Ad Hoc Committee - Meeting 12

3 May 2024

Please note this transcript is automatically generated by transcribing software and may contain errors.

[00:00:00] Distinguished Delegate Excellencies,

[00:00:03] we are resuming our discussion on the same topic we started in the morning about what can be identified as early protocols. So now I announce the session open. So we are going to resume the list of participants from the morning. So now the floor is to the Distinguished Delegate of South Africa. Thank you.

[00:00:29] I think just before the lunch break, I just wanted to comment on the suggestion of some intervention that was done by my colleague from Kenya, that at the moment we're still talking about the possible topics. And and I think to that extent, I fully agree with you that we shouldn't actually go into detail.

[00:00:53] We should just identify the topics at the moment. And secondly, in any case, if you go further, [00:01:00] even with the interpretation of what is illicit financial flows. There's so many legs into it. One can then still say that there is a transfer pricing issue. They can also go to the customs issue, maybe is it included or not because other taxpayers might be under declaring on the custom taxes and then overstating on the income tax.

[00:01:22] So there are just so many issues there. But the key point that I wanted to raise here on the first part was that I support the intervention from my colleague from Kenya. Then the second issue then was in relation to the comments that were made by my colleague from Brazil and we fully support it and I think in any case this is now unavoidable.

[00:01:44] It's in the resolution. The second thing, Chair, as well, I also agree with my colleague from Brazil that, um, you are in a, you are facing some challenges, I think. At some stage you have to come to with a solution to [00:02:00] this. And then the last point that I just wanted to raise, maybe I'm not sure if you, but there is some link to this.

[00:02:06] A couple of years back U. N. Tax Committee, I think had a topic on the agenda for a number of years, on the mispricing. Of international transaction and there was no outcome and then I didn't say that to the extent that there is no outcome to this, I think it will be quite something to say the least.

[00:02:31] Thank you, Chair. Thanks, South Africa. Now to the distinguished delegate of Norway, Vywebex.

[00:02:40] Thank you, Chair, and thank you for allowing me to take the floor a second time during this discussion. I think that all the intervention has, though they come from different perspectives, have shown that there is a lot of work to do in identifying the issues that [00:03:00] possible protocols on the will have to solve.

[00:03:03] Just wanted to support the suggestion made by our Korean colleague before the lunch break that we should invite or commission the the OECD and the World Bank and the IMF and the UN in collaboration to, to perform the analysis that many countries are asking for and see as necessary in moving this work forward.

[00:03:27] These organizations are already working quite well together in the platform of tax collaboration and we see it as quite a good group to analyze the subjects that we identify for further consideration for protocols. So we would just like to lend our support to that suggestion by Korea.

[00:03:47] Thank you.

[00:03:48] Thanks. Thanks, Nuwe. Now to the distinguished delegate of Senegal. Merci,

[00:03:53] Monsieur le Président. Je commencerai par marquer mon appui [00:04:00] aux délégué du Kenya. J'aimerais juste apporter certaines précisions suite à notre, particulièrement à l'intervention

[00:04:13] Reference or will transfer the illicit. particularly the one on tax. So I think that this debate should be well posed. We have also addressed the question of the United Nations regarding the exchange of information. And why was this question asked? This does not mean that we should put I want to emphasize on the fact that the OECD has been doing a lot of research in the field of information exchange, and we already have tangible results.

[00:04:58] But that [00:05:00] doesn't mean we shouldn't discuss what is already happening. When we talked about a convention, for instance at the UN level,

[00:05:11] The.

[00:05:12] Solution.

[00:05:14] Kenya has highlighted that there is always a problem with countries that do not respond to the exchange of information. In the current state, what is the solution that exists? The solution is to wait for the exam by the peers to see if the country would be considered compliant or not compliant in relation to the annotation on the C4.

