Ad Hoc Committee - Meeting 13

6 May 2024

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[00:38:00] Good morning, excellences, distinguished delegates, dear colleagues. I call to order the 13th meeting of the Ad Hoc Committee to draft terms of reference for a United Nations Framework Convention on International Tax Cooperation. The meeting is declared open.

[00:38:45] This morning, the committee will continue its substantive scoping. Exercise under Agenda Item 2A, Procedural Elements. You will recall that last week, following our first reading of the [00:39:00] TOR skeleton, we have focused our scoping exercise on verses, uh, mainly substantive elements. Under Agenda Item 2B, we have discussed preamble objectives and principles and possible topics for high level commitments.

[00:39:16] Under Agenda Item 3, We have discussed approaches to develop protocols, including timeframes for framework convention and protocols, as well as possible specific priority area for early protocols. Now that we have covered this mainly substantive ground for the first time, we being our, we began our consideration of item two, a procedural elements under this item, we will have two standards of.

[00:39:47] Two stands of discussion. One on the time frame and reporting and resources with respect to the Negotiating Committee, and another [00:40:00] on the references in the draft TOR to the structure of the Framework Convention as 1 to the TOR skeleton. Our first trend of discussion under Agenda Item 2A relates to some basic procedural elements that the draft Terms of Reference for the United Nations Framework Convention on International Tax may eventually entail.

[00:40:26] The discussion of a tentative timeframe for development of the UN Framework Convention has already been touched upon last week. It relates also to the timing for when the negotiating body would report back to the General Assembly, its parent body, with a draft text of the Framework Convention.

[00:40:52] The resources to support the work of the negotiating body are another basic procedural element. The [00:41:00] second strand of our discussion this morning relates to reference in the draft TOR to the structure of the Framework Convention. This is an opportunity for the committee. To look again at Annex one to the two R skeleton.

[00:41:15] We recall from last week how looking at number of un multilateral conventions help to identify elements that are commonly included in such arrangements.

[00:41:30] Indeed, some were such common elements of a framework convention that they were typically not referred to in the terms of reference. This explains, first, why certain items appear in both the URSkeleton and its Annex 1, and, second, why some items only appear in Annex 1, which set out the elements of the framework convention itself.

[00:41:55] Annex 1 is an attempt to clarify the elements that a U. N. framework [00:42:00] convention could entail without a reference. Unduly limiting the negotiating body in its operation of the framework convention. This approach provides certainly, certainly as to the issues the negotiating body will consider in elaborating the framework convention without predetermining the outcomes.

[00:42:23] Over the course of our discussion this morning, we will just have another opportunity to clarify the committee's thinking about the relationships of Resolution 78232, the draft terms of reference, the Framework Convention, and its protocols. We will open the floor for statements now in the formal part of the meeting with a view to enter into the informal discussion thereafter.

[00:42:49] The floor The floor is open first for any statements for member states and then for intergovernmental organizations and other relevant stakeholders.[00:43:00]

[00:43:01] Does any delegation wish to take the floor?

[00:43:10] Distinguished Delegate of United Kingdom, the floor is yours. Thank you, Chair. And good morning, everyone. I hope everyone had a good weekend. Uh, as the Chair noted, last week we discussed a lot of substance and gained a better understanding of each of us interests and positions. What I wanted to log this morning is that we cannot forget about the process.

[00:43:35] The terms of reference will need to set out some key points about how it is establishing the negotiating committee for the framework convention. Things like establishing a bureau for the negotiating committee, how that bureau will be constituted, when and how the negotiating committee will convene, etc.

[00:43:55] They're not the exciting things, but they're the most crucial things for the terms of reference. very much. [00:44:00] So, our ask is to make sure that those things are reflected in the zero draft, and there is time on the agenda for the second session to discuss them. The second point I wanted to make, which I recognize will be more contentious, is on decision making.

[00:44:17] I think this has partly been a question because we're talking about decision making about decision making, and that makes it difficult to keep track of what we're actually talking about. So, for the purpose of clarity, I see three stages. On decision making. The first is how we make decisions within this ad hoc committee.

[00:44:41] We've already decided that. We decided that in the organizational session of this committee in February. The second stage is how we will make decisions within the negotiating committee. I'll come back to that. The third is how we will make decisions within the context of the framework convention [00:45:00] itself.

[00:45:01] And that is not for this committee to decide. That is for the negotiating committee to decide. So it's that middle stage that I want to talk about. Um, we believe it would be extremely helpful to look to include in the terms of reference, how decisions should be made in the negotiating committee. That would be a normal part of defining the mandate of the negotiating committee.

[00:45:29] There will be a second opportunity to discuss in the organizational session of the negotiating committee, but it would be better not to leave it until then. We have 15 days. In the summer for our second session. So let's use them. There are lots of ways that could be represented in the terms of reference.

[00:45:50] We can look for instance, at, uh, the BBNJ resolution or the cyber crime resolution for wording on, um, [00:46:00] how we approach trying to achieve a consensus. Um, but I think that would be a useful discussion for us to have. So the UK's request is that. There is a section in the draft terms of reference for decision making of the negotiating committee and that we have time on the agenda in the second session to discuss that.

[00:46:23] Thank you very much.

[00:46:47] Thanks, United Kingdom. Now to the distinguished delegate of Japan.

[00:46:55] Thank you, Mr. Chair. So, we would like to mention three points regarding procedural [00:47:00] elements and one point regarding the structure of the Framework Convention. So first, we would like to touch upon the organization of the Intergovernmental Negotiation Body. Listening to divergence views over the days, its Bureau would require multiple chairs and balanced members to navigate our work to an agreement.

[00:47:23] In this context, we would like to propose three core chairs from small island states. The other developing countries and developed countries respectively for, for, for consideration. This composition will best reflect the different interests. Bureau members should also be selected based on economic development status as well as region.

[00:47:48] Second, with regard to reporting, the procedure, uh, uh, reporting procedure depends on the decision making process of negotiation body. So given the nature of the negotiation body, [00:48:00] its decision should be final. If reporting is necessary, the terms of reference should clarify that the negotiation body will report its final decision.

[00:48:13] In this regard, we would like to reiterate the importance of consensus based decision making for the negotiation body. Third, as some distinguished delegates mentioned last week, Resource for technical work is needed to draft a framework convention and conduct analysis for early protocols. Given resource concerns of all member states, we should seek support from the Platform for Collaboration Tax.

[00:48:45] Lastly, with regard to the structure of the convention, it will be necessary to put a provision regarding membership of the convention. As we stated last week, uh, non state jurisdictions are not members of the UN. [00:49:00] We should consider expanding membership to provide inclusive, effective international tax cooperation.

[00:49:07] Uh, thank you very much, Chair.

[00:49:13] Thanks, Germain. Now to the distinguished delegate of Germany. Thank you, Chair, and good morning to everybody. Um, In respect now of the formal part, um, of this, um, meeting and addressing the, uh, procedural aspects, because I guess we will have an informal part on that as well, where we can go more into detail.

[00:49:36] I will. Keep myself short, but reiterate again and, um, as already my distinguished delegates of the UK, Japan already put more detail, more flesh to the bones, just to generally state, um, that we also have some points on these issues, some suggestions there, some, and we [00:50:00] see, um, the necessity to discuss, um, the procedural aspects, um, really, um, of the closely and in detail.

[00:50:08] So I just want to call for really putting sufficient emphasis, importance and time on these, um, procedural aspects. I was told or I learned from my U. N. Legal. experts and others who have more experience in the UN processes that it is really important to have the procedural aspects in line. Otherwise, um, it gets really tricky and otherwise there might be misunderstandings and questions and time lost and maybe irritations created that would not, that are not necessary and, uh, which would be detrimental.

[00:50:51] So. to the whole process. So it's a general call really to go into details and to, [00:51:00] um, have, um, more, uh, time and more specifics on the procedural aspects. And also I think we can draw from the experiences of this session. Um, already, I won't kind of now make a list or whatever, but there have been some question marks.

[00:51:17] There have been some questions and I think those could, um, easily be avoided if we really learn from that. And for, um, the terms of reference, which are the terms of reference for. Um, for the, um, uh, drafting of the framework convention. Um, I think it would be a good time or point, and I think it is usual or normal in the UN, um, procedures, um, that we really dedicate, um, a sufficient section and sufficient clarity on procedural aspects for then the next committee, um, that will draw up the framework convention.

[00:51:59] Thank you.[00:52:00]

[00:52:20] Thanks Germany. Now to the Distinguished Delegate of Canada.

[00:52:28] Good morning, Chairperson, and good morning, colleagues. I'm very pleased to be back in this room today, and I will speak once, uh, this time on behalf of Australia, New Zealand, and my own country, Canada. So once again, I want to reaffirm in the present discussion in good faith and in a constructive manner with the hope that a consensus will emerge on actions and initiatives that are based on a sound analysis of the gaps that may exist in international tax cooperation and of the [00:53:00] action that would best support domestic resource mobilization.

[00:53:03] Um, our understanding, um, Following your summary, this, um, morning of the action and discussion of last week is that the purpose of the terms of reference is indeed to establish the process for negotiating the Convention, and to set the broad direction for the structure and content of the Convention in a manner that not only does not prejudge the outcome of the negotiations.

[00:53:27] On that basis, our expectation is that the terms of reference will also include provisions concerning the process for negotiating the Convention. Not only on timeline and resources that need to be addressed, but also On, uh, as some of my colleagues have mentioned, the formulation of the mandate of the negotiating body, the Bureau, and the Secretariat of the negotiating body, logistic matters such as the number, duration, frequency, and location [00:54:00] of negotiation sessions, and maybe, um, options for virtual participation.

[00:54:05] Um, including engagement with stakeholders, and on that note, On a personal note, I should say I was very pleased to support you, Mr. Chair, at the beginning of this session to ensure an inclusivity in the committee's work. Um, the need for analysis to support the negotiating negotiations, including the commission of maybe research or analysis input, uh, from international and regional tax organization.

[00:54:32] And also finally, but not the least, uh, key elements of the rules of procedure governing the negotiations. On that last point, we should stress that we remain of the view that seeking the broadest possible consensus on the text of the Framework Convention will be essential to support its adoption and implementation.

[00:54:55] Reaching compromise among competing interests is always [00:55:00] challenging. I should say after many of these negotiations and can indeed take lots of time. Nevertheless, it's essential if the objective is to develop a convention that is broadly implemented. In that sense, um, some of my colleagues have made reference to, um, The, uh, either recently concluded negotiation on the BBNJ agreement or some ongoing negotiation currently in the UN system.

[00:55:32] And I noted, uh, I should potentially note that, um, it is important to find how we're going to assess if cons, cons, um, consensus has been reached or consensus has been exhausted and there is no Um, and I think it's important to note that, um, there is no possibility to move forward on the basis of consensus.

[00:55:52] On that basis, I would say that, um, we would potentially want to refer to, uh, other [00:56:00] provisions that are in taking place where the chair, uh, We'll conclude, um, that there may not be consensus only after consulting the Bureau, um, and exhausting any means possible for, uh, consensus, and then move to vote to two third majority only in those circumstances.

