

**Economic and Social Council
Special Meeting on International Cooperation in Tax Matters
(Virtual Meeting, 29 April 2021)**

DRAFT PROGRAMME

Tax policy and administration in support of more resilient, inclusive and sustainable economies and societies

Across the world, the adverse economic and social repercussions of the COVID-19 pandemic have exacerbated growing inequalities within countries and persistent gender gaps. The large numbers of citizens in many developing countries taking part in the informal economy, without social safety nets, were hit the hardest. Fiscal measures, on the revenue and expenditure sides, are crucial for a sustainable recovery and for moving towards more equitable, healthier, sustainable societies that leave no one behind. This in turn will require stronger and more forward-looking international cooperation on tax matters, given the realities of cross-border trade and investment, an increasingly digitalized economy, and existing shortcomings in fair and effective digital taxation.

The Addis Ababa Action Agenda on Financing for Development calls for greater fairness, transparency, efficiency and effectiveness of tax systems, and commits to scaling up international cooperation in tax matters, both domestic and international. Correspondingly, the Secretary-General's Strategy for Financing the 2030 Agenda highlights the importance for strengthening the effectiveness of tax systems to generate the domestic resources needed to achieve the Sustainable Development Goals (SDGs), as well as for strengthened international and regional cooperation, and country capacity, to prevent, reduce and recover illicit financial flows.

The ECOSOC Special Meeting on International Cooperation in Tax Matters provides a global platform for enhancing intergovernmental consideration of tax issues and their mainstreaming across efforts to achieve the 2030 Agenda. The meeting engages Member States, including representatives from ministries of finance and national tax administrations, with members of the UN Tax Committee, other experts and stakeholders from civil society, the private sector and international and regional organizations, in inclusive and evidence-based discussion.

This year's Special Meeting will look at how countries can use tax policy and administration to tackle challenges such as inequalities, climate change and health in an increasingly digitalized economy, in the context of the COVID-19 response and recovery. Furthermore, priority areas for technical assistance and/or capacity building in tax matters and domestic resource mobilization to recover from the COVID-19 pandemic will be discussed. The objective is to identify concrete options and best practices for tax policy and administration in support of more resilient, inclusive and sustainable economies and societies.

The meeting will involve three panel discussions, interactive dialogues, and short opening and closing sessions. The panel discussions will include presentations by keynote speakers, interventions by panellists and interactive discussions. The meeting outcome will be an informal Summary by the President of ECOSOC with key messages and recommendations for policymakers and practitioners.



MORNING SESSION	
9:00 am – 9:30 am	<p><u>Chair:</u></p> <ul style="list-style-type: none"> ▪ H.E. Munir Akram, President of the Economic and Social Council; Ambassador and Permanent Representative of Pakistan to the United Nations

	<p>OPENING REMARKS</p> <ul style="list-style-type: none"> ▪ H.E. Munir Akram, President of the Economic and Social Council; Ambassador and Permanent Representative of Pakistan to the United Nations ▪ Ms. Carmel Peters, Co-Chairperson, United Nations Committee of Experts on International Cooperation in Tax Matters; and Policy Manager, Inland Revenue, New Zealand ▪ Mr. Eric Nii Yarboi Mensah, Co-Chairperson, United Nations Committee of Experts on International Cooperation in Tax Matters; and former Assistant Commissioner, Revenue Authority, Ghana ▪ Mr. Liu Zhenmin, Under-Secretary-General for Economic and Social Affairs, United Nations <p><u>Keynote Speaker:</u></p> <ul style="list-style-type: none"> ▪ Prof. Annet Wanyana Oguttu, Department of Taxation, African Tax Institute, University of Pretoria
<p>9:30 am – 10:30 am</p>	<p>PANEL 1: TAXATION AND INEQUALITY</p> <p>The COVID-19 pandemic has laid bare and exacerbated pervasive inequalities within and among developing and developed countries that continue to impede progress on the Sustainable Development Goals (SDGs). These inequalities are felt most in developing countries and by vulnerable groups, in areas such as access to health care and green spaces, to education and work. Gender gaps have widened and social mobility has worsened, especially in rural regions. Moving toward fair and equitable tax systems is key for recovering from the pandemic, reducing structural inequalities and achieving more resilient, inclusive and sustainable economies and societies. It also presents opportunities to discard historical anachronisms in tax policy that have embedded inequalities and inequities.</p> <p>Inequalities in taxation between traditional and highly digitalised business models have also been amplified, especially as many of the latter are thriving. There is increasing concern at the inequalities between tax paid by wage earners as compared with lightly taxed or untaxed in-country profits of multinational enterprises (MNEs), including their impact on confidence in tax systems.</p> <p>Well-designed tax policy and administration can help address these issues and promote inclusive and sustainable development, especially where revenues are collected in a progressive way and redistributed to promote access to essential public goods and services for all. International cooperation to reduce tax-related illicit financial flows is also critical, as it can reduce inequality among countries while releasing resources to invest in the very services that can reduce inequality in: social protection, education, healthcare. Likewise, a fair resolution on taxing the digitalised economy will ensure all businesses making profits in a country also make their proper (and mutually beneficial) contributions to sustainable development in that country. The FACTI Panel reports a staggering \$500 – \$600 billion corporate tax revenue a year lost from profit-shifting by multinational enterprises and \$7 trillion of private wealth hidden in haven countries. The discussion group on Illicit Financial Flows set up through the High-Level Event on Financing for Development in the Era of COVID-19 suggested establishing anti-corruption, anti-money laundering and anti-tax evasion solutions to protect COVID-19 emergency funds, including aid and stimulus measures. The Group also called for the elimination of safe heavens that create incentives for the transfer abroad of stolen asset and illicit financial flows.</p> <p>While there is no one-size-fits-all approach, countries have much to learn from each other on how tax policy and administration can help achieve the SDGs, reduce inequalities and build back better from COVID-19. This panel will explore different tax policies available to countries in a post COVID-19 world that help reduce inequality and discuss economic, social and political challenges</p>