[00:05:33] This is a reference to what exists today. Shouldn't we do better? It's going to be a it's going to be a it's going to be a place. a place. a place. It's It's It's a floor

[00:05:50] to the

[00:05:51] Thank you, Mr. Chair, and thank you for the opportunity to take the floor a second time following up on our more general comments this [00:06:00] morning. I think that after hearing some of the issues that have been raised, we do think that there is room for and a need to have further discussion to better understand what each of us mean when we talk about different issues.

[00:06:16] And if I look at illicit financial flows a number of the issues identified by the U. S. In that respect, we agree with. I think there is a very different understanding between and among countries what is included in an illicit financial flow. And then even when we get beyond the issue of defining what flows we're talking about, the question that then arises is what can we do in a tax context to try to address this issue?

[00:06:49] And some of the areas that we've heard is greater transparency, looking at beneficial ownership information, And exchange of information, whether it's part of [00:07:00] illicit financial flows or a self standing desire to address exchange of information. And I have to say, following on and hearing a number of the interventions from Senegal, from Kenya, and from others.

[00:07:13] It's still not incli entirely clear to me what aspects of the current exchange of information standard are not working. And what are the answers and issues that we should look at here. If I hear the last intervention, there seems to be a problem that a request is not answered.

[00:07:33] And that makes me wonder, is that because the standard was not met when making the request? Was there a failure to demonstrate foreseeable relevance, which is at the base of exchange of information under tax instruments? Is there a concern about confidentiality of information and use of information only for the purposes set out in the particular instrument.

[00:07:59] [00:08:00] And those are just some examples where I think greater clarity would be needed. And further to that, it's our view that arrangements and institutions already exists for the exchange of information among tax administrations that are largely global in scope.

[00:08:18] This is the case for legal instruments such as the Convention on Mutual Administrative Assistance in Tax Matters the Common Reporting Standard, as well as the Global Forum on Transparency and Exchange of Information for Tax Purposes which comprises 171 members operating on an equal footing, which plays a key role in the implementation of exchange of information standards.

[00:08:42] We think we need to focus on identifying measures that would be complementary to what is already in place and already delivering concrete benefits in the area of exchange of information. But to look at where there may be gaps and where there [00:09:00] may be issues. need to be addressed. We don't see any good reason or argument for displacing or replacing what already is largely working in practice in terms of an infrastructure to address exchange of information.

[00:09:18] We appreciate that some developing countries have expressed concerns that they're not able to fully benefit from existing standards that are in place. And proposals for reform that were made in the written inputs generally relate to the two aspects of information regarding the scope of information being exchanged, and conditions under which those exchanges take place.

[00:09:42] So we think it's important to further understand in more detail. Those particular issues with exchange of information and to determine whether there is room at the UN to add to that or whether there are existing institutional bodies in place [00:10:00] that can deal with some of those questions.

[00:10:02] And we know beyond just some of the standards there may be issues where capacity building is also able to help. Developing countries further benefit from standards that are in place. Thank you.

[00:10:16] Thanks, Canada.

[00:10:17] As no asking for the floor from member states, so now we are going to the floor to the ATAF. Thank you, Chair, for giving us the floor. We, ATAF want to align itself with the cause. By Africa, by the African group, Senegal, Nigeria, Kenya, to prioritize illicit financial flows and taxation of cross border services in the consideration for early protocols.

[00:10:51] We do so recognizing that these two items have already been prioritized by resolution 78230. In addition, [00:11:00] Chair, we propose that there should be a broader list of items to be considered as early protocol, which may go beyond these two items. But again, we narrow it down to simultaneous development. It should be a narrower list of items that may include these two or more items.

[00:11:20] not on illicit financial flows. We believe that Kenya, Nigeria, and Senegal We have made a very genuine case for it to be included as part of the protocols. And we say so, also recognizing that there may already exist instruments which goes to the fight of IFF. However, the solution that may be procured by this protocol should not be used.