[00:56:20] I can refer, for example, um, Delegations to the provisions that we have agreed on the ADDA committee to elaborate a comprehensive international convention on countering the use of information and communication technology for criminal purposes, to which my colleagues have referred as cybercrime convention.

[00:56:44] We also, uh, believe that priority should be given to negotiation on the framework convention, um, and less on the, um, so that we can really, uh, establish the conceptual institutional framework that will guide [00:57:00] the eventual negotiation of protocols. As such, for us, it would not be appropriate to develop protocol while we design The main convention, but rather in sequence, sequential matter.

[00:57:16] We understand, um, that this, uh, session of the ADAA Committee will lead to a procedural report, and we will continue to work towards the terms of reference at our next session. In that context, uh, as I mentioned earlier, or as we mentioned at our first session, we would look forward to, um, the, um, More time be allocated during the next session to the discussions of, um, these procedural matter on the basis of a text.[00:58:00]

[00:58:03] Thanks, Canada. Now to the distinguished delegate of Portugal. Thank you, Chair. Without prejudice of Taking back the floor on the formal meeting, I would like to present a statement from the Portuguese delegation in respect of the most pointeous, most crucial elements of procedural procedure that we should solve on our terms of reference, so we say.

[00:58:30] Given the importance of this intergovernmental ADAPT committee, of every discussion that is related to how we could proceed to achieve a framework convention on international tax cooperation, I We must welcome the discussion of this agenda topic of today. As we understood during the last days of meetings, it is not expected from us to start the negotiation of the framework convention or even to preempt what will be the negotiation [00:59:00] of that instrument, legal instrument.

[00:59:03] Instead it is expected from us the submission of a report to the 79 session of the United Nations General Assembly. containing the draft terms of reference that will be agreed on this committee So that the general assembly can then proceed And decide under which modalities it will establish the negotiation committee or negotiation body of the framework Convention on International Tax Cooperation.

[00:59:31] It will have to decide a variety of aspects that pertain to the organization and conduction of that negotiations as such, for example, it will have to determine the number of sessions to be held, to establish the dates and place for the organizational meeting of that committee. It will have to define what will be the status of permanent observers and other observers and stakeholders in that committee.

[00:59:58] It will also have to state [01:00:00] which rules and established practice of the UN General Assembly are to be or to be not applied to that committee. Looking at the established practice at the United Nations General Assembly, we can see that it is not uncommon for this UN body to decide that the negotiation of an international legal biding instrument should And I now quote resolution 72249 from, uh, 17th, December, 20, 20, 2017 exhaust every effort in good faith to reach agreements on substantive matters by consensus.

[01:00:45] It is also in December to 20, 29, the res, we also have the resolution 6448. where we can read the decision of the General Assembly [01:01:00] to submit that process to the basis of consensus to achieve a strong and robust treaty. We believe, Chair, that it is also the case in this context that we are. And it is so given the utmost importance of tax matters for each member state and the recognition.

[01:01:21] that it is also the established practice in other international multilateral discussions or negotiations over tax matters to submit this type of decisions to a consensus rule. Portugal believes that it is important that the terms of reference sign already from the start to the United Nations General Assembly its clear preference for a consensus based rule in respect of the negotiation of the Framework Convention on International Tax Cooperation.

[01:01:51] We believe that such a decision making rule is the one that better ensures that that convention will have the broadest [01:02:00] possible relevance, considering the number and variety of member states participating in it. That way, ensuring the fulfillment of the objectives of that such initiative. Thank you.

[01:02:14] Thanks, Portugal. Now to the distinguished delegate of Korea.

[01:02:21] Thank you, Chair. Good morning to everyone. During our first session, we prioritized the key agenda items. We have identified four subject matters. We have identified our preliminary protocol candidates. Our first step is to delineate topics for the framework convention versus the protocol. Thank you.

[01:02:45] Because some subject matters topics were mentioned for protocol two and then invite member states to prioritize their preference for the protocols. To facilitate decision on [01:03:00] this, I propose circulating joint analysis reports from the IMF, World Bank, NOSCD, and UN, outline issues and potential solutions to all member countries.

[01:03:13] Ahead of our next, uh, second sessions, the exact timeframe as well as the choice between sequencer and parallel approach for the framework convention and protocol will hinge on numbers and nature of protocols, task selected. So I hope we can decide the numbers and topics of protocols at least in the second session.

[01:03:39] Regarding the decision making process within the negotiation committee, the allocation of taxing rights, for example, is a pivotal issue concerning tax sovereignty. So I would like to reiterate the importance of importance to stipulate the [01:04:00] seeking consensus among all members of failing that process. At least a super majority in the TOR.

[01:04:07] Regarding the protocol, given the diverse circumstances of each country, member states should have the flexibility to opt in or opt out of the protocol based on their specific situations. Last but not least, as far as the composition of the negotiation body is concerned, we would like to support Japan's proposal to compromise developed countries Number one.

[01:04:36] Developed countries, number one, and small island countries, number one, in terms of inclusiveness and efforts to achieve a consensus. Thank you.

[01:04:49] Thanks, Korea. Now to the Distinguished Delegate of Jamaica. Thank you very much, Chair. Good morning, everyone. Um, Chair, I'd like to support [01:05:00] the, um, intervention of, uh, of Japan, uh, regarding the, uh, three co chairs. Um, one for small island developing states, naturally developing countries and developed countries.

[01:05:17] Chair, while most, um, while most seeds are categorized as developing countries, we have not been at the center or even on the agenda of the international tax community. And with the exception of blacklisting or vague references to environmental issues, the particular problems that are faced by SEEDS have not been considered.

[01:05:46] And so, Chair, uh, um, Even at this time, we're not sure where we fit into the international tax landscape. And for that reason, we support this proposal [01:06:00] by Japan. And we also support Japan's intervention regarding the platform for collaboration because we recognize that because of the peculiar problems that we face It'll probably have to be a collaborative effort between the, um, the intergovernmental body as well as other multilateral, such as the World Bank and the IMF in terms of dealing with our domestic resource issues.

[01:06:28] Thank you, chair.

[01:06:35] Thank you, Micah. Now to the Distinguished delegate of Russian Federation.

[01:06:46] I did not plan to speak at the official part of this meeting, but there is a reason for which I would like to make a short [01:07:00] statement. Yesterday was the celebration of the Orthodox holiday of Easter for Orthodox Christians, so I would like to congratulate them all on this holiday. Happy Easter to all of us!

[01:07:44] Uh.[01:08:00]

[01:08:12] I am a member of the United Nations. And as far as these consultations are concerned, the

[01:08:24] opinion of my colleagues on a number of issues that have already been touched upon, whether they are issues related to decision making or how to form a future committee, whether to include governmental or non governmental organizations in the work of this committee. There are other opinions on this matter.

[01:08:54] Thanks.[01:09:00]

[01:09:18] Chair. Um, I can be very brief. Belgium wants to align itself with the statements made earlier by UK, Japan, and Japan specifically to reassure full inclusiveness. The earlier statements of Germany, Korea, Cairns, and Portugal. Thank you. Thanks, Belgium. Now to the distinguished delegate of Spain. very much, Mr.

[01:09:42] President, and good morning to everyone. We welcome the discussion of procedural elements for the first time in the session, although previous allusions have already been made to issues such as the simultaneous, semi simultaneous or consecutive calendar of the framework agreement [01:10:00] and early protocols in the event that these are developed.

[01:10:04] In reality, and as other colleagues have pointed out above, we understand that the terms of reference should contain, for the most part, procedural elements. The terms of reference should be understood as the guide that the negotiating committee of the Framework Convention must follow at the time of its negotiation, that is, how the table is constituted, which member state will be the facilitator of the text, or what are the rules of decision making for negotiation.

[01:10:30] It is true that the Framework Convention must also include objective principles and that the terms of reference must set the scope of said Framework Convention, so it was necessary to enter into the discussion of substantive elements, as we have been doing during the entire past week, in a productive informal discussion or brainstorming session.

[01:10:45] We now focus on the procedural elements, without paying attention to them we have to reiterate that the Framework Convention must also include so it was necessary to reiterate that the procedural elements must set the scope of said Framework Convention, We understand that a simple majority is [01:11:00] not appropriate to establish international fiscal norms that should not be imposed by a majority over a minority of Member States.

[01:11:06] Instead, if what we want is that most countries are involved in this process, we should agree that the negotiation and adoption of the text of the Framework Convention of the United Nations on International Fiscal Cooperation and its protocols should be carried out by consensus of the United Nations on International Fiscal Cooperation and its protocols.

[01:11:24] In this sense, there are precedents of legal instruments in which the criterion of the simple majority has not been adopted, as has already been invoked here by colleagues who have spoken before me, for example, the Convention on Cybercrime. As for the calendar, it is difficult for us at the moment to set a certain period.

[01:11:49] We understand that it would take a minimum of 18 to 24 months. to be able to develop a framework agreement of this scale. We also want to point out that, whatever [01:12:00] the number of sessions that are finally determined as necessary for the negotiation of the framework agreement, it would be easier for all countries, and more inclusive for this reason, periods of a maximum of five days, taking into account the restrictions of resources that the tax administrations of the Member States suffer.

[01:12:17] It would also be convenient the alternation of headquarters between different continents, as long as this facilitates participation.

[01:12:30] Thanks, Spain, now to the Distinguished Delegate of Nigeria.

[01:12:38] Thank you very much, chair and good morning, um, colleagues. I speak on behalf of the Federal Republic of Nigeria and the 54 Member African Group. I want to, uh, uh, make this statement to, uh, preliminary. Uh, I know we're going to have. discussions further down the line. [01:13:00] Chair, it is important that this committee stays within its mandate.

[01:13:09] My understanding of the mandate of this committee is to fashion out terms of reference for the committee that will negotiate the Framework Convention. And, and therefore we should be careful to stay within that mandate. Number two points I would like to make, um, is that in carrying out our mandate, uh, we must be careful also not to tie the hands of the convention negotiating committee by imposing.

[01:13:51] Um, rules that they could have made by themselves, and this is very important as we discuss, um, [01:14:00] the issues around procedural, around decision making, and all of that. Um, I believe that, um, it is not part of the mandate of this committee, um, to give birth to the next committee, rather it is to provide. The terms of reference by which that committee would work.

[01:14:25] And so discussing or suggesting membership or composition, um, of, um, who should participate or not participate in the convention or his products, uh, in my view, um, is, um, beyond the scope of this committee. Thank you. And then. There are quite a number of issues that, um, has been raised. And very many of them [01:15:00] are very, um, important issues.

[01:15:03] Um, that we have to include in the terms of reference. How be it in doing so, um, we must be careful not to again overreach ourselves. And so, for example, we talk about the issue of organization of the committee that will negotiate the convention. We believe, yes, we could give guidelines as to having chairs, but I don't think it would be right to prescribe the number of chairs that that committee should have.

[01:15:37] That committee should be able on its own to determine the number of chairs it wants. Yes, it might be good to have a bureau, but let it be the decision of the committee to have a bureau. I think this is also very, uh, very important and instructive. And then speaking on the issue of decision making and the [01:16:00] suggestion as to consensus.

