

**Statement by the Caribbean Community (CARICOM)**  
**Special meeting of ECOSOC on International Cooperation in Tax Matters**

**22 April 2015**

**New York**

**Mr. President,**

I have the honour to speak on behalf of the fourteen Member States of the Caribbean Community (CARICOM).

At the outset, we would wish to align ourselves with the statement delivered by the delegation of South Africa on behalf of the Group of 77 and China.

CARICOM welcomes the convening of this special meeting of the ECOSOC to consider International Cooperation in Tax Matters, particularly its contribution to the promotion of the work of the Committee of Experts on International Cooperation in Tax Matters. We would also wish to thank the Secretariat for the documents prepared in this context.

**Mr. President,**

CARICOM wishes to re-emphasise the urgent need for an informed discussion on international cooperation in tax matters within the context of a meaningful, universal and intergovernmental dialogue on development – that is the common pursuit of all countries to achieve economic growth, meaningful development and poverty eradication.

In this connection, CARICOM believes that any meaningful dialogue on international cooperation in tax matters must be equally cognizant of the dual objective of developing countries to achieve sustainable development with jobs, and with the other objective of finding a pathway to greater financial sector transparency. One cannot be separated from the other – both are equally important.

**Mr. President,**

CARICOM affirms the legitimacy and the historical benefit of a development model based on the delivery of a diversified mix of high quality business services, inclusive of financial services

in a manner consistent with international best practices and standards. This model has supported skills acquisition, training and human development, infrastructure development, strong judiciaries, business transparency and economic freedom. These, Mr. President, are all values for which this great United Nations stands and affirms.

CARICOM, a region boasting well regulated financial centres, also understands that the emerging reality must ensure that financial centres continue to grow and thrive in a transparent environment through the responsible operation of the trade of financial services. With this understanding, CARICOM has been supportive of the work to improve transparency within the international financial centres (IFCs), when provided the opportunity, and will continue to be a full participant in initiatives in the area of international cooperation in tax matters which have global consequences.

We must all recognise, however, that there remains a lot of work to be done in assisting developing countries in meaningful participation in these initiatives, and in implementing international standards and agreements, bearing in mind the financial and human resource constraints of these countries.

**Mr President,**

CARICOM wishes to underline that its well regulated IFCs understand that the world of transparency is the new reality, and we are fully committed to implementing globally accepted and universally ascribed standards, while prioritising the best interests of our jurisdictions and clients. We also recognise the significant work being done in the area of Base Erosion and Profit Shifting (BEPS), and automatic exchange of information at a global level; and welcome efforts to involve developing countries in this regard.

It is important to note, however, that small States are often invited to participate in such international initiatives, after the road map or the standard has been developed, rather than as equal co-drafters of the global standard. Indeed, small States are usually not at the table where the actual decisions are made, and as such their voices are not heard until much later in the process, most of the time after the standard has been developed and agreed. This must change if policies are to truly result in equality of treatment by establishing a level playing field; while

taking into account realistic implementation timetables within the context of the development realities of small States.

In this context, CARICOM agrees with the report of the Secretary-General that there remains a fundamental gap in the area of international tax cooperation, given that during a time when fundamental changes to international tax standards are being devised, many developing countries do not have a “full seat at the table”. The ability to participate in such decision making, particularly in those decisions which impact CARICOM economies is viewed as a right and not a privilege.

**Mr President,**

In view of the foregoing, CARICOM reaffirms the important role of the United Nations in addressing matters related to international tax cooperation given its universality and legitimacy. The universal character of the UN ensures that all countries are able to participate on an “equal footing”, allowing all Member States the opportunity to shape the global agenda. The broad and diverse membership of the UN also allows for a variety of perspectives, realities and priorities in the consideration of international cooperation in tax matters, the importance of which cannot be overstated.

It is in this context that CARICOM fully supports the call for the conversion of the Committee of Experts on International Cooperation in Tax Matters into an intergovernmental subsidiary body of the Economic and Social Council (ECOSOC). CARICOM strongly believes that the upgrading of the Committee would help to bridge the gap in international tax cooperation, and facilitate the strengthening of its work, particularly as it relates to its development dimension and capacity building for developing countries.

Additionally, upgrading the Committee would allow for better integration of tax matters into sustainable development processes, including the reformed ECOSOC. Indeed, the report of the Secretary-General notes that these special meetings have “brought to the forefront key issues of concern for developing countries, including those identified as priorities by the Committee, in the context of financing for sustainable development and the post 2015 development agenda.” The upgrade of the Committee would bring much needed weight to these considerations.

**Mr. President,**

We look forward to constructive engagement with Member States on the way forward in this regard, particularly in the context of our negotiations on the outcome of the Third International Conference on Financing for Development, to take place in Addis Ababa, Ethiopia, later this year.

I thank you, Mr. President.