[00:11:50] not just be limited to creation of new rules. It should be may as well include application of this existing solution to a broader number of [00:12:00] persons. And we hear from colleagues when they argue that the existing platform instrument adopted to fight IFF is effective among others. We beg to disagree that they are very effective.

[00:12:14] And we said that looking at the existing statistics. Mr. Chair, we have 32 countries for our members, that's 32 African countries in Global Forum. Each time any country joins the Global Forum, there's celebration, there's publication, there's advert online celebrating that a new member has joined. What is not celebrated is whether the member joining is a solution to its problem.

[00:12:39] Mr. Chair, we want to emphasize that Most members that join from our jurisdiction do not benefit, especially when it comes to very critical instruments like Common Reporting Standards. Out of 34, 32 African countries that have joined the Global Forum, 10 of them have signed the CRS MCA. Out of [00:13:00] that 10, there is only 4 or 5 that have implemented the mechanism that will enable them to benefit from that instrument.

[00:13:08] Globally, the adoption rate of this mechanism is zero percent for low income countries. That is more than half of African continent. For low middle income countries, it is 15 percent. For middle income countries, it is 40 percent. For high income countries, it is 80 percent. And this explains the reasons why our colleagues from high income countries, we argue that the system is working well.

[00:13:34] It is working well. They have an adoption rate of 80 percent. They could afford those mechanisms. Many of our countries will not cannot afford it. So the protocol should be able within that context. Look at how do we make even the existing solution to be affordable to these jurisdictions. In conclusion, chair, we believe that at this level of discussion There are analysis everywhere.[00:14:00]

[00:14:00] If you talk of IFF, you have analysis, you could find via research, even a goggle will show many analysis. The Turbine Breaking Report is there showing the damage that this phenomena have done, especially to African countries. So why does exist in that, at that level? We believe that the work of this committee as critical as it is preliminary in nature.

[00:14:22] And that it should be enough to include an item for further consideration by the Committee to Elaborate the Framework Convention once parties indicate that they have issues regarding this particular item. The issue as to the analysis of that problem, The definition of times on that problem, I think is an issue that should properly be within the purview of the body to elaborate a framework convention and the protocol itself.

[00:14:50] We thank you chair for the opportunity.

[00:14:53] Thanks.

[00:14:54] Now the floor to the Digital Corporation Organization via WebEx.

[00:14:59] Thank you [00:15:00] very much, Chair. Am I audible there? Yes, we can hear you well. Yeah. Thank you very much here for giving Digital Cooperation Organization an opportunity to speak again. DCO understands that two factors should guide us in deciding early protocols. The first, the issues that are contentious among member states.

[00:15:24] Second, the items that are mentioned in Resolution 78 230. Based on these factors, TCO suggests three issues to be included in early protocols. First, the allocation of taxing rights in general, and for services in particular, because it is contentious, as well as mentioned in the resolution. It is contentious for two reasons.

[00:15:46] First, due to the digitalization of economy, services now constitute more than 50 percent of GDP in most developing and developed countries. Thank you. Second, the change in business models has enabled [00:16:00] businesses to render services across borders without being physically present there. Thus, the taxing rights of cross border services cannot be assigned based on century old rules.

[00:16:12] Therefore, the allocation of taxing rights of cross border services in particular should be included in the early protocols. The cross border services issue is complex. and has many limbs like a hydra. Its resolution needs revisiting several income streams, which despite being services, are treated heterogeneously as royalties.

[00:16:38] Automated digital services through software, fees for technical services, professional services, and even service oriented businesses. The nature and scope of services being the most complex issue suggests that the resources should be pooled by neighbors to examine and resolve it once for all by a priority [00:17:00] protocol.

[00:17:01] The second issue which. The issue wants to highlight is of a tax competition. Tax competition is another contentious issue. Recently, a solution is proposed to address it by ending the use of the tax incentives, which is a policy instrument mostly used by developing countries to attract FDI and R& D. Mr.