[01:16:03] Chair, we all agree that members of states are independent nations. Thank you. with sovereign powers. And therefore the issue of agreeing, uh, on a decision, um, in a unanimous manner is very important, but I've had the word consensus being used And it's very important to ask ourselves what is the meaning of consensus.

[01:16:45] Um, because I recall that in the work of the inclusive framework, consensus was not defined as the same thing as unanimity. So it [01:17:00] is important that we, um, have an understanding what consensus means. Then beyond that, this committee or any other committee that will, um, come to implement decision in 78, Resolution 78 213.

[01:17:24] Definitely we work under the rules of the United Nations. And the United Nations have established its way of reaching decisions. very much. So again, um, I wonder whether we should begin to depart from, um, the rules that has been established before now. Um, finally, um, Chair, um, it's important that we understand that the best way to reach decision is for everyone at the table to [01:18:00] agree.

[01:18:01] However, If that is impossible, I don't think it will be right for everyone to tarry at the table forever. At a point in time, a decision has to be made. Someone needs to make a call. And I think the call, where consensus or unanimity cannot work, will be by way of voting. Thank you very much, Chairman.

[01:18:42] Thank you, Nigeria. Now to the Distinguished Delegate of Netherlands.

[01:18:50] Thank you, Chair, for giving me the floor. I would like to share a few remarks on procedure, but at the outside I would, of course, like to reaffirm that the Kingdom of the Netherlands [01:19:00] engages in this discussion in good faith. I would like to add my voice to the discussion. to some interventions that we have heard just now.

[01:19:07] The Kingdom of the Netherlands would like to stress the importance of having agreement and clarity on the details of the procedural elements of negotiations on a convention. The purpose of the terms of reference is to establish the process for negotiating a convention in a manner that does not prejudge the outcome of the negotiations as was already mentioned by my Canadian colleague.

[01:19:28] Therefore, the terms of reference need to include information of the process of such negotiations in essence to make all our lives easier. There are many detailed elements such as the number of sessions, the bureau, observers, as noted by many other colleagues already, that we need to have in more detail before we continue discussing the content.

[01:19:48] We will, and we also need to continue to work on the terms of reference in our next session. Um, where we would like to see, and here I agree with what has been said by others, that we need to allocate more time to a [01:20:00] discussion on the procedural aspects. As much as, of course, we understand that people are interested and ready to dive in the substance of the Convention, there are things that we need to agree on first before we can go into that in more detail.

[01:20:12] Thank you.

[01:20:30] Thanks Netherlands, now to the Distinguished Delegate of France. Mr. President. As you mentioned, this session is about discussing the points of procedure that will allow the writing of the Framework Convention to come, and which constitutes an important issue in the international fiscal framework in the course of development.

[01:20:54] On these specific points, France believes that the reference terms project must therefore understand the essential [01:21:00] functions, the composition and procedures of this editorial committee that the reference terms have a vocation to put in place in order to be able to guide the negotiations within the framework of the framework convention.

[01:21:12] To do this, it seems to us that the next work session should give enough time to this discussion.

[01:21:39] Thanks, France. Now to distinguish Delegate of United States.

[01:21:48] Um, thank you Chair for giving me the floor. Um, I'd like to reiterate again the intention of the United States to participate constructively in discussions on international tax [01:22:00] cooperation. Um, I will keep our statement brief at this time. We generally align with the interventions made by the UK, Japan, Germany, Canada, Spain, Belgium, Netherlands, and others.

[01:22:12] Since the terms of reference should provide the procedure for the negotiating process of the Framework Convention, we support dedicating more time to a discussion of procedural matters. We also continue to support consensus or broad based decision making by the Negotiating Committee. Thank you. If the goal of the committee is to make meaningful and durable changes to international tax cooperation, the only way to do so is by achieving consensus support.

[01:22:38] We also agree with the distinguished delegates who suggested that we should look closely to precedents like the BB and J and the cybercrime negotiations for models on appropriate rules of decision for a negotiating committee. And finally, we continue to support increased transparency throughout the entire process.

[01:22:58] Thank you for considering these views.[01:23:00]

[01:23:02] Thanks United States. Now to the distinguished delegate of India.

[01:23:11] Thank you, chair. A very good morning to all the delegates. I would like to make statement on behalf of India on various agenda items on discussion today, beginning with the timelines. Um, it's the various complexities and then, uh, dynamism, Adherence to timelines is the mainstay in the efficacy of any multilateral convention.

[01:23:36] Timelines not only provide a framework for action but also instill a sense of accountability amongst the members, ensuring that commitments are honored and objectives are achieved. However, any reasonable time frame should prioritize efficiency and effectiveness of the process without unnecessary [01:24:00] prolongation of negotiations.

[01:24:02] Accordingly, India believes that the present committee should propose a reasonable time frame for negotiation of the Framework Convention, considering the various relevant factors, inter alia, legal and technical complexity of the issues involved, And the time required for consultation process with various stakeholders, internet deliberations, and approvals at the level of member states so as to formulate their positions with an objective towards maintaining the delicate balance between reasonableness and effectiveness.

[01:24:39] India believes that the present committee should consider Adopting a timeline of 12 to 18 months in the TOR for concluding the negotiations of framework convention. Further, towards ensuring a reasonable time frame, it is equally important that TOR should contain [01:25:00] structured negotiation process with key deliverables and associated timelines, along with clear objectives and scope to be adhered to by the negotiating body.

[01:25:13] We are quite hopeful that that all the member states would come forward for concluding protocols within a specific time frame, preferably six months time period from the end of conclusion of Framework Convention, ensuring the efficiency and effectiveness of the negotiation process while achieving the Meaningful outcomes.

[01:25:35] We do realize the human resource constraints faced by certain member states. However, considering the prevailing exigencies, it is imperative to mitigate such concerns by allocating technical expertise and supplementing internal resources, effective workload distribution, cross functional collaboration, and adopting flexible work [01:26:00] arrangements.

[01:26:02] On the issue of structural elements. India maintains its position that negotiation of the Framework Convention is a logical extension. of the present committee following the same approach. We also suggest that the structure of the negotiating committee should be on the same lines as that of the present committee, including the Bureau of the Intergovernmental Negotiating Committee, allowing wider consultation.

[01:26:30] And better representation through a greater participation, though the final details should be left for the negotiating body. We also recommend that the structural elements of the framework convention should be so prescribed that they provide clear directions for achieving the goals of the convention while maintaining the flexibility needed to accommodate diverse interest and dynamic situations, the [01:27:00] broad structure of the two U.

[01:27:01] S. Including the essential introductory and structural elements in the main document and details of the structural elements of the convention in Annex 1 is the right way forward for the time being. On the decision making rules, we do realize that decision making rules are crucial in the context of international tax cooperation and in the present design.

[01:27:27] Annexure 1 to TOR attends to the decision making aspect of the Framework Convention. Combined reading of Annex 1 with TOR in the current format reconciles the concerns of the Member States on the decision making as part of the Framework Convention, which is again subject to deliberation by the negotiating body.

[01:27:51] On the issue of resources, we believe that with the aim of supporting the negotiation process effectively and [01:28:00] preventing resource constraints from impeding progress, adequate resources, including staffing, funding, and logistical support should be ensured from the strategic perspective. We must understand that it is only when our commitments are robust As exhibited through our intentions of concluding time specific protocols, the negotiation process would be strengthened and empowered.

[01:28:29] These are the preliminary observations by India, and we look forward for more engaging discussions towards building inclusive and effective international tax cooperation mechanism. Thank you. Thanks India. Now to the distinguished delegate of Italy. Thank you, Chair. Um, good morning, everybody. I would like to echo those who said that this new this work on the [01:29:00] term of reference would concentrate more on the aspect of procedure with we would like to have details rules.

[01:29:07] We would like the next session would concentrate more on that in order to give clear rules for the functioning of the next negotiating committee. As for the decision of power, we think that consensus is much more appropriate for taxation issues. We understand those who said that up to a certain point, we should fix a deadline.

[01:29:32] Otherwise, negotiation could last forever. And in this respect, we could be open to fix a second best rule like a majority vote. But consensus should be reached in good faith as much as possible. This is our view. As for the reporting, We think that it depends really on the decision making rule that we choose.

[01:29:57] On the time frame, [01:30:00] we would be a bit flexible because it much depends on the subject that we are going to discuss. This issue is also linked to the issue of resources. Because of course, uh, we should have a clear analysis in order to understand how much resources have to be involved in the process in order not to waste them.

[01:30:25] We should, uh, really focus on how the work should be developed. Perhaps for us, it could be easier to first have this framework convention and then, uh, uh, After a certain period of time, try to dedicate the proper resources to any subject and be efficient on this respect. So thank you for taking into account those suggestion.

[01:30:56] Thanks Italy. Now to distinguished delegate of Pakistan.[01:31:00]

[01:31:03] Thank you, um, very much, Chair, and thank you for convening this meeting so we can have a second round of, uh, discussions on the topics of, um, uh, transcripts. should be included in, in, um, uh, terms, terms of reference. Uh, we have heard the comments today, Chair, uh, that we need to focus on, uh, procedural elements before moving into substance.

[01:31:26] Uh, but, uh, we disagree with that. Uh, we believe that a mandate to this committee was given by 78 slash 230. And that mandate does not say procedural elements of the next committee. It gives us substantive topics to discuss, uh, within, uh, and things to keep in mind when developing these TORs. So to, um, limit, um, the TORs or the TORs discussion to just procedural elements, um, we believe is a direct violation of the mandate given by [01:32:00] 78 230.

[01:32:00] Um, on the topic of decision making, Um, as we have stated since the beginning, uh, we agree that a fresh discussion will be required on decision making, but we do not believe that it's at this stage incorporating this into the TORs will lead to a substantially different result as the one we had in the organizational session.

[01:32:22] So We heard we've heard different views today. We've heard preferences for consensus. We've heard preferences for double qualified majority and we've heard preferences for simple majority. At this stage, we do not think that we will achieve a substantially different result as the one we had. in the organizational session, and that is why we believe that this discussion should be left to the committee, which is eventually in charge of actually drafting the convention itself.

[01:32:54] And there they can decide what decision making model they would like to follow. [01:33:00] Um, this is not the place to be tying their hands regarding how they will make their decisions. We also do not agree that, that, uh, democracy as exemplified in the simple majority, um, method should be characterized as, as a majority view being imposed on, on a minority.

[01:33:17] I think what is being done here is, is the essence of, uh, democracy. Um, on the time frame, um, we can agree that a time frame of 12 to 18th month, should be, um, included. Uh, we've also heard, uh, some suggestions regarding a time frame of 18 to 24 months. That is two years for us. That is too long a time. And and thus we retain our position that we need the simultaneous development of early protocols.

[01:33:45] Then if if we're thinking if delegations are thinking that we will have two years for for a convention itself, we think it is essential that we also have Uh, the reference to the simultaneous development of early protocols and for [01:34:00] us, the minimum topics that the minimum that much must be reflected in the for such early protocols are already reflected in 78 slash 230.

