process is of fundamental importance for success in the Post-2015 Summit in September 2015. The Addis Ababa conference is key in setting us on the right path towards achieving the post-2015 goals and targets by 2030. We need an outcome out of the Financing for Development process that will fit into the post-2015 framework, both in terms of substance and in terms of structure.

On substance, we would like to underline that a new financing strategy for a global sustainable development agenda should be inclusive, measurable and realistic.

I will proceed to outline a number of concrete steps in the various domains that we have discussed.

Regarding domestic public finance, we will highlight three specific policy initiatives that we are engaged in, that are of particular relevance.

- 1) Preventing the unintended use of bilateral tax treaties, for example in the context of aggressive tax planning policies by multinational companies. To reduce the possibilities of unintended use of bilateral tax treaties with developing countries, the Netherlands is currently in the process of revising 23 treaties with developing countries.
- 2) Strengthening the capacity of the tax administration of developing countries.
- 3) Including the interests of developing countries in international fiscal rule-making, specifically in the context of the OECD/G20 Base Erosion and Profit Shifting discussions.

Regarding Official Development Assistance, we would submit the following three considerations, also stressed by others, specifically H.E. the PR of Benin, on behalf of the LDCs.

- 1) ODA should be targeted to those in greatest need, focusing on countries most in need and with the least capacity to raise development finance.

- 2) Reversing the declining trend of ODA to LDCs is a high priority. We therefore remain committed to the UN target to provide 0.15-0.20 GNI to ODA for the LDCs.
- 3) We would also emphasize the need to monitor the quality of aid to LDCs, including the modalities used, the level of concessionality of loans, the sectoral composition of aid and the percentage of the aid that is really received by LDCs.

We consider innovative finance to be of vital importance for realizing the SDG's. A good example is the Currency Exchange Fund to mitigate currency risk.

Furthermore, we would highlight the potential role of multi-stakeholder partnerships in the effective implementation of the post-2015 agenda. Good examples are: Sustainable Energy for All, Water and Sanitation for All, GAVI or the Global Fund to Fight Aids, Tuberculosis and Malaria.

Finally, it is clear that the private sector has much to contribute to public goods, by focusing investments to:

- a) reach the base of the pyramid,
- b) tackle climate issues,
- or c) contribute in other ways to sustainable and inclusive growth.

Thank you for your attention and we look forward to continuing to engage in these important dialogues.