UN Ad Hoc Committee to draft the terms of reference of a United Nations Framework Convention on International Tax Cooperation, 2nd Meeting

20 Feb 2024

Transcript of the session

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Chair: So I give the floor to the distinguished representative of Senegal.

Senegal: Thank you, Mr. Chair. At the outset I'd like to congratulate you and the members of the Bureau for their election. Senegal endorses these statements made by Botswana on behalf of the African group and would like to make a few comments in its national capacity. My delegation strength reiterates rather the important of tax cooperation to address fraud and illicit flows that deprive countries of resource is that they need to invest in the SDG's. Senegal welcomes and recognises the existing frameworks on international tax but in order to have a broader scope in terms of implementation these initiatives need to be expanded insured up by specific transparent process is for developing countries. For us the reform of the international tax system needs to contain four key areas qualified human resources technical assistance in the area of the needs to where reforms need to take place. Capacity building of tax authorities and making them digital, and support for mining and hydrocarbon codes and reforming them. This ad hoc committee is a subsidiary body of the General Assembly and the generous entry rules of procedure the supply therefore decision-making within this committee should be done through a simple majority. My delegation would urge everyone to conduct and join in with this constructively. Thank you.

Chair: thanks to the representative of Senegal. I would like to invite the distinguished representative of Algeria, the floor is yours.

Algeria: thank you Mr. Chair, and first of all I would like to congratulate you for your election as well as to the other members of the Bureau. We look forward to working closely with you. My delegation also align itself with the statement delivered by Botswana on behalf of the African group such as we have worked on this important work of the Ad Hoc committee to establish terms of reference of the UN framework convention on tax cooperation. We believe that it is critical to align our efforts to define the scope objective and guiding principles that we enforce our action to achieve our goals. In this regards we would like to highlight the following, that we need to work together for it's a battle instrument that advance balanced equitable and stable tax policy globally. This convention should aim to foster cooperation, close loopholes and address tax avoidance, and improve dispute resolution. We believe also that the scope of the convention should cover key issues such as the corporate income taxes, value added tax, cross-border taxation principles and capacity building support our process should be the transparent and inclusive engaging developing countries who are the most impacted especially by the issue of the illicit financial flows and also promote the return of assets to their countries of origin. The last point that we would like to to highlight is that in case there is a I mean a vote or decisions to be taken we would like to to apply the same rules of procedure of the General Assembly. To conclude we believe that this committee has an opportunity to lay the ground for advancing the international tax cooperation and the time for global taxation cooperation is now, and we need really to act rapidly to address the different challenges that we face. Thank you so much.