[00:17:22] Chair, developing countries are not against ending the tax competition, but they also want to safeguard their tax sovereignty. Therefore, an early protocol, if it is the right tool for this purpose, should be included. Or a commitment to protection of the state sovereignty in tax matters in the form of a principle may be made part of the framework convention.

[00:17:46] The last, the most important one also is the major, is the major source of tax related illicit financial flows is from the large informal sectors which are. Quite huge in [00:18:00] developing countries, then formal sectors are mainly comprised of SMEs. Though informal sectors are a source of tax related illicit financial flows, they also provide an opportunity as a potential source of revenue.

[00:18:14] The large informal sector is not a contentious issue among the states. Even then, it deserves urgent international cooperation because of the dire need for revenues by developing countries. DCO recommends an early protocol for strengthening tax administrations of developing countries to tax informal sectors and help developing countries in the formulation of policy to enable SMEs transition from the informal to the formal sector, because informal sectors are one of the major sources of tax related illicit financial flows.

[00:18:50] Thank you very much, Chair, for giving us the opportunity to speak. Thank you very much again.

[00:18:55] Thanks, Digital Cooperation Organization.

[00:18:59] Now the floor to [00:19:00] the, to Mumbai Short Hauled Accountants Society.

[00:19:03] Thank you, Chair. It is said that data is new oil. But that's probably true largely for the MNEs, the complex business models which they follow. When new data comes or more and more data comes to the tax authorities, I'm not sure that would necessarily result in monetization. So collection of data is not same as collection of tax revenue.

[00:19:30] When I look at the, the proposals which are made for early protocols, I can divide them in three parts. One, which generates more data for the countries, second, which probably improves the procedures for the countries. And the third, which results in direct allocation of new taxing rates. In my view, it's always better to take the taxing rates first so that one is in a position to collect taxes first.

[00:19:57] Let's say, for example, a transaction [00:20:00] happens in 2026. If the taxing rates are taken. The country will be in a position to collect the taxing right now for the same transaction if the data is available in two thousand twenty eight. The country may still be in a position to collect taxes pertaining to that transaction.

[00:20:17] So it is important that the taxing rates are given first, that's given more priority, and then the rest of the things can follow. I'm not saying that, things like transfer pricing or other procedures or dispute resolution are not important. They are important. But if one takes up that first, a lot of the resources may get consumed in resolving those issues and the diversion or the resources for allocation of new techniques may be restricted.

[00:20:45] Thank you.

[00:20:46] Thanks. Boom. Be sure to the contents.

[00:20:49] Now the floor to the European Network on Debt and Development. Thank you so much, Mr. Chair. The first point we want to raise to civil [00:21:00] society is that we're extremely encouraged about the discussion this morning and the strong momentum we're seeing for moving forward. We find that this reflects the urgency that this issue needs, but it's also very clear that we have a very large, critical mass of countries that feel an urgency to take action.

[00:21:20] again. We're also very welcoming of the fact that we are hearing of some very hard lessons learned from developing countries. And we're slowly starting to build a common understanding of what is needed. It's quite clear that we have some standards on tax that are working for some countries and not for others.

[00:21:40] But we also have some areas where we don't have any standards and where all countries have a joint problem. And the one thing we don't have anywhere is a truly global standard on tax. That means that we have no risk of duplication. It means that there is nothing to compliment, but it also means that all [00:22:00] countries have a joint problem because there is no truly global tax cooperation.

[00:22:05] That's one reason why this process is so extremely important. And in terms of avoiding controversial issues, I want to remind everybody that if we had respected that, we wouldn't be here today. The idea of having an intergovernmental UN convention on tax was deeply controversial until two years ago.

[00:22:25] It's really delightful to see how we're all starting to benefit from the fact that we were not afraid to discuss that controversial issue. On the proposal of having secretariats of international organizations write reports on the gaps that we're seeing, one of the important advantages of this process is that it's finally member state led.