[01:34:10] Those would be our minimum. We are very supportive of the other elements outlined such as on environment or exchange of information. But for us, the minimum would be, uh, 78 slash 230 and the topics, uh, reflected, uh, therein. Um, and, uh, on, on objectives and, and, and principles of such a framework convention, our, uh, position very much, uh, remains, uh, the same as, as reflected in earlier, um, conversations on this.

[01:34:40] Um, and, um, and again, we believe that there are, The more we talk about substance, uh, the more consensus, the broadest possible consensus will be built. It is not, it is not through focusing on procedure that we will somehow reach an agreement on changing decision [01:35:00] making rules, but, but focusing on substance is what will help us, uh, to, um, reach the broadest possible consensus.

[01:35:08] And and I believe when we have that conversation when we get to the framework convention, we will perhaps have a more fruitful conversation because we might have a, um, more of a common understanding on what will be considered in in the substance off a U. N. Framework convention. Um, and and again from our perspective, and we've mentioned it before.

[01:35:32] Um, Existing processes in in this area, which are set to be by consensus. For us, we're very much not by consensus. I think the U. N. has a very, very different definition of what consensus is compared to what happens in in other, um, processes. Um, uh, for us here, if, if one country refuses, there is no consensus, but that is not what happens in other for us.

[01:35:57] Um, so we should not impose an, an [01:36:00] artificial standard, uh, upon our work here, which is not even followed in, in other, um, uh, for us, which discuss these matters. Thank you.

[01:36:23] Thanks Pakistan. Now to the distinguished delegate of, uh, Iceland.

[01:36:32] Thank you very much, Mr. Chair, and I'm happy to be here with you today. Iceland would like to be able to take the floor to, to, um, concur with those that have discussed the importance of a clear, transparent, inclusive procedure. Um, because as we see it, an orderly process, um, is important. for the delegates to be able to make good [01:37:00] use of time.

[01:37:01] Um, and spend more time on the substance eventually and less time on, on confusion regarding or surrounding the, the process. And, and I would add that from a small mission perspective, this is particularly important. Um, so we support the proposal by cans on, on taking enough time at the outset to make sure the process is clear.

[01:37:27] Secondly, in order for the new convention to gain as many ratifications as possible and universal implementation, consensus based decision making is the most likely recipe for success. I realize this is, this can be very challenging, but it's also rewarding at the end. While we might want to include a way out as a last resort, It's sometimes can help reaching consensus.

[01:37:59] [01:38:00] Um, when all means to achieve it have been exhausted. Um, we will be open to to considering that. But allow me to be clear that a simple majority vote. What else? We see it not be the right way out. Um, and that said, we will continue to engage in this process in good faith. I thank you, Chair.

[01:38:34] Thanks, Iceland. Now to the distinguished delegate of Norway. Thank you, Chair. And let me just start out by saying that Norway, indeed, uh, we participate in these discussions and process in a constructive manner and in good faith. That is our goal, that has always been our goal, and that is how we will proceed going further.

[01:38:57] Uh, [01:39:00] I'll make this a statement brief. Uh, just start off by saying that we can support and align with Canada, UK, Japan, Germany, Cairns, Portugal's and the others have spoken before us. Uh, and also, uh, take the opportunity to talk today. I thank all delegates has spoken for a fruitful discussion. These are indeed good views that we are contemplating and.

[01:39:30] reflecting on. Uh, just two minor points. Uh, we're encouraged and, and welcome, uh, the suggestion, uh, from Japan as to having three co chairs. Uh, that is definitely interesting. Second point, uh, we're happy to hear, um, uh, Or I should perhaps start by saying that we have always advocated for a sequential and analytical approach in [01:40:00] this process.

[01:40:01] In that regard, uh, we are happy to hear that some jurisdictions are advocating for the use of the platform of collaboration on tax in order to get us further in the dialogue. I thank you chair.

[01:40:19] Thanks Norway. Okay. Now to the things that get off.

[01:40:26] Chair. Um, Austria lines itself with the previous interventions by the U. K., Germany, Portugal, Canada, Belgium, Spain, Netherlands, the U. S., Iceland, and now also Norway. Um, we think that the, a robust procedural framework is necessary to ensure an informed negotiation process. Um, The TOR should not preempt negotiations.

[01:40:56] I think this is not where we're trying to get there with, um, [01:41:00] because we also think that the TOR shouldn't tie the hands of the negotiations in any way, uh, on the substance. But at the same time, the TOR should pave the way to efficient negotiations and, um, decision making, um, discussing decision making at a even later stage could be blocking our substantive negotiations.

[01:41:21] and, um, would not be very efficient use of our time. Thank you.

[01:41:45] Thanks. Now to the distinguished delegate of Ghana. Thank you very much. Uh, and, uh, for giving me the floor and thank you for convening this meeting. Ghana aligns itself with the statement delivered [01:42:00] by the Africa group and makes these additional, uh, preliminary remarks in its national capacity. Uh, we acknowledge that procedural matters are important and should be discussed.

[01:42:13] Uh, we should, however, be mindful of our mandate as a committee, and to work within the mandate of the committee. On the issue of decision making, I think we should not really to get the procedural aspects for which established rules already exist. The GA has established rules regarding decision making, and this is a subsidiary body of the GA.

[01:42:40] So the GA rules apply, and it would be a waste of this committee's time to, at this moment, try to really to get issues for which existing rules already apply. On the suggestion somehow that majority decisions, uh, may not be [01:43:00] desirable. I, I see it differently, and I see it differently in the sense that this process we have begun, uh, since last year.

[01:43:11] And sitting in this room, we see that this is a journey to rather democratize international task cooperation. Thank you. And to decolonize it. So the suggestion somehow that a majority decision may not be desirable, uh, and may not be democratic in its nature, I beg to differ. And to re emphasize that this process rather is democratizing and decolonizing international tax cooperation.

[01:43:44] I go on to the proposal by Japan. I thank Japan for its proposal. But we think at this time, it's prejudging the process. And we allow the committee's work to go on. I want to [01:44:00] reiterate that we should focus on our core mandate. and to develop terms of reference and that issues of decision making should be left to the General Assembly, which is the appropriate forum to discuss these issues.

[01:44:15] Thank you very much, Chair.

[01:44:30] Thanks, Ghana. Now to the distinguished delegate of Tanzania. Thanks, Chair, for giving me a chance. I could support Nigeria On behalf of African Group and they also support the statement made by Ghana. In our national capacity, I would like to point out that I've been heard on several occasions that decision making is by [01:45:00] consensus, but I've not heard something where consensus is not achieved.

[01:45:09] What could be the procedure ahead of it? I could, uh, propose to have the procedure, the governing procedure where the consensus is not achieved in the due process. Thank you, Chair. Thanks, Tanzania. Now to the distinguished delegate of Sweden.

[01:45:37] Thank you, Chair. Um, I will be short, and good morning, everyone. Um, I want to align myself with the comments made earlier by UK, Japan, Germany, Cairns, and others, uh, who have, uh, stressed the importance of having a clear view of the procedures and [01:46:00] the process before we dive into the negotiations. And I think that is something that would Really, um, as I think also Iceland pointed out, enhance the process, um, and make it easier when we come to the negotiations, it would make it more effective if we have cleared out, um, all the rules, uh, instead of making, instead of starting negotiation and then maybe come into some, uh, problems regarding process.

[01:46:34] So we think that's really important that we will do that. Um, Um, before we start the negotiations and second, I asked want to once again point to how important we believe that it is to have a broad based, um, decision making process, um, that we can decide and also before starting the negotiation. [01:47:00] Uh, and we don't believe that's at all against the mandate and for sure there have been examples of other, uh, Negotiations, uh, where, where, um, where it's not has been a matter of simple majority just.

[01:47:16] So I think it's, um, it's just, um, I mean, it's, I think it's fair. And I also think that it's, it's, uh, uh, it's linked to the actual success of the outcome of the work we're doing here, here for the future negotiations. Thank you. Sure.

[01:47:41] Thanks, Sweden. Now to the distinguished delegate of Israel. Thank you, Chair. Uh, I will be short also. Uh, we support U. S., Germany, Italy, Canada, and others. Uh, other delegates that, uh, we should, uh, frame the procedural elements of, uh, the negotiating [01:48:00] committee. Uh, we also think that reaching consensus is essential for an effective and broad convention.

[01:48:07] Thank you.

[01:48:17] Now to Argentina.

[01:48:47] and move forward in an inclusive process that receives the best negotiation practices in the United Nations. In relation to the time frame, [01:49:00] and as we have said before, we consider that it must have realistic deadlines. To hasten or accelerate negotiation processes that require more time and dialogue is not the best practice.

[01:49:17] multilateral negotiator more conducive, in particular from complex scenarios. In relation to the decision making, we understand that any multilateral process that seeks to develop a binding legal agreement must prioritize reaching broad consensus, in particular in tax issues that have a direct impact on member states.

[01:49:51] The search for consensus should not be understood as a dilation of negotiations, but as the multilateral practice [01:50:00] that seeks to give legitimacy to an agreement and its implementation and universality

[01:50:09] to the future. And as we have said before, inclusivity is a central element. And this is not only based on the number of delegations negotiating, which is important and necessary, but also on the full participation of them and their experts. For this, it is necessary to have the economic, human and time resources.

[01:50:30] Finally, President, we consider that it is necessary to respect the organizational practices of a multilateral negotiating process. very much.

[01:50:49] And in this sense, it is difficult for us to understand the proposal of three co facilitators. The practice is that there is a co facilitator for developing countries [01:51:00] and another for developed countries. It is not the practice that there is a third co facilitator in representation of a group of countries in a special situation, whatever the group.

[01:51:11] I think we must be very cautious

[01:51:20] in this regard. Finally, Mr. President, we are not sure that rotating the negotiation headquarters in various continents is something positive for the process. In this headquarters in New York, all the representatives are present, as well as their delegates, whether they are from Capital or from the permanent missions that work here.

[01:51:43] very much. Thanks, Argentina. Now to the distinguished delegate of Kenya. Chair. Uh, good morning, colleagues.[01:52:00]

[01:52:10] I'd first like to align ourselves with the statements made by the distinguished representative from Nigeria, Pakistan and Ghana. On the issue of resources chair, we call for the proper allocation of resources to this and subsequent committees to ensure that the mandate of the committees met. Um, this should be in the form of, um, dedicated, um, staffing and, um, proper dedicated support to enable the mandate of this committee to be met.

[01:52:42] We also support the call for shorter meetings, especially when we're talking about this physical meetings to prevent and duly restricting participation of, of other countries to attend because of the financial constraints that would be involved in having very long physical meetings on [01:53:00] procedure, chair and decision making in particular, uh, We believe that this committee was given, um, it was given an opportunity to discuss and determine how we will organize our own work as a committee and make our own decisions.

[01:53:16] And we believe that this same opportunity should be given to subsequent committees. Um, I believe that subsequent committees will probably also have their own organizational sessions where they should have an opportunity to determine for themselves what procedural elements will go into their work. Um, And I believe that this has actually been properly reflected in our next one under the procedural elements of the of the framework convention.