	<p>in their implementation. National, regional and international experiences on promoting capacity building via tax cooperation will also be considered.</p> <p><u>Panel discussion:</u></p> <ul style="list-style-type: none"> ▪ How can tax policies be adjusted as part of COVID-19 response and recovery efforts to promote education, health and social protection for all and foster gender equality? What is the potential of wealth taxes to reduce inequalities? ▪ Which solutions to tax avoidance and abuse help protect COVID-19 emergency funds, including aid and stimulus measures? How to ensure that international tax cooperation combating tax avoidance and abuse also reduces inequality within and between countries? ▪ How to promote and advance capacity building at the national, regional, and international levels through tax cooperation that can help increase revenues, enhance mobilization of domestic resources for investment in sustainable development, and reduce inequalities, particularly in developing countries? <p><u>Chair:</u></p> <ul style="list-style-type: none"> ▪ H.E. Ambassador Sergiy Kyslytsya, Vice-President of the Economic and Social Council, Ambassador Extraordinary and Plenipotentiary and Permanent Representative of Ukraine to the United Nations in New York <p><u>Moderator:</u></p> <ul style="list-style-type: none"> ▪ Prof. Stephen Shay, Paulus Endowment Senior Tax Fellow, Boston College Law School <p><u>Panellists:</u></p> <ul style="list-style-type: none"> ▪ Ms. LiseLott Margareta Kana, Head, International Tax Legislation, Internal Revenue (SII), Chile ▪ Ms. Elfrieda Stewart Tamba, Former Commissioner General, Liberia Revenue Authority; Member of UN Committee of Experts on International Cooperation in Tax Matters ▪ Mr. Pascal Saint-Amans, Director of the Centre for Tax Policy and Administration, OECD ▪ Prof. Annet Wanyana Oguttu, Department of Taxation, African Tax Institute, University of Pretoria
10:30 am – 11:00 am	INTERACTIVE DIALOGUE
AFTERNOON SESSION	
3:00 pm – 3:40 pm	<p>PANEL 2: TAXATION AND THE ENVIRONMENT</p> <p>Environmental taxation is instrumental to support the transition towards fairer and more inclusive societies, and in a global COVID-19 response and recovery that leaves no-one behind. Such policies are also crucial to support investment in clean technologies and to help countries mitigate and adapt to climate change. Instruments such as carbon pricing and environmental taxation not only have the potential to raise domestic revenues: they can also promote a range of macroeconomic benefits, such as increased employment, economic diversification and competitiveness of domestic industries.</p> <p>Several countries have already introduced economic measures for environmental protection and comprehensive fiscal reforms that include a coherent framework of taxes on pollutants and/or emissions, with the aim to reduce environmental degradation and to tackle climate change. However, some countries have been scaling back their environmental efforts, including in the fiscal area, during the pandemic.</p> <p>This session will provide an opportunity to discuss how environmental taxation can support countries' efforts in building back better. Panellists will debate the role of different instruments that can support or hinder climate change mitigation efforts, such as carbon pricing and fossil fuel subsidies respectively; and the role of green fiscal policies in fostering economic recovery measures that also protect the environment. The discussion will include the international</p>

