

Speech by the Director-General for International Cooperation

Financing for Development Forum

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Ladies and gentlemen, first of all the Netherlands will align itself by the statement made by the European Union.

Being committed, is what I want to talk about today. Because being committed is vital if we are to achieve the Sustainable Development Goals we have set for ourselves. And without the commitment of all partners, we won't be able to achieve the Goals we set for the world.

With the Addis Agenda, we all committed ourselves to ending poverty and inequality. And there is a natural symbiosis between the Addis outcome and the 2030 Agenda we adopted that same summer.

I applaud the Inter Agency Taskforce on Financing for Development under chairmanship of Mr. Wu Hongbo for its report on 'Monitoring Commitments and Actions' because commitments should be measured.

In the Netherlands, we stated a Ministerial Committee tasked with SDG implementation. Our national statistics office will report on SDG progress for the first time in September this year.

As said we need the commitment of all parties. Close to 80 companies, NGOs, knowledge centres and philanthropic and other organisations drew up a Charter to support the SDGs. Partnerships have formed in areas like health, food and sustainable cities. The Kingdom of The Netherlands is setting to work to achieve the SDGs.

Being committed also means launching initiatives across borders. Let me highlight examples of our commitment to increasing domestic revenue, one of the main Addis outcomes. Because every euro invested in Technical Assistance to strengthen Tax Administrations

might lead to a twofold increase in extra revenues that one could use to invest in health and education. Yet, only less than 0.1% of all ODA is spent on taxes.

As a key initiator of the Addis Tax Initiative we are committed to doubling capacity-building efforts in developing countries. We have doubled our contribution to the IMF's African Regional Technical Assistance Centres. I would like to appeal to countries to join the Addis Tax Initiative.

The SDGs are a universal agenda, so we should also look at ourselves. Are we coherent in our behavior? The Netherlands is now renegotiating its Tax Treaties with 23 countries to include anti-abuse clauses, so that more tax will be paid in developing countries. We also stopped asking for tax exemptions in our development cooperation policies when we deliver Dutch goods and services.

I would also like to call on partner countries to make full use of the Tax Inspectors Without Borders initiative, where we have just taken up a post on the Governance Board. This initiative helps countries collect more tax revenue by providing on-the-job audit training.

Another joint initiative we are planning to launch is geared towards promoting gender-responsive planning and budgeting. This will help achieve gender equality and women's empowerment globally.

We launched the Addressing Root Causes Fund. The Fund will partner with local and international civil society organisations to enhance stability in 10 countries, including the Democratic Republic of the Congo, Lebanon and South Sudan. With a budget of 125 million euros, the Fund will address the root causes of instability, conflict and irregular migration.

As a delta country that has been fighting the water throughout our entire history, we have lessons to share. We started Local Water Boards that are financed through a Local Water Bank. In this regard, we are providing financial support through a new Local Water Banks Initiative, which is helping to establish Water Financing Facilities in 10 countries, such as

Kenya and Ghana. Their Water Financing Facilities would lead to a leverage ratio of 1:4 initially, that would be increased over time as more private capital is mobilized.

Yet, it is not always easy to have access to these public and private funds for water and climate adaptation, especially not for Small Island Developing States. Therefore, the prime minister of Aruba, one of the SIDS that is part of the Kingdom of the Netherlands, will host an event on Thursday on how we can assist SIDS to come up with bankable projects in order to access these funds.

I just spoke about taxes. Yet, one can only tax if there is something to be taxed. So you need growth, jobs, especially in SMEs, as they are the engine for growth. One of the main impediments for growth is a lack of finance. Therefore, in 2015 the Dutch Government started the Dutch Good Growth Fund.

The Dutch Good Growth Fund provides 700 million euros to small enterprises and entrepreneurs in 68 emerging markets and developing countries. So far the public funds we invested have leveraged four times as much private capital. The Fund has already helped to create 12,000 new jobs in low- and middle-income countries.

These were examples of different forms of Financing For Development. Yet, finance alone is not enough. How do we know if our efforts are effective in reaching the SDGs? Why do some countries achieve high growth rates for SMEs while others do not? Why did some countries raise their tax revenues spectacularly while others did not? The platform to discuss the issues of effectiveness is the Global Partnership for Effective Development Cooperation. The Netherlands, being committed to this agenda, is co-chair together with Mexico and Malawi. The GPEDC is unique, because of its multi-stakeholder character and monitoring of 4 mechanisms of aid effectiveness. More than 80 partners are involved in this exercise. In the upcoming High Level Meeting in Nairobi, we will present the results.

Being committed entails more than simply complying with the FfD agreement. It also involves a willingness to learn and actively share experiences. That is why we need this Forum: to inspire each other and share best practices. Thank you.