

Seminar on “International Tax Cooperation for Financing of Sustainable Development and the Role of the United Nations Model Double Taxation Convention between Developed and Developing Countries” (Rome, Italy, 30 January 2013)
Executive Summary

On 30 January 2013, a Seminar aimed at introducing and discussing the role of the UN Model in the context of international tax cooperation for financing of sustainable development, was held at Libera Università Internazionale degli Studi Sociali Guido Carli. The Seminar was organized by the Financing for Development Office (FfDO) in cooperation with the Italian branch of the International Fiscal Association (IFA). In addition to representatives from National Tax Authorities, Ministries of Finance, and international and regional organizations of tax administrations, who participated in the previous 2-day meetings on “Capacity Building on Tax Treaty Negotiation and Administration”, the Seminar was attended by a large number of experts and professionals from the Italian international tax community, as well as representatives from the local development community.

In the morning session, after opening remarks by Prof. Guglielmo Maisto, Permanent Member, Scientific Committee, IFA, Alexander Trepelkov, Director, FfDO/DESA, gave a keynote presentation on the relationship between international tax cooperation, including the development and maintenance of double tax treaty models and bilateral tax treaties, and the financing for sustained development. Subsequently, a series of presentations by world renowned experts, including members of the UN Tax Committee, introduced the main aspects of the UN Model and its complementarities with the OECD Model Tax Convention on Income and on Capital. Thus, Mr. Armando Lara Yaffar (Mexico), Chairperson, UN Tax Committee, introduced the “2011 Update of the UN Model Double Taxation Convention”; Mr. Mansor Hassan (Malaysia), Member, UN Tax Committee, and Mr. Michael Lennard, Chief, International Tax Cooperation Section, FfDO/DESA, spoke on “Article 9 of the UN Model Double Taxation Convention and the UN Practical Transfer Pricing Manual for Developing Countries”; Ms. Lise-Lott Kana (Chile), Member, UN Tax Committee, reported on “Taxation of Services under Tax Treaties”; Mr. Ron van der Merwe (South Africa), Member, UN Tax Committee, discussed the topics of “Permanent Establishment, Business Profits and International Transport”; and, finally, Mr. Giammarco Cottani, Advisor to the Director, International Tax, Central Assessment Directorate, Italian Revenue Agency, gave a presentation on “International Taxation and Developing Countries: The Italian Revenue Agency Perspective”.

In the afternoon, a panel discussion was held, during which current issues in international taxation and the future of international cooperation in tax matters from a developmental perspective were discussed. The session was chaired by Mr. Paolo Ciocca, Secretary, International Fund for Agricultural Development (IFAD), and former Chair of the Committee on Fiscal Affairs, OECD. Mr. Pascal Saint-Amans, Director, Centre for Tax Policy and Administration, OECD, and Mr. Armando Lara Yaffar, Chairperson, UN Tax Committee, presented recent initiatives aimed at addressing the growing international concern that governments lose substantial tax revenue because of planning schemes intended to erode the taxable base and/or shift profits to low tax jurisdictions. Subsequently, Mr. Giorgio Bigoni, Vice President - Head of International Tax, Eni S.p.A., and Prof. Guglielmo Maisto, Permanent Member, Scientific Committee, IFA, provided a thorough analysis and inputs to the discussion from the private sector perspective, highlighting the most important tax factors taken into consideration by multinationals when making their investment in developing countries. Finally, Mr. Pascal Saint-Amans, Director, Centre for Tax Policy and Administration, OECD, and Mr. Alexander Trepelkov, Director, FfDO/DESA, highlighted the need to further strengthen international tax cooperation, reported on the enhanced relationship between their organizations in terms of reciprocal participation in the respective tax work and expressed their mutual commitment to launching UN-OECD cooperation in the area of capacity building.