[00:22:47] Secretariats based in Washington or New York or Paris do not know about the realities on the ground in developing countries or in fact in any countries. And when reports come from [00:23:00] secretariats, they do not have the ownership of governments. They do not have the joint understanding of the action that's needed.

[00:23:06] That's why this process, this member state led process, adds something that we have been missing for years. Lastly, we wanted to raise a concern about the intervention that came from the delegate of the United States as we understood it, it reopened a discussion about whether we should be tackling illicit financial flows.

[00:23:30] We very much welcome a discussion about how to tackle illicit financial flows. But as we see it, Discussing once again whether we should take action on this issue is taking us back, us backwards. The resolution that mandated this process to he, to that we are in today was very clear on this issue.

[00:23:50] On the question of more information on why automatic information exchange is not working, we've heard that already today from developing countries, and we as civil society are [00:24:00] also always happy to provide more information to any delegation that hasn't had more information, and much. Enough information on that issue.

[00:24:09] Lastly, we note that the delegate of the United States also mentioned pillar one and pillar two as a process that should be endorsed and supported, but we also note that this is actually another process where The United States has not endorsed the outcome. This is the area that we have seen. This is the reality we've seen on international tax is that we have exclusive processes where not all countries are at the table.

[00:24:36] And even within the OECD block, there has been a lack of willingness to actually cooperate. This is why we need this process and we want a UN tax convention where all countries are included. But if that's not possible, we find it extremely important. That a small minority of governments do not stand in the way because the [00:25:00] momentum for action that we're seeing here is really encouraging.

[00:25:03] And we're very delighted about the extremely meaningful and very important discussions we're having here today. I thank you.

[00:25:11] Thanks to the European Network on Debt and Development. Now the floor to the distinguished delegate of Brazil. Thank you chair. I decided to wait and to come back to my intervention that I had to stop because of the lack of time before the lunch break. And I thought that it would be nice to hear from the civil society in general before taking the floor again.

[00:25:39] I almost finished the points that I had to raise and I would like to talk about one that has been raised by other delegates after me and even before. Which is, we have a, apparently we have a problem with the exchange of information. And the question, I think that put and raised by Canada was, what is the [00:26:00] problem going on there?

[00:26:01] What is, so if, maybe and also, if I'm not mistaken, ATAF also mentioned, they cannot implement it because it's too expensive.

[00:26:09] It goes back to my point that states also have to devote, to have a commitment, a high level commitment somehow to devote more resource to the tax administrations and to, to mechanisms to enforce and to monitor the taxes, their tax systems in general. I'm not sure how we can do it, but somehow in the, in, in the next iterations with the general assembly to have some, something mentioned about it.

[00:26:34] And on the other hand I have the impression that considering my limited knowledge about the Global Forum, I have the impression that some of them have not fulfilled what is expected before the Global Forum, and that's why they don't receive, they have not received the exchange of information. And we might go back again, but maybe they lack resources to implement it.

[00:26:58] Or maybe the standards are too [00:27:00] stringent for them. And I don't know. We'd need to. find out what is going on and how we can support it either with concrete measures or exhorting asking, or by asking countries to devote more resources once again. Overall, it seems a common theme here and that has a significant impact for them.

[00:27:22] Another proposal that has been raised I think by the civil society before, not now, is to have public CBC reports. I'm not sure whether it could be an early protocol. And finally, I would like to raise and make it explicit that I think that we should consider having early protocols to allow simultaneous update of double text trees to be more in line with the UN model or recent changes of the UN model convention.

[00:27:56] Okay. If it will be feasible, I'm [00:28:00] not sure. If countries will accept and adopt it, I'm not sure as well. Again, it will be optional for both sides, for the source countries and for the residence countries to adopt those protocols. But at least we will address one of the concerns and complaints that we have seen over and over that, which is that the treaties that they have limited too much the potential to tax in the source.