Chair: thanks to the distinguished representative of Algeria. I see no further request for the floor. Statements this morning all of which will inform the work of this committee moving forward as we look have any other general statements I think it's good to have because I get some notes from the statements from the members and I can see that there is some points that may need clarification especially were still in the in the beginning of the process and we need to make sure that we are all aligned and everyone is aware of all the procedures and how the process will be working so taking from you notes I I just gonna clarify some points the first thing that this is a member state that process so all the decisions are taken by the committee not by the people so the peer is not taking decisions but the committee is taking decisions so this process is open to all member States and with contribution for international organisations and civil society as investigated in their resolution 78 slash 230 the decisions we take this session will enable us proud engagement and open transparent process moving forward in our work to draught terms of reference for UN framework convention on international tax corporation that our committee will take into consideration the work of other relevant forums potential synergies and the existing tools strengths expertise and complementary's available in the multiple institutions involved in tax corporation adds international regional and local levels based on our discussions during this organisation session member States and other stakeholders will be invited to provide written inputs to the work of the committee these inputs will form the basis for the first substantive session of the committee in April may who's the deadline on 15th of March 4 receiving all the written inputs from member States and other stakeholders with the acceptance of up to 2000 word each inputs will be posted on the committee website maybe in in in in this point I need to stop a little bit and to clarify something I think that we all need to have like one vision how we are moving forward from some from the statements everyone mentioned and from the side talks I can understand very well that we have different perspectives maybe different point of views but we are all approaching and aiming to the same goal all the statements just mentioned the same objective and the same aims that we are all moving to I think in order to close the gaps between the different understanding we need to understand where we are going and where we are now from the full process from the whole project we have now we're talking about the terms of reference and as we see from many comments dead a lot of members believe that we are in a technical phase or a super technical phase in which we are discussing the technicalities well actually we can split the whole work into three phases the first phase which is the formation of the two or the terms of reference which should be a very high level general principles based on this agreed principles the second phase this phase will hand over to the second phase which is framework convention which this second phase will take force to second level of technicalities which would go more in depth and technicalities forming the framework how things should should work then the third phase which would work simultaneously with the done or be like prepared something easy with the convention is is the protocols which would take everything to the deepest level of details and technicalities I'm just trying to draw this picture or image to understand where we are now and what we are talking about so our level now is the general concepts that we need to agree we are going to talk also within our course of four of our sessions about the protocols as it mentioned in the resolution but it will be limited to just identify what items to be listed what protocols by name I'm giving it I'm going to give like just an example and it's just an example I'm not mentioning what will be in the protocols it's still a work that needs to be done through the Bureau and then presented to the committee but if we're talking about the illicit financial flows we need in the two are just to mention that we have a protocol about the illicit financial flows and he would just stop in this financial flows there's a lot of definitions and mechanisms for this five financial flows but it will not be addressed in that you are this is the second level for the convention and the third level for the protocols to address all the technicalities to talk about the definition what definition will be adopted for this item the same for any other item like I'm just taking for what have been addressed in the statements when we were talking about like exchange of information again it would be item in the TR said we're just gonna address that this is one of the item and we are going to just drank it in in the priority list that we're going to have this all this and the the level of protocols will go with the general principles that we are going to set in that you are I'm saying this just to make sure that we are all can see and get imagine what is the final product that we need to have in August in order not to keep working with different understanding for what the outcome of this team and really something you handle to the upcoming committee to move I just mentioned the inputs we're gonna maybe before going through the to the inputs I need also to give some clarifications about tomorrow sessions and also what is the objective of tomorrow's session because in the agenda is substantive preparation the main objective of this substantive preparation is to reach to the final agenda for the first session so which means this organisational meeting we are not going to work in something substantive and reach decisions about it but we will keep the discussions focused on the topics that we need to talk about and we need to address to make sure that we are reaching to a final agenda for the first session that can help us to to move forward and with the common understanding between all of us after his organisation meeting the secretariat will call for inputs from the members and from different stakeholders we will allow three weeks for the right inputs and and it should it's limited to 2000 words but our expectations for what we're going to receive it will be within the context and the course of what just I describe right now so for example I'm not expecting a super technical memo talking and addressing maybe some items in like poses and technical proposals but I'm expecting to be going in the little bit of the general concepts of course I understand it will not be like a document with like 2-3 words this is the items that we're looking for it can be items in operating about your understanding for it the importers for it and why you are dressing this and how you're seeing this in the in the course of priorities how it looks like so then after that all of this inputs would be combined would be grouped and classified and how will the Bureau will start working on it very important point that need to maybe mentioned here that the viral act we have every group in the Bureau is representing a region and their duty that they keep the region the members of this region informed about all the progress all the discussions that are taking place I'm just gonna say what I felt from the statements I felt that this like didn't happen in the right way before this decision some things were just list and OK it is just the first thing we are still on the organ organisational decision so it's acceptable at the beginning but just here I'm inviting again the Bureau member to make sure their regional groups all the time updated of the progress taking place in the other side maybe we are discussing some additional tools that can support which is like maybe statements report that can be shared that can help the pure members as well to keep the region informed about it well based on this input the pier will be working again on the exact agenda and detailed agenda for every day of the nine days that we're gonna have in April and we will make sure that it would hurt everyone by the 15th of April which almost like 2 weeks before the meeting for doing all the necessary preparation that is needed in in this course all the international organisation all the stakeholders will be invited we will get inputs from them and also we were gonna hit them in the meetings in April and May so they would be invited to come and just give their statements and She's able just to provide in this stations I think while in the in the statements maybe I found a lot of questions about notes about how this stakeholders will be involved I think with the secretariat will start sending the invitation after the organisation meeting and we will make sure that everyone is on board within the right time intervals that they can provide and have enough time to provide their inputs Hopefully I I I were able on just looking at my notes to make sure that all the notes that I I get here to some extent I I was able to clarify to make the vision more clear everyone and also getting ready for tomorrow our substantive preparation for tomorrow and knowing what is the objective and what is the outcome expected from this preparation in the third day it will if there is something remaining that we need still to discuss about the substantive preparation and it would be the adoption of annex one and Annex 2 and for everyone just asking about that the involvement I invite everyone just to look at Alex to include all the details how how it will look like the involvement of the different stakeholders anyone was like any clarifications or any inquiries or any notes to be mentioned. Inviting Turkey’s distinguished representative to take the floor

