

## **Joint press statement**

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**Ms. Kristin Halvorsen, Norwegian Minister of Finance**

**March 6th, 2008**

More open and better integrated financial markets have benefited people and companies around the world. They have lowered the cost of capital and encouraged greater competition in the provision of financial services. Open and efficient markets depend, however, on international co-operation and respect for internationally recognised standards. OECD members have worked towards these aims for some decades now.

Investment vehicles backed by governments, known as sovereign wealth funds (SWFs), are becoming increasingly important players. They contribute to their home country's development, and can make vital capital available to ongoing businesses globally. At the same time, their size and government links can raise concerns that they might affect global financial markets or act in non commercial ways. So while IMF members are discussing possible best practices for SWFs, OECD members are discussing a complementary approach ensuring that recipient countries respect principles of transparency and non-discrimination, yet allow legitimate measures to protect national security. OECD is working with major non-OECD partners and will issue a report before mid-April.

Weaknesses in the integrity of the global financial system have been highlighted by recent events involving tax evasion. This issue involves more than a failure to adhere to international tax standards. These major problems will occur in any jurisdiction that has not fully implemented OECD standards of transparency and exchange of information for tax purposes. This is why it is time now for all countries to adopt effective exchange of information for tax purposes.

Moreover, international tax evasion only represents one instance where failure to recognise international norms can damage the integrity of the global financial system. It can happen in many other areas. This is why the OECD has developed international rules to counter tax abuses but also to improve corporate governance and combat corruption. Other international organisations such as the FATF have developed standards against money laundering and terrorist financing. They are the most effective tools we have to avoid undermining confidence in the operation of international financial markets.