[01:53:41] On time frame, we do support the proposed time frame of 12 to 18 months for the development of the framework convention. Um, chair so that there can be an outcome to this process. And on the proposal for, uh, for having the three vice [01:54:00] chairs. We have the view that this is a, is a premature discussion at this point and that this can be determined in the, in the, in the, the subsequent committee for negotiating the Framework Convention.

[01:54:11] Thank you, Chair. Thanks, Kenya. Now to the distinguished

[01:54:53] Now on the floor to the distinguished, distinguished delegate of Cuba. very much, Mr. President. Good morning. Um, [01:55:00] our delegation supports the comments of Nigeria in the name of the African group, also from Ghana, Pakistan and Kenya a few minutes ago. Um, we agree that the ACNU has already, uh,

[01:55:17] Normas establecidas que son claras, por tanto también coincidimos con Gana que sería un poco de pérdida de tiempo ponernos a discutir cuestiones que ya tenemos claras todas las delegaciones. Una vez que concluyamos nuestra labor acá en este comité entendemos que se va a presentar un informe y por tanto es la asamblea general la que va a decidir el formato del próximo comité.

[01:55:39] And the next committee also has to decide how it's going to operate. Therefore, we must not limit, uh, and we must not rush to make any decision yet. As we know, this is not our mandate at this moment and [01:56:00] these issues are also covered in Annex 1, therefore the concerns of some delegations should be covered in that sense in Annex 1.

[01:56:11] In regards to the suggestion of the deadline, we agree with other delegations that 12 to 18 months seems like a good deadline for them. And in regards to other criteria, in regards to rotation of headquarters and other elements, I think that, as Argentina mentioned, um, I don't think it's a good idea. We do not see this proposal well, since given the resources limitations, all of the delegations would not be able to move to other venues and so at least here in New York we all have representation.

[01:56:46] Therefore I think we should avoid this level of details at this point and leave it to the Assembly's decision and the future committee as it will operate in the future. very [01:57:00] much.

[01:57:03] Thanks, Kuba. Now to Zetsi Tungjideget of Rwanda.

[01:57:10] Thank you. Thank you very much, Chair, and thank you for giving me the floor. It's my first time to speak in this session, so thank you again, Chair, and your team for the manner in which you're leading these discussions. Chair, we take the floor to not reinvent the wheel, but to align ourselves with, um, the statement of, uh, Nigeria on our behalf, of African group, Kenya, uh, Ghana, and several other delegations, um, Pakistan, India, for well thought, um, uh, inputs.

[01:57:46] And again, one of our colleagues, I think the Canadian colleague mentioned that we, we already have, um, processes that have taken place here with a very good, um, practice that probably we can [01:58:00] borrow. And I think that would help this committee. As well as member states not really to do a much time in terms of being descriptive of how the committee should handle this matter going forward.

[01:58:17] We fully think that the bigger picture, if we get involved in two, small, small, small details, we may end up missing the big goal that we are all looking at, especially in line with what the UN as member states are engaged in, the new thinking, the new thinking of our, Uh, future generations as well as, um, uh, uh, the contract we're thinking of.

[01:58:47] I think this conversation we are having on tax reform, the global tax reform, aligns itself and, and, and, and member states recall when we reached [01:59:00] UN75. Deciding on what, how do we need to do going forward? Some of the thoughts that came up in our common agenda are these thoughts. So I think we do not need to lose momentum.

[01:59:14] We want to keep the momentum going forward, and then don't miss the goal. I think what we agree is that it's something that needs to be done. Now, um, If we delay most of the time, um, in the small, small, small details being prescriptive, we may end up actually losing the goal. Lastly, Chair, I think what is more important, and looking at other processes that have been going on, and an example the Canadian colleague gave, the BB& J, What was more important is how information is shared in time and on time to allow consultations, regional consultations, as well as, um, um, all MAPS stakeholders to have time to [02:00:00] engage.

[02:00:00] I think that would be more, more critical to emphasize in these, uh, terms of reference going forward. Otherwise, I think we need to We need to not to start creating blocks when we are discussing terms of reference. I think we need to keep the bigger picture in mind going forward, so that at the end of the day we all achieve what we want to achieve, um, for the good of unlocking the potential of those who are being left behind.

[02:00:27] Thank you.

[02:00:32] Thanks, Amanda. Now to the distinguished delegate of Singapore.

[02:00:38] Thank you, Chair. We are here to pursue inclusive and effective international tax cooperation. And Singapore is here because, like many other countries, we believe in inclusivity and the potential of this process to lead to a meaningful outcome for all. Inclusivity should therefore be the central guiding [02:01:00] principle for our procedures.

[02:01:02] Now, inclusivity is not a function of how many members a body has. Inclusivity requires substance. And this means making the effort to ensure that all voices are heard and more importantly taken into account. And it goes beyond having a broad platform for discussions. This is why many countries have pointed to consensus based decision making as a key element to support inclusivity.

[02:01:30] I don't think it's irrelevant to this committee and I think it's in fact quite central given our commitment to inclusivity. It has a direct bearing on how widely the UN Framework Convention will be adopted eventually. Consensus will be a more difficult modality than majority vote because of the widely differing needs and circumstances of countries.

[02:01:53] But this is precisely why every effort to arrive at consensus and if that cannot be achieved, [02:02:00] a decision based on at least a super majority vote is important. And this is important because when a process is not perceived to be inclusive, countries will disengage and will risk ending up with a fragmented international tax system, which has implications on global economic growth.

[02:02:18] I wish to reiterate Singapore's support for an inclusive process. We will continue to engage constructively and work with all member states towards a solution that meets the needs of all countries. Thank you.

[02:02:32] Thanks, Singapore. Now to the distinguished delegate of Bahamas.

[02:02:39] Um, thank you, Mr. Chair. Bahamas wishes to provide its input on this issue related to the decision making process and the advocacy of some for the need for consensus. I remind colleagues it is customary and in fact prescribed in the rules of the United Nations for subsidiary bodies of the U. N. General [02:03:00] Assembly, such as the Ad Hoc Committee, to pre to operate under the same rules of procedure as the United Nations General Assembly.

[02:03:07] Although these rules imply a strong preference for consensus, the procedures are geared towards the search for consensual decisions. They also recognize taking decisions by simple majority when consensus is not possible, which facilitates the fulfillment of the mandate assigned to our committee.

[02:03:25] Broadly speaking, the same block that voted against last year's resolution 78 to 30 and some of those who abstained are those who are calling for the rules on the decision making process to be amended so that it could be established that decisions must be taken by consensus and not in any scenario by a simple majority.

[02:03:45] This would in practice give veto power to any single country. This would take, this would then make it impossible to fulfill our mandate to draft terms of reference of a United Nations framework convention on tax and [02:04:00] make it impossible for the actual convention to be drafted and negotiated by the next committee.

[02:04:06] The solution we adopted in the operational session was language, which established that every reasonable effort should be made within available timeframe for negotiations to seek consensus on substantive matters. Prior to agreeing this language, we all agreed that the ad hoc committee would operate under the same rules as the General Assembly, which will allow taking decisions by simple majority vote.

[02:04:31] And this should be our guide in our decision making process we do today. I remind colleagues we, we do operate under the same rules of procedures, the United Nations, any changes must be made as prescribed by procedure by the United Nations General Assembly. Continued discussion on the issue is not necessary, in my opinion, and is premature and does not belong in the terms of reference.

[02:04:59] The General [02:05:00] Assembly itself can have their input on the decision making at the time that it establishes the committee to draft and negotiate the United Nations Tax Convention. With respect to timelines, I again take the position and reiterate that an appropriate timeline for negotiation of a UN convention should be 12 to 18 months.

[02:05:20] We do not support the rotation of headquarters. We support the activity continuing in New York. Thank you, Mr. Chair. Thanks, Bahamas. Now to the distinguished delegate of Algeria.

[02:05:36] Thank you, Mr. Chair. Thank you. Mr. President, we will, first of all, associate our declaration with the declaration of Nigeria, Ghana, Pakistan, Kenya, but also of Bahamas and Rwanda. And, uh, regarding the question of, of, of, uh, The first thing I wanted to highlight this morning is that [02:06:00] what's sought and what's required from the Committee is to identify background issues and not procedural ones.

[02:06:07] So we need to participate in this context and identify background issues to address within the framework of the Framework Convention, but also The next step is that the next committee discusses the next agenda item. As regards the decision making, it must be discussed in the General Assembly as part of the next committee, and this in line with the UN procedures, so that's how we see things.

[02:06:40] And, uh, But, uh, And also, in terms of the calendar, we estimate that 12 to 18 months seems feasible and pragmatic to allow to start dealing with issues that are already very urgent. That's it. And, uh, And [02:07:00] also, we favor that there be, uh, in relation to the issue of resources, allocation of resources, we estimate that short meetings would be the most, uh, the most suitable for, uh, for power, so that developing countries can, our countries too, can participate, uh, without, without too many constraints.

[02:07:22] Voilà. Merci Monsieur le Président.

[02:07:30] Thanks, Algeria. Distinguished delegate of South Africa.

[02:07:38] Align ourselves with the comments that just came in now from Algeria, from our colleague from Algeria, Nigeria, Bahamas, and Ghana. So, and to some degree, we're then saying, Chair, that let's focus on the substantive issues, and then the rest, Chair, they will possibly derelate them. Derail the [02:08:00] process. I thank you, chair.

[02:08:01] Thanks.

[02:08:12] Thanks. South Africa. Egal.

[02:08:44] Reference[02:09:00]

[02:09:01] the negotiation.

[02:09:08] Relative

[02:09:28] Recomme formula orientation as a committee. The negotiation poor in the mayor guarantee. The,

[02:09:57] the reference.[02:10:00]

[02:10:26] Technique.

[02:10:36] No. Prove it. The solution. Let me adapt it. Don't look at the new approach by this. You didn't make the consolidation. Come last. We need a Nigeria. Uh, last. I mean, Daniel. Concerna. la rotation. Oh, this. Yes. Certain. Oh, consider it. Good. New York. L instance. Key. The group. Took the [02:11:00] representation. Menu. Some dozen.

[02:11:03] Thing. Nick. If we are in a climate domain, it is the countries that will send their delegates to participate in these technical meetings. And, in general, these delegates come from the Ministry of Finance or even from the tax authorities. As a result, this would not have an impact on the fact that it was relocated elsewhere in order to have a technical meeting on tax affairs.

[02:11:26] Everything will naturally depend on the availability of the resources that will be put in place. The subcommittee.[02:12:00]

[02:12:36] I'm going to talk about the the the the the the the the the the the the the the the the the the the [02:13:00] the the the And sacrificing the legitimate aspirations of Member States for the, for the, for the taking of decisions by consensus, especially when each of the members States here present will have the opportunity to stand out from the agreement both in the form as the ratification of the negotiated instruments.

[02:13:21] We propose the same which the reference terms indicate that the Convention will have a conference of the parties You in which all Member States can meet to discuss and make decisions on the issues agreed in a broad manner in the Convention and that they can also bring to the discussion issues or fiscal challenges that arise in the future and that the Conference of the Parties determines that it is necessary to discuss.

[02:13:51] As for the proposal presented by the distinguished Japanese Delegate for the existence of three co presidents We consider that [02:14:00] at this stage it is not convenient or pertinent to prejudge the functioning of the next committee, establishing a co presidency made up of categories and sub categories of countries for which there is no clearly established definition.

