

**Opening statement by  
H.E. Frederick Musiiwa Makamure Shava, President of the  
Economic and Social Council**

**ECOSOC special meeting on international cooperation in tax  
matters  
(ECOSOC Chamber, 9 December 2016)**

Excellencies,  
Distinguished Delegates,  
Ladies and Gentlemen,

It is my pleasure to welcome you to this special meeting of the Economic and Social Council on international cooperation in tax matters with the participation of representatives of national tax authorities.

Today's meeting is held back-to-back with the 13<sup>th</sup> session of the Committee of Experts on International Cooperation in Tax Matters, which, for the first time, was held here in New York. This new arrangement is a result of a consensus reached by Member States last October, on the way to operationalize the new mandates related to the Committee contained in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.

In Addis, Member States decided to increase the engagement of the Committee with ECOSOC through this special meeting, with a view to enhancing intergovernmental consideration of tax issues at the United Nations. This illustrates the importance, which countries assign to taxation as one of the most important means of mobilizing resources for sustainable development.

Allow me to take this opportunity, on behalf of the Economic and Social Council, to welcome our participants here today. In particular, I am pleased to see numerous representatives from national tax authorities, members of the Committee, and representatives of international and regional organizations. Your participation and contribution to this meeting are much appreciated, and I look forward to hearing your views on a wide range of tax issues throughout the day.

mechanisms for the exchange of tax information among countries have to be enacted to support domestic efforts.

I am pleased to welcome the Coordinators of the three relevant Subcommittees, who will share with us the Committee's work on these topics, so relevant for developing countries in their efforts to mobilize domestic resources.

The second dialogue will focus on the challenges related to broadening the tax base of developing countries, in particular taxation of services and extractive industries.

Services play an increasingly important role in global trade, and due to their very nature, they are often difficult to track and correctly value for taxation purposes. Entities in developing countries are often the recipients of services from international sources, however many countries lack clear rules for the taxation of cross-border services.

Likewise, mining and petroleum-related activities are central to the economy of many developing countries. The key challenge is to ensure that these countries receive a fair share of the wealth derived from the exploitation of their resources, while being able to attract investment into these sectors.

I would like to thank the Coordinators, who will provide valuable insights on the taxation of these two economic sectors of crucial importance for developing countries.

The third dialogue will focus on instruments for implementation developed and promoted by the Committee. The *Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries* is an invaluable practical instrument to support developing countries in their negotiations, based on the UN Model.

Also, the Financing for Development Office of UN-DESA started in 2012 the implementation of a Capacity Development Programme, which provides comprehensive support to strengthen the capacity of developing countries to increase their potential for domestic revenue

While strong development-oriented tax policies, modernized tax systems and efficient tax collection procedures are essential at the national level, these must be strengthened through international tax cooperation. I am confident that today's meeting, which brings together the Committee and the Council, will serve to enhance the dialogue on tax cooperation moving forward.

I thank you for your attention.