[00:28:24] in the source country, so by, arguably by implementing or updating tax treaties simultaneously with different treaty partners that would allow a strategic movement, move, so that more countries would be less concerned, as I mentioned To renegotiate the treaties, because they would see other competing countries also renegotiating the treaty at the same time.

[00:28:50] To implement some provisions that are more in line with source accession. I think that could be an idea for early protocols. [00:29:00] They are already in the model or in commentaries of the model. And. If countries, I have to say that at least I remember that at least one country was subject to, has experienced strong public pressure to renegotiate treaties and they decided, that country, I can't name it, but I prefer not to do it, and that country decided to renegotiate a series of treaties with developing countries.

[00:29:28] I think it was an admirable initiative. I'm not sure how it's going, but they made a list and they keep renegotiating some of these treaties with developing countries year by year. Thank you. Thanks. Brazil.

[00:29:46] The floor to the distinguished delegate of Kenya. Thank you chair. I'd like to focus my comments today afternoon on cross border services since in the morning we just wanted to [00:30:00] focus on illicit financial flows. So we do support the The proposal for a possible early protocol on cross border services.

[00:30:09] As the name suggests, chair, tackling the ineffective taxation of cross border services cannot be tackled unilaterally. It requires cross border solutions. Resolution 78 to 30 has recognized the need for all countries to work together to ensure that all taxpayers, especially multinationals, pay taxes to the governments of countries where economic activity occurs.

[00:30:33] value is created and from where revenues are generated share. We do believe that if this one objective is met, not that it is a sole objective, but this is one crucial issue that if it is met would address quite a number of issues that are being faced by developing countries. The biggest issue, for example, we face with the taxation of cross border services is with the undue restrictions that have been placed on our taxing rates with regards to payments for services being made out [00:31:00] of our country.

[00:31:00] Okay. which cannot be subjected to tax. The issue does not lie with a lack of domestic laws or framework to subject such income to tax. And it also does not lack, it does not lie in the lack of capacity in our jurisdiction. Kenya, for example, has robust tax laws that creates taxing rights over income that has been deemed to arise within our jurisdiction.

[00:31:24] But existing tax treaties and other international tax policies, which are based on a key concept such as the requirement for physical presence restrict our domestic right to impose tax on such income. On this particular issue, Chair, we would like to support what the distinguished representative from Brazil has proposed with regard to updating tax treaties on some of these issues, because we do know that it would be a very complex process to, to pursue bilateral renegotiations.

[00:31:57] So we propose the development of a protocol that [00:32:00] would ensure multinationals pay taxes, of countries where economic activity occurs, where value is created, and from where revenues are generated, irrespective of whether the company has physical presence there or not. In my comments yesterday, Chair I mentioned how multinationals were very quick to adapt to globalization, to not have to have physical presence within a jurisdiction to derive income from that jurisdiction, and it is our belief that international tax laws need to follow this theme.

[00:32:29] And our proposal on this issue of ensuring that multinationals pay taxes to those governments would cover, for example, cross border services, taxation of cross border services taxation of the digital economy, as well as issues such as the indirect offshore indirect offshore transfers.

[00:32:49] Together with cross border services, Chair, we'd also like to bring up the issue of cross border transactions. Yes, the existing rules, especially on issues such as transfer pricing, but these issues again [00:33:00] were developed on a platform that was not inclusive and did not take into account the unique circumstances of developing countries.

[00:33:07] For example, when we look at transfer pricing, a lot of developing countries face the issue of lack of comparables or the requirement to pay for access to systems that would give them comparable data. So there are issues which developing countries face, which have not been addressed with the current policies.