[02:14:14] Which, in addition, not only goes against the practice in the negotiations processes of the United Nations, but also goes against the practice in the negotiations processes of the United Nations.[02:15:00]

[02:15:07] The India, Pakistan. Kenya.

[02:15:15] Thanks

[02:15:33] Columbia. Now to the Distinguished Delegate of Denmark.

[02:15:39] Thank you, Mr. Chair. Denmark wants to align itself with our Nordic colleagues and also our colleagues from Canada, Germany, Spain, Belgium, Austria, and others that have spoken on the importance of focusing on procedural rules and consensus as a feasible decision making procedure in this work. Further, [02:16:00] we just want to emphasize also the transparency of having this work ongoing and the circulation of documents in a timely manner to be able to prepare for the meetings.

[02:16:13] Thank you.

[02:16:45] Thanks, Dean McNaught, who's a distinguished delegate of Switzerland.[02:17:00]

[02:17:00] Do you hear me? Oh, yes. Thank you, Mr. Chair. Um, I also would like to echo in particular the comments of CAMA, uh, of Canada and how they fleshed out the different procedural elements that should be in the terms of reference, uh, regarding the upcoming, uh, negotiating committee. Um, at this point, there's two clear camps.

[02:17:22] There's, um, a certain countries who think this is necessary, and other countries who prefer that these procedural elements for the negotiating committee be discussed by the negotiating committee itself. Um, I'm not a, I'm a tax lawyer, not a specialist. I think, do you hear me? Yeah. Sorry. I, I, I'm a, um, tax lawyer, not a specialist of the, the, the legal, um, UN rules.

[02:17:55] And I, I'll leave this question to them, but I think it'd be important to do this in light of [02:18:00] past experience with multilateral conventions in terms of reference, reference. But from a f efficiency point of view, it seems to me that as we have three weeks of talks coming up in August, uh, why would we not use these if we have the time to already discuss these important issues that will needed to be, uh, decided?

[02:18:25] Um, if we wait to next year, um, uh, Is this not going to only, uh, push back the process of getting to our destination? Our destination is to, to finalize a framework convention. If I can use the analogy, we need a car to get to our destination, why wouldn't we start building that car this year? And why, how would it help, uh, to push, um, building the car next year?

[02:18:54] Is that not only going to delay our, our trip? So, that's my comment.[02:19:00]

[02:19:03] Thanks for the land. Now to the Distinguished Delegate of Pakistan.

[02:19:11] Thank you, um, Chair, and my apologies for taking the floor again, uh, but, um, I had missed the conversation regarding Uh, three co chairs and the rotation of, um, headquarters for, um, having these negotiations. Uh, much like our position on other procedural elements like decision making, we believe this is too premature of, of a discussion to be having at this time.

[02:19:33] Our instinctive reaction when hearing of these two proposals is first, um, if we're going to reference anything regarding the chairing of this committee, then we should just follow the framework in 78 slash two three zero. Uh, we are not in a position to, to entertain changes to, to that framework. Um, at this stage of our deliberations when we're discussing TORs.

[02:19:54] Um, so, uh, That's why we think that we should not have that aspect [02:20:00] included in the TORs. Um, if we do, we should just follow what has already been agreed, which is in 78 230. We don't, um, see the point at this stage of changing it. Um, it's too premature of a discussion to be having. Uh, similarly, regarding rotation of headquarters, it's too premature a time to decide this.

[02:20:16] Our instinctive reaction when it was first proposed was that, um, it will decrease inclusivity. Um, and that, um, uh, we should, we will not be in a favor of, um, it doesn't matter if it's Geneva, Nairobi, Vienna. Uh, we think we should stick to one headquarter for, for this, uh, discussion. Um, and, and then make arrangements to ensure that, um, uh, financial arrangements.

[02:20:41] Financial support as well as possible, um, hybrid ones if required to ensure participation of everyone in in these meetings. Um, and allow me to come to the issue of inclusivity. Um, Yes, inclusivity is not just about numbers, but also about how decisions are reached, [02:21:00] ensuring that decisions have the broadest possible consensus.

[02:21:02] And that's why we have that reference in our, um, rules of procedure for this committee on making every effort to achieve the broadest possible consensus. And when that fails, we turn to the G. A. Rules off of procedure. But again, um, We feel that artificial standards are being opposed on this conversation within the U.

[02:21:22] N. Within the last week, we were asked again and again, uh, to incorporate or build on other supposed inclusive frameworks, which did not follow this rigorous standard, which are inclusive only in name, um, and, um, where the numbers were thrown at us again and again that 1 41 40. But, um, here we are told it's not about numbers and we should, um, Um, try to have, make sure decisions have the broadest possible consensus again.

[02:21:48] Um, I think there are three camps here, not two, three camps. One is to have that discussion now and to change what we already agreed to. Uh, the second is to have that discussion now. Yes. [02:22:00] Incorporate in the TORs, but to have the same, um, methodology we agreed to in the organizational session. And the third camp is to postpone this conversation.

[02:22:09] To a later stage when there will be a greater chance of consensus, because as our delegation has repeatedly said, we would support having the decision making procedures that we agreed to in the organizational session. But we know perhaps other colleagues are not fully on board in that, and that is why we support postponing this conversation.

[02:22:29] Once we talk about substance, maybe there will be more comfort. Maybe there will be more of a merging of views, and then we can, um, enter into discussions about changing our decision making procedures. But at this stage, if there is an insistence on on putting Item into the TORs, then we would support our comments from our colleague from Columbia.

[02:22:50] We, we want what was agreed to in the organizational session. We would not be in favor of changing that at this point, but we would be also willing and flexible to perhaps [02:23:00] postpone this conversation. Um, and, and to discuss it when the, when the convention for elaborating the committee gets together. Thank you.

[02:23:15] Thanks. Pakistan now to the distinguished delegate of Iraq.

[02:23:20] Thank you. Thank you so much. Mr. To give me the floor. Uh, My delegation believe that the issue of decision making should not be included in the Q. R. S. Uh, if we must include it, then we should follow the rules of procedure of the G. A. And regarding time frame for the convention, we believe we should have 12 to 18 months.

[02:23:51] For the convention along with the simultaneous development of early protocols in key areas, as mentioned in the [02:24:00] resolution 78 slash 230. Uh, we do believe also that consensus comes from substance, uh, ensuring that the substance is agreeable to all, uh, most countries so that they sign up. Thank you so much.

[02:24:23] Thanks, Iraq. Now to the distinguished delegate of ATAF. Thank you, Chair, for giving us the floor. Chair, our intervention is on two issues. One is on the structuring of the next, uh, committee, the Committee to Negotiate the Framework, and the second one is on consensus. So with respect to the first item, I want to call on this committee to be mindful of the fact that we also need to protect integrity of the process and then the product that coming out of the committee saying that chair is very important for us [02:25:00] to remain within the mandate that this committee has been given.

[02:25:04] That mandate is in resolution 78 to 30 and is to elaborate the terms of reference for framework convention. Check that's resolution gives structure to the foreign, to the current committee. It established the bureau. It also established the chairs and the vice chairs, how many there will be and where they will come from.

[02:25:29] We believe that the next resolution that we effectuate this TOR, we will be in a position to do same to the incoming committee. Okay. And we also believe that is outside the mandate of this committee to structure and establish the next committee. Our mandate is to give the TLR based upon which that committee will work on.

[02:25:54] Secondly, on issue of consensus, I want to [02:26:00] start by reference referring to the statement made by the honorable representative of Bahamas. That same statement was also made by Bolivia. in the organizational section of this committee. And it's to say consensus in the context which we has, we have in a detail with it in this committee is to give it to one single person.

[02:26:25] Now, I'm sure we are talking of democratizing this, the, the international tax corporation that will not work where consensus is given to one person. It's even worse to where you consider that they are ready. This is a this is a an item for which there will be clear losers and winners. If nothing is done, if we don't make progress, there will be people benefiting from not making progress among others.

[02:26:50] So it will be further to the progress of this committee and its work to give such veto to a single person or country. Secondly, [02:27:00] we want to also call attention to some issues. Issues have been mentioned by colleagues to say there are instances where consensus have been used. I counted, it was only two instances that I've had.

[02:27:12] But if we start counting instances where the rule of majority applied, we possibly won't live here today. So to that extent, we real, we realigned with some views expressed by the honorary representative from UK to say that there are three contexts. First context is in the context of the current committee.

[02:27:32] The decision is already made When it comes to the next committee, the decision should be left to be made by the committee But we assume it won't be different because the default rule should be the UN General Assembly rule That is to say we pursue consensus where consensus could not work. We will now call for vote The third context is the context of the framework convention itself given that it is a convention The, the negotiators of that convention may [02:28:00] make decision as to what, uh, decision making mechanism that will guide procedures under the convention itself.

[02:28:07] Even at that level, Chair, it is for the incoming committee to decide, not for this committee to, to, to dabble in. Then finally, Chair, we want to note that there is no existing international cooperation framework that was formed by consensus. Even the ones belonging to my colleagues who have argued vigorously in favor of consensus, none, not even one to my knowledge, have been formed by way of consensus.

[02:28:35] So we call that members should have an open mind to these issues to enable the committee to make progress. We thank you, Chair.

[02:28:46] Thanks, Etaf.[02:29:00]

[02:29:12] So I would like to thank all the member states for their interventions. And, uh, now the formal part of our meeting, I think, uh, is we are done with it. So the meeting is, uh, adjourned, but maybe as we don't have too much time for, uh, for a coffee break because we are left only with 45 minutes before we go for lunch break.

[02:29:38] So, uh, just, uh, we can go to our informal mood immediately. Uh, and we can start by opening the floor. Uh, for the informal discussions. So now we are in our informal mood and the floor is open.[02:30:00]

[02:30:15] The floor to that strange delegate of Germany.

[02:30:25] Thank you, Mr. Chair. Um, and, um, as I announced, um, I thought it might be a useful kind of to pick up some of the issues in this informal part to, uh, maybe find, um, common. or, um, clarify one or the other things. Um, I'd like to comment on especially, especially two issues. One is, um, this, um, issue just mentioned by, um, [02:31:00] All of the states I would say who, um, took the floor, um, in respect of whether we should and how intensely we should discuss, um, procedural issues, especially consensus making or the decision making process.

[02:31:14] And the other is in the respect of timelines, um, considering the content. On the first issue, um, I won't repeat what I said and, um, like minded states, um, uh, for, for Germany, um, said, um, beforehand, I loved that, uh, that picture of the car. And I also want to remind, um, um, everybody of the discussion we had in the organizational session.

[02:31:41] Because there the argument was that we cannot discuss decision making processes, or we should not. in respect of, um, the rules of procedures for a committee drafting terms of reference. But it was sad that [02:32:00] on the other hand, it is possible and it was referred to this session when we are discussing, um, for, in respect of terms of reference of a committee discussing terms of, um, uh, framework convention.

[02:32:19] So that was, um, the argument back then, and with that, um, we could agree. that, um, we leave it, um, open and, um, we shall not deeply dig into that issue for that time being, but there will definitely be a discussion that was our understanding in this session when we discuss the terms of reference, um, of the framework convention.

