

Statement by Mr. Navid Hanif
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23rd Session of the Committee of Experts on International Cooperation in Tax Matters
Informal Meeting of 19 October 2021 (Virtual)

Distinguished Members,
Distinguished Observers,

On behalf of the United Nations, I welcome all participants to the 23rd session of the Committee of Experts on International Cooperation in Tax Matters. It is my great pleasure to welcome in particular the Committee members to this first session of your 2021-2025 tenure.

First, I congratulate Ms. Marlene Parker on your selection as Chair of this 23rd Session. Our best wishes and dedicated support are with you as you take up this important job of steering and guiding the Committee's work of delivering high quality guidance on the issues in your workplan. Developing an ambitious, yet realistic and targeted workplan is the greater part of your work this session.

Second, I want to provide some context to your work. The Tax Committee has a special responsibility to frame its work programme and outputs in the wider context of sustainable development, especially the 2030 Agenda and the Addis Ababa Action Agenda on financing for sustainable development.

In his recent report "Our Common Agenda," the Secretary-General has given taxation significant prominence as (1) a key part of a renewed social contract founded on trust; inclusion, protection and participation; and measuring and valuing what matters to people and the planet; and (2) one of the most powerful tools of government, critical to investing in public goods, reducing extreme inequalities and incentivizing sustainability. He proposes stronger international cooperation to tackle tax evasion and aggressive tax avoidance, money laundering and illicit financial flows. In the discussion on how to tax an increasingly digitalized and globalized world, he calls for intensified efforts to ensure that perspectives of all countries are heeded, including the potential for asymmetrical impacts on countries at different stages of development.

Tax is very much at the centre of sustainable development in the COVID-19 period and beyond, and as that recognition grows, so do expectations for your work as the UN Tax Committee. I will address this more when the Committee takes up its agenda item on Taxation and the SDGs. You are also dealing with the two defining challenges of our times, climate change and inequality. These require special attention and innovative solutions that you can propose and advance.

Let me stress here that, in your work, you will encounter difficult but important issues and there may be varied opinions among members. The Committee has a history of working in a cooperative and collegial manner to arrive at a consensus on such matters, always with a special reference to the priorities and realities of developing countries. I reiterate the importance of this robust but collegial approach in ensuring that we achieve balanced and inclusive outcomes built to stand the test of time.

Third, I would like to underscore the breadth of opportunities to produce such valuable outcomes reflected in your agenda for this 23rd Session of the Tax Committee. During this session several issues and decision points have been laid out for your consideration in preparation of your work plan.

The session will consider and decide the way forward on a number of major existing streams in the Committee's work, including in connection with the UN Model Tax Convention between Developed and Developing Countries; the Manual for Negotiation of Bilateral Tax Treaties between Developed and Developing Countries; the UN Practical Manual on Transfer Pricing for Developing Countries; the Handbook on Selected Issues for Taxation of the Extractive Industries by Developing Countries; the new Handbook on Avoidance and Resolution of Tax Disputes, the new Handbook on Carbon Taxation for Developing Countries, and the new Guidelines on Tax Treatment of Government-to-Government Aid, as well as the Committee work on taxation of the digitalized economy.

This session will also consider and decide the way forward on issues that have not yet been addressed or fully addressed by the past Committee memberships but are of great significance to developing countries. These areas include: Taxation and the Coronavirus disease (COVID-19); Digitalization and other opportunities to improve tax administration; the Relationship of Tax, Trade and Investment Agreements, Increasing Tax Transparency, Wealth and Solidarity Taxes, something the Secretary-General has particularly addressed. and Indirect Tax issues, including health taxes.

In addition, you will have opportunity to discuss the aspect of the Committee's mandate to make recommendations on capacity building and technical advice to developing countries, which has a strong linkage to our UN capacity building programme in tax and domestic resource mobilization.

You will have the benefit not only of background papers prepared by the Secretariat but also a wealth of inputs received from Observers as public comments on your draft agenda for the 23rd Session.

We warmly welcome participation of Member States Observers and other Observers from international organizations, academia, civil society and the private sector in the work of the Committee, in this session and beyond.

Distinguished Committee Members,

You will develop and finalize your workplan after due deliberation. Among these issues, and perhaps still others you are already starting to consider, there is fertile soil to make your mark, to assert ever more the role of taxation in sustainable development. You can elevate even further the UN Tax Committee's standing and impact as a deliberative and action-oriented body.

We look forward to a very engaging and productive session and the beginning of a productive term with practical guidance that will have great impact for developing countries, which also serves to improve the international tax system as a whole. It is our honour to work with you and for you.

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