[00:33:24] So we do believe that this platform can also provide for policies that would allow for effective cross border. Transactions and provide policies that can be adapted to the unique situations of developing countries. Thank you chair

[00:33:40] Thanks Kenya

[00:33:42] So it's Friday night and looks like everyone want to go home early. So no one is asking for the floor. So given this On some people don't want to go home early. Okay So now is the floor to the distinguished delegate of China [00:34:00] Thank you, Chair. I'm sorry for delaying the weekend evening. I should say the discussion and consultation today is helpful.

[00:34:11] I have a better understanding of the current content which may be included in the proposed topics. Especially the two such suggested areas in the resolution, measures against the tax related illicit financial flows and the taxation on cross border services, especially in an increasing digitalized and globalized economy.

[00:34:36] Of course, these two topics are equally important, but they are very extensive and very difficult topics for which I think the Positions of concerned parties may be dispersed and numerous debates may occur during the negotiation to seek a possible balanced solution. [00:35:00] But I think it, it will be very difficult for many member states if there are three lines of negotiations going on at the same time.

[00:35:10] One for Framework Convention, two for these two topics. For these very substantive and difficult topics from a pragmatic perspective, I think it is better to take a gradual or step by step approach, that if we stay with the architecture and time frame of 24 months, as suggested in the yesterday compromise proposal put forward by the distinguished representative of United Kingdom, Just take one of these two difficult topics to be developed simultaneously with the framework convention.

[00:35:50] That's my primitive thoughts on this. Thank you, chair.

[00:35:55] Thanks China. Now to the distinguished representative of Korea. [00:36:00] Thank you, chair. I would like to mention about the the CBC publication. I as far as I know, there are a couple of countries who unilaterally publish the country by country report but I'm afraid that unilateral publication would cause some fragmentation when it comes to publication of the M& E the country by country report.

[00:36:24] It should be aligned with the international standard, I'm not sure whether international standard allows individual member country to publish that report unilaterally. In terms of alignment, I think each member country to be cautious in publication of the country by country report. And 22 cross border service.

[00:36:53] Taxation of the cross border services. As far as I know, [00:37:00] in case of tax treaties, each country tried to take balance of their interest through bilateral negotiation. As we know, there are two models, U. N. Model Convention and OECD Model Convention. I believe that each member country select necessary or favorable clause from models so that it's a combination according to their interest.

[00:37:26] So I'm thinking it's a bit risky for multilateral instrument to oblige other member states follow just the one selection which reflect to certain member countries interest. So I think as it is we need to follow. The current practice especially when it comes to making treaty bilateral treaty we need to take into consideration the characteristics of a bilateral treaty negotiation.

[00:37:55] Thanks, Korea.

[00:37:57] As no ask for the floor, we can [00:38:00] announce the floor closed. And now I'm gonna give a brief about the takeaways from this informal discussions and the brainstorming that we proposed. Just had as I see here, we have some let's say early protocols, which is in common and very frequently asked and mentioned by many members in the floor since the morning.

[00:38:31] What I'm going to list right now is early protocols is what we heard from the floor and was what was most frequently repeated. So I think as a early possible areas for early protocols from this pre installing as a and as a takeaways that we can use it for our way forward is the cross border services.

[00:38:55] Elicit financial flows. Digital economy. [00:39:00] Dispute resolution and prevention, net worth individuals,

[00:39:04] protocols in environmental and the climate challenges. It was mentioned in different names by different members, but again, it's all in the same context of environmental and the climate challenges exchange of information and tax incentives. So this is the takeaways from our brainstorming and discussion today in this informal meeting.

[00:39:28] And this is the possible list that came out from the floor. Thank you for this fruitful discussion and all your participations and interventions and elaboration and have a nice weekend. And thank you all and see you next Monday. at 10 a. m. in the same room. Still we have one minute, still we have something.

[00:39:58] We are going to change the [00:40:00] room. Monday it will be the same time, 10 a. m., but in conference room one. This is conference room three, so it will be conference room one on Monday.

[00:40:12] Thank you all and have a nice weekend. Thank you. The session is closed. Mhm.