[02:32:47] I also heard kind of different positions of, I would rather say views, and maybe The legal service of the U. N. could help there because [02:33:00] apparently there are, um, um, it's seemingly not that clear. And I'm not an U. N. Legal person either off whether it is possible or is done. I only know of precedents where it has been done, especially precedent.

[02:33:21] When we are talking about issues of, um, of importance and text issues are issues of importance. So, um, I, um, thought, um, that, um, it is in all our interest, really in all our interest, um, to address these issues. And as I said in the formal part as well, the idea really is to prevent, misunderstandings to prevent, um, ongoing discussions on these issues and really build the car.

[02:33:57] And that really everybody in this [02:34:00] room knows how the car looks like so that we can discuss content. Um, in respect of the timelines, um, I very much appreciated last week, Um, as I said in my, um, statement on, um, Friday, I'm really here, um, and that was informative, um, and very, very important, uh, last week to hear the concerns and the issues, um, that, um, are, um, um, described, um, last week put on the table.

[02:34:38] So, this brainstorming was very useful, and, um, I also think that we are all sitting here to build bridges on issues. Um, and for this, we need time, we need analysis. So, when looking at the mandate, the mandate was very often [02:35:00] mentioned, and my interest is also, or not only interest, I mean, that's what we are here to do, is really to fulfill the mandate.

[02:35:07] Um, and then when I look at the mandate and read it, it is about considering early protocols. And I also want to remind everybody that protocols are not the only legal instrument. There are also things like recommendations. So to be able to build bridges on the substantive issues, we should not already preempt.

[02:35:35] Lines of compromise, lines of solutions. Um, we should first really focus, um, on, on what are the issues more specifically, um, on Friday, I also ask for more specifics as well, and not just a general issue because the [02:36:00] general issue is very broad. Um, and if you don't know on what specific issues, um, we're talking about whether it is effective, efficient, and also, um, possible to find, um, and useful, um, to, to, um, find, um, conclusions or solutions, uh, with a legal instrument of a, um, of a, um, protocol, um, we really need those specifics.

[02:36:29] We need an analysis, so. My view would rather be, of course, there should be a timeline for the framework convention, but otherwise I guess it might be more useful and more to really this idea of building bridges and discovering areas for building bridges that we should not in my mind set timelines already for a specific instrument for specific [02:37:00] um, early protocols or whatever, but more to have potentially a timeline for the analysis of the important issues raised and their analysis of the analysis should be whether or what specifically should be addressed and what legal instrument is the best to address these specific concerns.

[02:37:25] Um, this is really not to postpone or to, um, just, um, delay things. But this is really to have the necessary background for all of us to have an inclusive, to have a transparent, to have a knowledgeable, um, and a really effective, um, debate. on specific text issues. What we are in the end here for and really to have a good and fundamental [02:38:00] basis to do so in a, um, in an environment where we know the basis off the processes and where we have enough and sufficient knowledge and also the freedom and the possibilities to discover those bridges I was referring to.

[02:38:22] Thank you.[02:39:00]

[02:39:15] Okay. So just before moving to the next delegate, uh, maybe to the point of our colleague from Germany, uh, that, uh, to clarify that I think you were mentioned referring to the decision making. in the org session and that it was said that it would be, it can be discussed in the first session. And I think that's what's happening now because actually it's now under discussion here.

[02:39:40] Here it's discussed, but I think now it's if you are referring to be discussed as who served or again, I think now we are, it's a little bit early because the discussion is taking place now with it to be there. in that you are or not to be. So it's sort of discuss discussion for the decision making. [02:40:00] So whether to have it, I think if some agreement to have it in that you are, then we start the next level, which is what level of acceptance like or voting two thirds consensus, simple majority.

[02:40:13] whatever. But I mean, the topic is currently now is here. We're discussing it, I think, and everyone is giving his opinion about it, but we are in the step of whether to be in this committee or in a later stage. So I think what was said in the organization still there because here we are discussing and now to the distinguished delegate of, uh, United Arab Emirates.

[02:40:38] Thank you, Chair. Given that a number of jurisdictions, including the UAE, have highlighted resource constraints as an important issue, we recommend that a thorough analysis is performed so that the early protocols are streamlined to a few priority areas as opposed to the current comprehensive list. And that the [02:41:00] area's prioritized protocols are the ones that would provide the most impact or benefit to those that need it.

[02:41:07] Example, digitalization. The analysis should be done in coordination with other international agencies to assist in identifying key gaps and focus areas that would allow our work to be successful. Additionally, on this point, we emphasize that the development of early protocols should be done in succession and not in parallel with the framework convention.

[02:41:30] We should, however, support a pragmatic position where the early protocols are developed after a certain time period in which work on the convention has already been performed, for example, 12 months. Thank you.[02:42:00] [02:43:00]

[02:43:51] So, as I see, there is no request for the floor in this informal, uh, session. So, uh, [02:44:00] okay, there is a question, not as we were about to go to break. Now there is a request from the distinguished delegate of Pakistan. Thank you, chair. I just spoken recently, so I didn't want to take the floor again so soon, but taking advantage of the, of the informal nature of this, um, I Again, as we've said before, and we agree with your assessment, that we think that decision making procedures are prescribed in, in the, um, in, in the General Assembly rules or procedure.

[02:44:36] And there you have the specification of, of, um, what will require, for example, uh, two third and what will require a simple majority. And um, the work of this committee, uh, clearly falls into, uh, the category of, um, a simple majority. majority procedure. And that's why we agree with you that first we must collectively decide, um, as, as a membership [02:45:00] that do we want this topic addressed at all in, in the TORs or not?

[02:45:04] Uh, because how I see it, we have heard interventions expressing preference for, for changing the decision making we already have. To, to two thirds or two consensus. Uh, we, we keep on hearing these two options and we've also heard clear preferences for, um, uh, retaining the same decision making procedure we already have for the future, um, uh, committee to, to elaborate a convention as well.

[02:45:27] Um, so. Again, um, if, if it comes down to it, if, if, if, if delegations insist that this is something that must be addressed in a TOR, um, then, then our delegation would, would fully support not changing what we have already agreed to in, in the organizational session at this stage. But, um, again, as, as we said previously, we, we could be flexible, um, regarding, um, not.

[02:45:53] Putting it into the TORs and leaving this as a matter open for, uh, the committee, which will be set up to draft, [02:46:00] uh, the terms, um, to draft the actual, um, convention. Um, and, and we think that would perhaps be the middle way out between two opposing stances of wanting to keep the same decision making procedures and wanting to change decision making procedures.

[02:46:15] Perhaps the best way out would be to, um, postpone this conversation once we have some clearer of the substance of, of, of the, uh, of what the convention will, um, address, uh, regarding the proposals for streamlining, um, uh, topics of, um, early protocols. Uh, we've said it before. We were very, uh, supportive of, of the list that was elaborated in the discussions last week.

[02:46:39] But if any streamlining is, is to be done, uh, we, uh, retain our position that, uh, the topics referenced in 78 slash 230. must be at the minimum in, in, in that list. Thank you.[02:47:00]

[02:47:18] Thanks Pakistan. Now, to the distinguished delegate of Nigeria.

[02:47:25] Thank you very much, Chair, for giving me the opportunity again. Um, I speak on behalf of Nigeria and the 54 member country of the African group. Um, and I want to thank colleagues during this informal session because, um, Some of the points raised, uh, in my view are very important, and it's also good that, um, informally we can look at different sides, um, of these issues, um, to help the committee, [02:48:00] um, to arrive, um, at, uh, a good conclusion.

[02:48:03] Um, maybe one question I will want to put to some of my colleagues who have been asking for, um, Um, some kind of analysis, um, is what kind of analysis or what, or analysis of what? Um, because I've, I've had quite a number of colleagues, um, saying we need to do analysis. And, and this has not, in my understanding, uh, been very explicitly, uh, put out there.

[02:48:40] So it would be good to have a window into their thoughts and so that we can understand what kind of analysis is required. Now, um, again, I, I think I listened to one of my colleagues saying, if we know we're going to need a car next year, we could start building now. I agree. We should take [02:49:00] advantage of time.

[02:49:02] How be it? I think that thinking presupposes that this had all committee should be will be the same as a committee to negotiate a convention. And I don't think that is correct.

[02:49:17] I see, I foresee the committee that will negotiate the convention being different from this committee. Even if there are going to be individuals who are here who will be part of that committee. And so this committee cannot function as a committee to negotiate the convention. And therefore. We cannot use up the mandate of that committee, and we shouldn't use up that mandate.

[02:49:46] And if we step out of our bounds to do that as ad hoc committee, um, I'm sure somebody is going to say that we have acted ultra bias. And so I think it's [02:50:00] important that we make that distinction. Um, uh, is important that, um, for all countries that are, um, uh, having a resource country, which includes my country, Nigeria, that we prioritize the most important thing.

[02:50:20] And I believe every one of us in this room, we agree that the issue of revenue and domestic revenue mobilization is very important. And so it's worth investing our meager resources so that we could get more. And it's also important that we resolve the lingering issues as to taxation of multinational entities, so that businesses could also have certainty as to treatment of tax issues when they, they, when they operate in our different jurisdictions.[02:51:00]

[02:51:01] The minimum that we could have added to that I mentioned in the resolution 78 to 13. And I think we don't, I mean, we don't need to do too many. And I agree because we want to do this simultaneously with the convention. But the least we can do, however, I did too that I mentioned by the resolution as to organization and and and of the work of the, um, uh, of the convention, the framework convention itself, um, as to relevant, uh, organs.

[02:51:42] Um, we think it will be, uh, I know quite a number of, of delegates have spoken about having a conference of party, which we agree, which will contain every member of the UN and be able to take decisions. And as the highest organ, we also suppose that [02:52:00] There will be, um, a, a, a secretariat that is well staffed with both administrative and technical staff to support the work, uh, of the convention and all the protocols that will come.

[02:52:17] We, we believe there should be, um, technical, uh, teams, um, whatever name we, they are called, whether committee or subcommittee or working team or working group. Whatever name they had given, who will be respectively responsible for working on the each area that will produce the necessary protocols and also probably to help coordinate between the technical work and the, um, political decision making side, um, there may be a need for a coordinating, uh, body, um, to, um, sort of oversee the work, um, [02:53:00] Of each of the working group.

[02:53:02] So this we think, um, should be, um, elaborated in the, uh, uh, terms of reference. Um, as part of what will help, um, to drive a very efficient, uh, uh, uh, system, uh, chair. I don't want to stand between anyone and his lunch. Thank you. Thank you now to arg.

[02:53:56] And we have heard deadlines [02:54:00] of 18 months. Now we have heard of 12, even in terms of a year, to negotiate a legally binding agreement. It seems to us that we have to think seriously, or carefully, a realistic deadline in that sense. So, um, And maybe not tie ourselves to a specific deadline. Maybe we can look for, as some objective, to be able to reach the conclusion of a negotiation in a certain time, realistic, let's say 24 months, but also leave an open door that also in case they don't make it to that deadline, so that we can have a way [02:55:00] out.

