



*Joint Meeting of the United Nations General Assembly Second Committee
and the
Economic and Social Council*

“Domestic Resource Mobilization: Where to go after Addis?”

*Organized by the Financing for Development Office (FfDO) of the
Department of Economic and Social Affairs (DESA)*

**United Nations Headquarters
11 November 2015, 10 am – 1pm, Conference Room 2**

Concept Note

Background

Tax issues have featured prominently in international news as of late, ranging from the announcement of the European Commission that some preferential tax rulings constitute state aid and the proposal of new tax rules, developed jointly by the Group of 20 (G20) and the Organisation for Economic Co-operation and Development (OECD), to the deliberations on the institutional arrangement-30 Tc 0 11 6enda

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tax administration, tax policy, tax incentives, tax evasion and avoidance as well as for increased capacity building and strengthened international cooperation on tax issues.

Key Issue: Tax Administrations Need Adequate Capacity

The Member States of the Economic and Social Commission for Asia and the Pacific (UNESCAP) are considering the establishment of an Asia and the Pacific Tax Forum, a grouping of tax experts to catalyze regional action to raise the region's low tax-to-GDP ratio. This would build on the successes of similar networks in Africa and Latin America.

In addition, the Capacity Development Unit of the UN-DESA Financing for Development Office (FfDO) has developed an extensive portfolio of capacity development tools, activities and other resources in the area of international tax cooperation, as a result of a unique collaborative engagement between government representatives from developing countries and Members of the Committee.

Owing to the fact that FfDO provides Secretariat support to the UN Tax Committee, its capacity development programme draws, to a large extent, on the outputs of the Committee with a view to disseminating and operationalizing them as capacity development tools for the benefit of developing countries. Accordingly, two early areas of focus of the programme have been: (1) Double tax treaties based on the 2011 *United Nations Model Double Taxation Convention between Developed and Developing Countries* (UN Model); and (2) Transfer pricing based on the 2012 *United Nations Practical Manual on Transfer Pricing for Developing Countries* (UN TP Manual).

More recent work focuses on protecting and broadening the tax bases of developing countries. The relevant activities draw upon and contribute to the work of the Committee's Subcommittee on Base Erosion and Profit Shifting (BEPS) Issues for Developing Countries, as well as the OECD's work on BEPS, as appropriate. A first tangible result in this area was the publication of the *United Nations Handbook on the Prevention of Base Erosion and Profit Shifting* (UN BEPS Handbook).

impact on developing countries, as a percentage of GDP, are even higher than for developed countries

Another area of debate is on the institutional arrangements for international tax cooperation. There are currently over 3,000 bilateral tax treaties and two sets of model treaties. The AAAA stressed that efforts in international tax cooperation should be universal in scope and approach and should fully take into account the different needs and capacities of all countries. This principle now needs to be translated into practical working arrangements, especially in relation to the UN role.

Leading Questions for Discussion:

What additional efforts should international organizations take to counter tax evasion and avoidance?

Are the new rules that are suggested in the OECD/G20 Action Plan on BEPS and on AEOI appropriate for developing countries?

How can the different international organizations effectively work together to avoid duplication of efforts keeping in mind their respective mandates?

How can progress be measured in these areas?

Programme

Opening remarks: H.E. Mr. Andrej Logar, Chair of the Second Committee

Opening statement: H.E. Mr. Oh Joon, President of ECOSOC

Introductory remarks: Mr. Alexander Trepelkov, Director, Financing for Development Office,
UN Department of Economic and Social Affairs

Panel discussion

Presentations by the panellists:

- Professor David Rosenbloom, James S. Eustice Visiting Professor of Practice and Taxation and Director of the International Tax Program, New York University
- Mr. Eric Mensah, Assistant Commissioner, Ghana Revenue Authority, Member of the UN Committee of Experts in International Cooperation in Tax Matters (via video conference/telephone)
- Ms. Victoria Perry, Assistant Director and Chief of Tax Policy Division, Fiscal Affairs Department, IMF
- Ms. Gail Hurley, Policy Specialist Development Finance, Bureau of Policy and Programme Support, UNDP (tbc)
- Ms. Blanca Moreno-Dodson, Lead Economist for Tax Policy, Macro and Fiscal Management Global Practice, World Bank
- Mr. Tatu Ilunga, Senior Policy Advisor, Tax and Extractive Industries, Oxfam America

Questions & answers

Closing remarks: H.E. Mr. Andrej Logar, Chair of the Second Committee
H.E. Mr. Oh Joon, President of ECOSOC
