

SPEECH DELIVERED BY THE HON. MINISTER OF FINANCE AND ECONOMIC PLANNING, KWADWO BAAH WIREDU DURING THE SIGNING OF THE AVOIDANCE OF DOUBLE TAXATION TREATY BETWEEN GHANA AND SWITZERLAND ON JULY 23, 2008

His Excellency Ambassador Lang;

Hon. Minister,

Members of the Press,

Ladies and Gentlemen,

I wish to welcome you all to this signing ceremony.

2. We are gathered here to sign a treaty which shall prevent double taxation of individuals and corporate bodies transacting businesses in Ghana and Switzerland. Today's ceremony is significant in that it raises the bilateral relation between our two countries to a higher level. It also gives boost to the President's vision of the "Golden Age of Business in Ghana".

Ghana-Switzerland Bilateral Economic Relations

3. In the year 2002, the Swiss Government having noted with much admiration the NPP Government's achievement in the areas of macro economic stability, good governance and respect for human rights, decided to include Ghana on the list of priority countries development assistance, for the first time in fifteen years.

4. Thereafter in March, 2005 the Swiss Government sponsored a Business and Trade Delegation to Ghana to offer opportunity for Swiss Business entities to explore areas of investments. This gesture was reciprocated in July 2005 with a similar delegation from Ghana to Switzerland.

5. Ladies and Gentlemen, Switzerland has been a keen supporter of the Multi Donor Budget Support (MDBS) mechanism of bilateral assistance which commits donors to align aid flows to the Ghana Poverty Reduction Strategy.

6. Since 2002, Switzerland has committed close to 60.0million Swiss francs (about US \$40.0million) through the MDBS. Apart from this, Switzerland gives support to the Energy Sector, National Procurement Board and technical assistance to Tax Policy.

Double Taxation Agreement (DTA)

7. Ladies and Gentlemen, the objective of tax treaties among others is to facilitate cross-border trade and investment by eliminating the tax impediments to these cross-border flows. These are achieved by the elimination of double taxation, the prevention of fiscal evasion, the elimination of discrimination against foreign nationals and non-residents; all of which go a long way in presenting a hospitable environment for foreign investment as well as protecting government's revenue base.

8. Ghana recognizes the importance of entering into DTA's with its credible development partners; hence the need for this Treaty with Switzerland.

9. The first round of negotiations on the Treaty was held in Berne between 1st - 3rd of May, 2006. The second and concluding round of negotiations was held in Accra from the 10th to the 12th of March 2008.

10. After today's signing, the two countries would complete the procedures required by their respective laws for entering into force of this Agreement.

11. After the Treaty comes into effect we shall ensure that Ghanaian citizens are made aware of the existence of this arrangement in order that the fullest advantage of the Treaty may be taken.

12. We wish to express the Government's gratitude to the Swiss Government for their continued support to the economy hoping that this cooperation will be strengthened with the signing of this agreement.

Thank you for your attention, and may God bless us all.