[02:55:00] In case the deadline is not met. And with this, I don't want to condition or, um, or determine that a negotiation has to be in eternum. But we should not have a pressure that threatens the quality and good negotiating practices. On the other hand, we understand that the terms of reference that we are going to elaborate are not in eternum.

[02:55:33] In a way, they will also inform the General Assembly about procedural aspects or recommendations or suggestions, which will then be up to the General Assembly to determine or decide for the next Committee. But we do not see a reason why we should not try to carry out [02:56:00] some of those recommendations

[02:56:05] If it is that we can do it on certain practices of future negotiation that would be advisable for, for this process. Which may be the decision making process, as has been debated, which may be the issue of deadlines, as we are debating, and which may be perhaps some other specific issue in relation to a particular negotiation in tax matters that will allow us to work in a more efficient way in the future.

[02:56:33] Muchas gracias.

[02:56:43] Thanks Argentina. Now to that's things that get off Norway via Webex. Thank you, chair. Uh, and I guess that there is no chance of a coffee break this morning and we're moving straight to lunch. So, uh, I think [02:57:00] I wanted to elaborate a little bit, uh, on, um, Some of the comments made by Germany, but, uh, also in response to, uh, the comment made by, uh, Our colleague from Nigeria, and it's it's a point in the procedural elements.

[02:57:20] We have brought up quite a few times during this session, and that's the need for analysis to support the work we are doing. And as as we see it in this concept text, the analytical support could also support other elements, procedural elements. procedural elements such as the time frame and resources needed because by leveraging the knowledge and expertise that already exists within the UN, the IMF, World Bank, and the [02:58:00] OECD, it may be feasible to have shorter timelines, although the timelines that we have been discussing here are, uh, you know, Very, very short.

[02:58:11] And indeed, I think it would not be possible to set up a secretariat that is big enough to to support that work in that short time frame. So, I think we should use the most of the knowledge that's out there and the platform for tax collaboration has already been mentioned and we still support that very much.

[02:58:34] Um, it would also alleviate the need to allocate resources because we would be leveraging. Resources that already exist now with why there is a need for more analysis. And I think we also mentioned this last week is that because, um, what we have heard is, for example, when it comes to exchange [02:59:00] of information that a request has been sent, and, uh, there is no response.

[02:59:07] Now, that could be for any number of reasons, and the need to analyze these issues is to find. The best way to address, uh, the issues that are most pressing to developing countries. And that may be through a convention and the protocol, but that may also be, uh, other kind of instruments like also Germany mentioned.

[02:59:29] So we think Uh, the analytical support and the broad analysis of issues that we choose to address, and we have already pointed to them in our discussion on objectives with this framework convention. Uh, it's quite necessary to, to deliver. Yeah. A framework convention and later on protocols that can address the needs identified in particular by [03:00:00] developing countries when it comes to decision making, we think that it's, it's not that interesting to discuss whether, uh, how democratic, uh, kind of decision making is, but it's, uh, better to discuss this issue in light of inclusiveness and transparency of the process.

[03:00:22] Uh, and also very much the need to have broad acceptance of the outcome, because it's only with the broad acceptance of the outcome that you will have the necessary implementation of whatever is decided in the framework and protocols, uh, and that can actually realize, uh, domestic resource mobilization through the convention and its protocols.

[03:00:48] So this is why we, uh, strongly advocate a consensus based decision making structure. We are open to a super majority decision making [03:01:00] structure as has also been pointed to by others on issues, other issues in the UN, where there is a need for a broad international cooperation. And I think we should dig into it and not let ourselves get boggled down by how many.

[03:01:18] Presidents. There are rather look at, uh, the issues that they address. So thank you.

[03:01:30] Thanks. No way. Uh, first, I'm going to announce that we close the floor because actually we go to the extreme again from no hands raised to a lot of answers. So now we have yet Kingdom, India, Kenya, Pakistan, Senegal and the close. The floor is closed now. Because, and again, I'm going to ask delegates just to have a brief and short interventions because exactly at one o'clock, we will lose [03:02:00] interpretation.

[03:02:02] Now, to distinguish the delegate of United Kingdom.

[03:02:07] Thank you, Chair. Um, first of all, uh, we would agree with what the distinguished gentleman, distinguished delegate from Nigeria said that is not within the purview of this committee. to negotiate the text of the Framework Convention. When it comes to decision making, it is normal within a Framework Convention to have decisions by supermajority, but that is not in the power of this committee to decide.

[03:02:36] That is for the negotiating committee to discuss. What is within the power of this committee to decide is what to put in the terms of reference about how the negotiating committee should make decisions. The distinguished delegate from Pakistan rightly noted what the GA rules say about majority votes.[03:03:00]

[03:03:00] The GA rules also note the importance of seeking consensus and it's normal and important to clarify what that means. It's been noted by some that we have the option of leaving the decision about that to the GA or to the organizational session of the negotiating committee. But if we take that approach to everything that can be left to the negotiating committee to decide, the terms of reference will be empty.

[03:03:30] So as noted by Switzerland, we have 15 days set aside in the summer. If we don't use them to resolve the issue of decision making in the negotiating committee, we'll actually be slowing down the work of that committee. So it's in our interests, uh, as wanting a speedy process to Address that question and to finish a reminder that our ask is not to re resolve that question today.[03:04:00]

[03:04:00] We're not going to decide, uh, in this session how decision making should work in the negotiating committee, but simply our ask is to agree that we will include it on the agenda for the second session so we can have that debate. And hopefully resolve it so the negotiating committee can get on with discussing the substance and not having to be distracted by negotiating that bit of procedure.

[03:04:26] Thank you.

[03:04:32] Thanks. United Kingdom. Now to the Distinguished Delegate of India. Thank you, Chair, and I would be really brief. Uh, in view of the various, uh, responses on the concerns around procedural aspects expressed by some countries, especially those in relation to decision making and the Constitutional Bureau, its leadership, including the proposal to have multiple chairs.

[03:04:58] India would like to [03:05:00] reiterate its position expressed earlier that these are premature discussions which would require an in depth understanding of the merits or dismerits. Therein agreeing with my Nigerian colleague, we should repels faith and confidence in the negotiating committee and should work towards providing Clear objectives and scope to the committee and at the same time strengthening it and empowering it by incorporating certain flexibility on procedural and organizational matters.

[03:05:31] Thank you, chair. Thanks, India. Now to the distinguished delegate of Kenya.

[03:05:40] Thank you, chair.

[03:05:46] On the issue of the procedural aspects of, um, decision making, Chair, we continue to stress the point that we are operating as a subsidiary body of the General Assembly, which has established rules of [03:06:00] procedure. We're not arguing that consensus is not important. We're saying that consensus should be pursued and will be pursued, but in the event that it cannot be achieved, a decision has to be made, and we are well guided on how that should be done.

[03:06:15] within the UN General Assembly Rules of Procedure. Resolution 78 30 called for respect of tax sovereignty, which implies that international tax cooperation allows countries to adapt and implement international tax rules in accordance with their needs and preferences. So countries will not be forced or imposed upon to implement rules which don't align with their needs.

[03:06:37] So we continue to support the view that this and subsequent committees are subsidiary bodies of the General Assembly and the established rules of procedure should continue to apply. On the call for technical analysis, Chair, as much as I do agree that it hasn't really been specified what type of technical analysis should be [03:07:00] provided, we don't agree that this is required at this point or at this stage of developing the terms of reference.

[03:07:07] At this stage, we are identifying the possible top topics and problem areas that could be addressed in the protocols in the framework convention. The resolution called for consideration of simultaneously developing early protocols while elaborating the framework convention. So if as much as it has not been specified.

[03:07:24] should be provided. This would possibly be done at the point of elaborating the framework convention and not the terms of reference. Problem areas were identified through the country inputs that were provided following the call from the secretariat. And I believe that is what we have done at this point.

[03:07:41] We have analyzed the problem areas that have been provided from member countries, and that's where we have developed the list of possible topics. So we do Um, state that a technical analysis is not needed at this point of developing the terms of reference that could possibly be called upon when we're [03:08:00] developing or when the subsequent committee is developing the protocols, because that is when technical discussions will actually be had.

[03:08:07] Thank you, Chair.

[03:08:15] Thanks, Kenya. Now to the distinguished delegate of Pakistan. Thank you, Chair. Just, uh, coming back on, on the issue of, uh, technical analysis, we, we completely concur, uh, with the comments made by, um, Kenya. Uh, we do not think now, uh, is, is the time, uh, to, to, um, engage, um, in that. Uh, we think that would be, uh, of better use to us when we actually sit down and, and start elaborating, uh, uh, Uh, the protocols and that is the point at which technical analysis we believe would be most, um, useful.

[03:08:47] Um, and, and we must also register, um, our, uh, reservation on the fact that we want a protocol to address, for example, cross border taxation of, of MNCs. And we ask [03:09:00] an organization who, who is, um, already, um, You know, who already thinks they have a solution to work on that. We think there will be a direct conflict of interest in such analysis.

[03:09:10] So we reserve on on the institutions also mentioned for for such analysis. And, um, again, as are the distinguished colleague of Kenya said, Uh, we think this is, um, not the point. Um, it can be done when the committee starts, uh, developing such, uh, protocols on, on these topics. Maybe that is when we can benefit from them.

[03:09:31] And on, on the issue of, of decision making, um, of course, we are always ready to, uh, discuss and, and engage, uh, with colleagues. Um, For us, um, if, if we are perfectly frank, the solution seems to be either to postpone the conversation or to have exactly, exactly what we had in, in, in the organizational session, uh, which is a package.

[03:09:52] It is the reference to the need for consensus while also highlighting that when it is not reached, we go to simple majority. So that is the package that was [03:10:00] there in the organizational session, um, and that is what we would agree to if, if we must include such a topic in the TORs. But we will be flexible to not have this decision made in the TORs at this stage and postpone it to see if there can be further movement, um, later on.

[03:10:16] Uh, but we are always ready to discuss, um, and engage even if in July, if, if, uh, delegations want to. Thank you.

[03:10:29] Thanks. Next time, now to the distinguished delegate of Senegal. Merci, Monsieur le Président. Nous nous faisons écho des commentaires du Nigeria et du Kenya.[03:11:00]

[03:11:02] So. No, bon, pas, croyez duplique à ta avec ce qui existe déjà. Voir si effectivement il y a des zones pour lesquelles des considérations seraient nécessaires, voir s'il y a des thematiques qui effectivement vont nécessiter une, uh, uh, une, uh, une refonte. Ou, um, uh, une,

[03:11:37] Personnel technique. Because it's the technical staff that would be in charge of preparing the projects of texts or documents that would be the subject of discussion within the different committees. If we have this document, the delegates would be better prepared in advance to be able to articulate or emphasize their interventions.

[03:11:59] [03:12:00] We are already suffering from this meeting, the intensity of this meeting is already showing. Uh,

[03:12:21] constructive.

[03:12:32] Thanks. Uh, GaN now I announce the informal session is closed. And wish you all a pleasant lunch break. Thank you. We will, we, we will reconvene again at three o'clock in the same room. Thank [03:13:00] you.