Turkey: thank you. Mr. Chair. Since this is the first time I've taken the floor, let me hope would you like to on your appointment as the chair of this very important process and we will be supporting you. You know you can trust us to have success successful conclusion of this process. As we haven't spoken in the first session and we would like to point out two things. The first thing is consensus is really important for this process and we would like to underline that principle, and secondly regarding to the role of the the Bureau, we were wondering whether the Bureau reports will be prepared and by the secretariat and officially sent send it to the regional groups as well or it will be the Bureau members who are going to propose prepare reports to their regional groups for the transparency. We feel that it's really very important if the secretary prepares reports of the Bureau. Thirdly, you have mentioned about our expectations and what we expect from this process will there be like guiding questions that will come from you or from the secretary at what we're really expected to contribute if it is more specific. It would really help us to give some specific feedback as well if you could guide us on that process. And fourthly I also would like to remind that we have ongoing process is international processes and this process should be really complementary to what has been ongoing on the international fora and should not be really duplicative under these circumstances we are ready to support your work. Thank you.

Chair: so for the point about the Bureau we're going to have meetings tomorrow for the pier and this will be discussed and how to come we can make this very efficient and virtual. Because it's all about transparency so we need to make sure that everyone, every member state is aware about what's happening and what's taking place. What's the progress even if they are not in in the video so we're going to discuss this and true we're going to get back with the conclusion about it how it will make it looks very efficient and enrich the process. Getting to the question is in the agenda for tomorrow I think to enable everyone to more visualise what we're going for tomorrow will be there will be a presentation it will be done by the secretariat in which we will have everything and what how it should look like the next steps and what we're gonna work in and it will contain I think a lot of information that will be useful. This will help everyone to visualise, but about the problems that the questions tomorrow. We will open the floor it's very open discussion for everyone to just address whatever the problems different states see this is the major main problems that they want to talk about also to state how they can see even if there is a proposal for how we're going to move in this and how we can address these issues and problems. Also, we are open for this what is this want to be sent like Britain. Still we didn't adopt like process for written procedures but I am going to invite everyone tomorrow just to have the floor and start talking and we are talking taking notes and we just will conclude about it at the end of the day. The floor is opened if anyone needs to ask for the floor. So it looks like no one is asking for the floor. So I think one of our colleagues in secretariat told me that if you are closing the sessions early, you'll be the most famous chair, who concludes and closes the meetings early. So looks like I'm going to be. So thank you everyone for the participation and for your contribution in this process and looking forward for more contribution and looking forward for more hard working. We will have six months of a lot of hard working and especially I'm addressing my talking to the EU members so but we need to deliver something good solid that can really push us to the next steps. The committee has concluded its programme of the work for this meeting. The committee will reconvene tomorrow morning at 10:00 AM in this conference room. Thank you for your participation the meeting is adjourned.