	<p>dimensions of environmental taxation, such as carbon border adjustments and multilateral instruments, in line with article 6.2 of the Paris Agreement.</p> <p><u>Panel discussion:</u></p> <ul style="list-style-type: none"> ▪ What is the role of environmental taxation in building back better after COVID-19, i.e. reducing inequalities and creating more resilient economies and societies? ▪ What are the most effective tax instruments, and related administrative measures, to address environmental problems (such as climate change, degradation of water, land and air, etc.)? How can they be shaped to support pandemic recovery efforts and adapted to different national realities, including the resource constraints of LDCs and other developing countries? ▪ What would environmental taxation look like at the international level? In the context of pandemic recovery efforts, how can multilateral environmental instruments and international cooperation boost trade flows while effectively decarbonizing the global economy? <p><u>Chair:</u></p> <p>H.E. Munir Akram, President of the Economic and Social Council; Ambassador and Permanent Representative of Pakistan to the United Nations</p> <p><u>Keynote Speaker:</u></p> <ul style="list-style-type: none"> ▪ Prof. Joseph Stiglitz, Economist and Nobel Laureate, School of International and Public Affairs, Columbia University <p><u>Moderator:</u></p> <ul style="list-style-type: none"> ▪ Ms. Jessica Shankleman, UK Politics Reporter, Bloomberg News <p><u>Panellists:</u></p> <ul style="list-style-type: none"> ▪ Ms. Patricia Mongkhonvanit, Director-General, Public Debt Management Office, Thailand; Member of UN Committee of Experts on International Cooperation in Tax Matters ▪ Mr. Kurt Van Dender, Head, Tax and Environment Unit, OECD Centre for Tax Policy and Administration; Member of UN Subcommittee on Environmental Taxation Issues ▪ Ms. Laura Ruiz, Advisor to the Technical Vice Minister of the Ministry of Finance and Public Credit, Colombia ▪ Mr. Bård Vegar Solhjell, Director General, Norwegian Agency for Development Cooperation (Norad) ▪ Prof. Joseph Stiglitz, Economist and Nobel Laureate, School of International and Public Affairs, Columbia University <p><u>Lead discussant:</u></p> <ul style="list-style-type: none"> ▪ Mr. Achim Steiner, Administrator, UNDP
3:40 pm – 3:55 pm	INTERACTIVE DIALOGUE
3:55 pm - 4:35 pm	<p>PANEL 3: TAXATION AND FINANCING FOR HEALTH SYSTEMS</p> <p>The COVID-19 pandemic has exposed the vulnerability of national and local capacities in all countries, especially the least developed and others in special situations, and has greatly intensified pressure on public finances. Tax policy and administrative capacities can be decisive to respond to and recover effectively from the pandemic, to increase resilience of public health systems in the future and to achieve the SDGs – more specifically Goal 3 on Good Health and Well-Being.</p> <p>Well-designed taxes to promote health – such as those on alcohol, tobacco and sugary or artificially sweetened beverages – may be an important part of financing for health systems. Such taxes have co-benefits for health, discouraging the use of products that contribute to non-</p>

	<p>communicable diseases. Moreover, there is a growing debate on whether revenues generated from such taxes should be reinvested directly in health systems, or if these funds should be redistributed to reduce inequalities more broadly, such as by expanding health coverage and strengthening social protection systems. Other tax policy responses include tax concessions for workers in the health sector.</p> <p>The panel will discuss tax policy and administration targeting good health and well-being to recover and build back better from the COVID-19 pandemic, and enhanced tax cooperation at the regional and international levels to support the strengthening of national health systems.</p> <p><u>Panel discussion:</u></p> <ul style="list-style-type: none"> ○ What are the main challenges for effective use of taxation in mobilizing resources to finance health systems in the COVID-19 pandemic? ○ Based on your country/institutional experience, which ways can you identify to increase revenues from health-related taxes and strengthen the co-benefits for improving health of populations? ○ How can countries improve tax cooperation to finance and build cross-border public goods for health? For example, is the time right for a minimum corporate tax rate calibrated at a high enough level to prevent a continued race to the bottom? <p><u>Chair:</u></p> <ul style="list-style-type: none"> ▪ H.E. Munir Akram, President of the Economic and Social Council; Ambassador and Permanent Representative of Pakistan to the United Nations <p><u>Moderator:</u></p> <ul style="list-style-type: none"> ▪ Mr. Joseph Kutzin, Coordinator of Health Financing Policy, World Health Organization <p><u>Panellists:</u></p> <ul style="list-style-type: none"> ▪ Mr. Vitor Gaspar, Director, Fiscal Affairs Department, International Monetary Fund (IMF) ▪ Mr. Wesley Kapaya Mwambazi, Assistant Director - Health Financing, Ministry of Health, Zambia ▪ Prof. Anne-Marie Thow, Associate Professor of Public Policy and Health, Menzies Centre for Health Policy, University of Sydney ▪ Mr. Carlos Protto, Director of International Tax Relations, Ministry of Treasury of Argentina; Member of UN Committee of Experts on International Cooperation in Tax Matters <p><u>Lead discussant:</u></p> <ul style="list-style-type: none"> ▪ Ms. Kim Jacinto-Henares, Senior Advisor, Albright Stonebridge Group, Washington, D.C.
4:35 pm – 4:50 pm	INTERACTIVE DIALOGUE
4:50 pm – 5:00 pm	<p>Closing Remarks</p> <ul style="list-style-type: none"> ▪ H.E. Munir Akram, President of the Economic and Social Council; Ambassador and Permanent Representative of Pakistan to the United Nations