



Stepping up domestic revenue mobilisation

Switzerland

Gross disbursements – \$10.01 million

Commitments – \$4.5 million

Most important recipients (including top 3 individual countries, where relevant):

- Disbursements – Developing countries unspecified: \$5.89 million; Somalia: \$1.21 million; Burkina Faso: \$1.02 million; Serbia: \$0.59 million

- Commitments – Somalia: \$2.26 million; developing countries unspecified: \$1.43 million; Azerbaijan: \$0.6 million; Bosnia and Herzegovina: \$0.2 million

Doubling support to DRM in partner countries

In 2019, Switzerland's ODA for domestic revenue mobilisation (DRM) expenditure was reported as USD 10.01 million, which represents a reduction of 9% increase compared to 2018 (when it reached the doubling commitment) but a 90% increase compared to 2015.

In 2019, Switzerland's bilateral DRM programmes provided support to nine countries. Its largest bilateral programmes supported building state institutions in Somalia through the World Bank's Multi-Partner

Fund (MPF), technical assistance to Burkina Faso's central tax administration and strengthening property tax collection to a third of Serbian municipalities.

Switzerland also provides support to a range of international organisations support DRM efforts, including the Extractive Industries Transparency Initiative, TADAT, the IMF (for its Revenue Mobilization Trust Fund and Managing Natural Resource Wealth Trust Fund), the World Bank's Global Tax Program and the OECD's Tax Program for Developing Countries.

Policy coherence for development

The Swiss State Secretariat for Economic Affairs (SECO) in collaboration with the State Secretariat for International Finance (SIF) have supported a multitude of international efforts to implement global standards related to exchange of information for tax purposes and base erosion and profit shifting (BEPS) recommendations. In late 2019, Switzerland ratified

the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI). On a global scale, Switzerland actively promotes global efforts to use taxation as an instrument for green growth and social equity. SECO have also encouraged partner countries to revise their fossil fuel subsidies.

Outlook

In both 2016 and 2018 Switzerland's ODA for DRM was double its level in 2015, and it only needs a modest increase in 2020 in order to achieve the ATI commitment 1 doubling target. This will, though, require reversing reductions to ODA for DRM in 2019 and may be challenging, given the demands posed by the global COVID-19 response.