



UN Capacity Development Programme in International Tax Cooperation

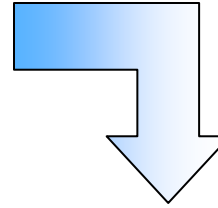
Update

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UN-DESA – Financing for Development Office

<http://www.un.org/esa/ffd/>

FfDO Capacity Development Programme

ECOSOC Resolution 2012/33



Recognized the work of the Financing for Development Office in developing, within its mandate, a capacity development programme in international tax cooperation



To strengthen the capacity of the Ministries of Finance and the National Tax Authorities in developing countries to develop more effective and efficient tax systems



Requested the Office, in partnership with other stakeholders, to continue its work in this area

UN Secretariat and Capacity Development

In 2011 UN-DESA capacity development strategy identified fiscal policy and international tax cooperation as one of priority areas

Objective: to assist developing countries in strengthening their capacity to develop more effective and efficient tax systems to support the desired level of private investment and to combat tax evasion

Choosing Priorities



**Comparative
Advantage**



**FfDO's unique expertise derived from the work
of the Committee of Experts and FfDO itself in
its capacity as Secretariat to the Committee**



**Committee's
Current Work**



**2011 Update of the UN Model Double Taxation
Convention between Developed and Developing Countries**

**Practical Manual on Transfer Pricing
for Developing Countries**

Expected Outcomes



Strengthen Capacity to Negotiate, Administer and Interpret Tax Treaties

Publishing and distributing the UN Model
Raising awareness of UN Model



Developing capacity development tools
Organizing capacity building events



Provide technical advice and support activities aimed at implementing and/or interpreting UN Model based treaties

Strengthen Capacity to Identify and Address Transfer Pricing Issues

Finalizing, publishing and distributing the UN Practical Manual on Transfer Pricing



**Developing capacity development tools
Organizing capacity building events**



Provide technical advice and support activities in the transfer pricing area, making full use of the UN Practical Manual on TP

Strengthen Capacity to Optimize Tax Administration and Collection Procedures

Joint project with CIAT on “*Strengthening capacity of National Tax Administrations (NTAs) of developing countries in Latin America to reduce Tax Transaction Costs and thereby maximize their tax revenues*”



Funded by Development Account

Collaboration with Partners



Objective of the Project

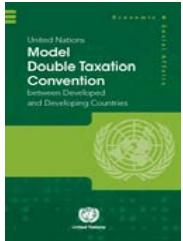


Problem: many developing countries lack adequate understanding of the provisions of the UN Model (especially of its recent update). This may lead to difficulties and/or inefficiencies in negotiating (or re-negotiating) and/or interpreting and applying existing (or newly negotiated or re-negotiated) tax treaties based on the UN Model.



Objective: increase awareness and understanding by Ministries of Finance and National Tax Authorities in developing countries of the UN Model and its 2011 update, to strengthen their capacity to negotiate (or re-negotiate), administer and interpret tax treaties based on the UN Model.

Scope of the Project



Develop a **set of capacity development materials**, which will cover the *fundamentals* of tax treaties and provide an analysis of the UN Model provisions (and relevant Commentaries thereto).

Conduct **technical review** of these tools in order to ensure that they adequately reflect positions, priorities and interests of developing countries.



Revise the capacity development tools taking into account outcome of technical review.

Finalize the tools to ensure consistency throughout.

Capacity Development Initiatives on Tax Treaties

Basic



Practical



Getting Practical

**Focused on developing countries'
positions, priority areas and interest**



Development of Tools

FfDO/UN-DESA

**External Consultants
+ FfDO/UN-DESA**

**Committee of Experts
+ FfDO/UN-DESA**

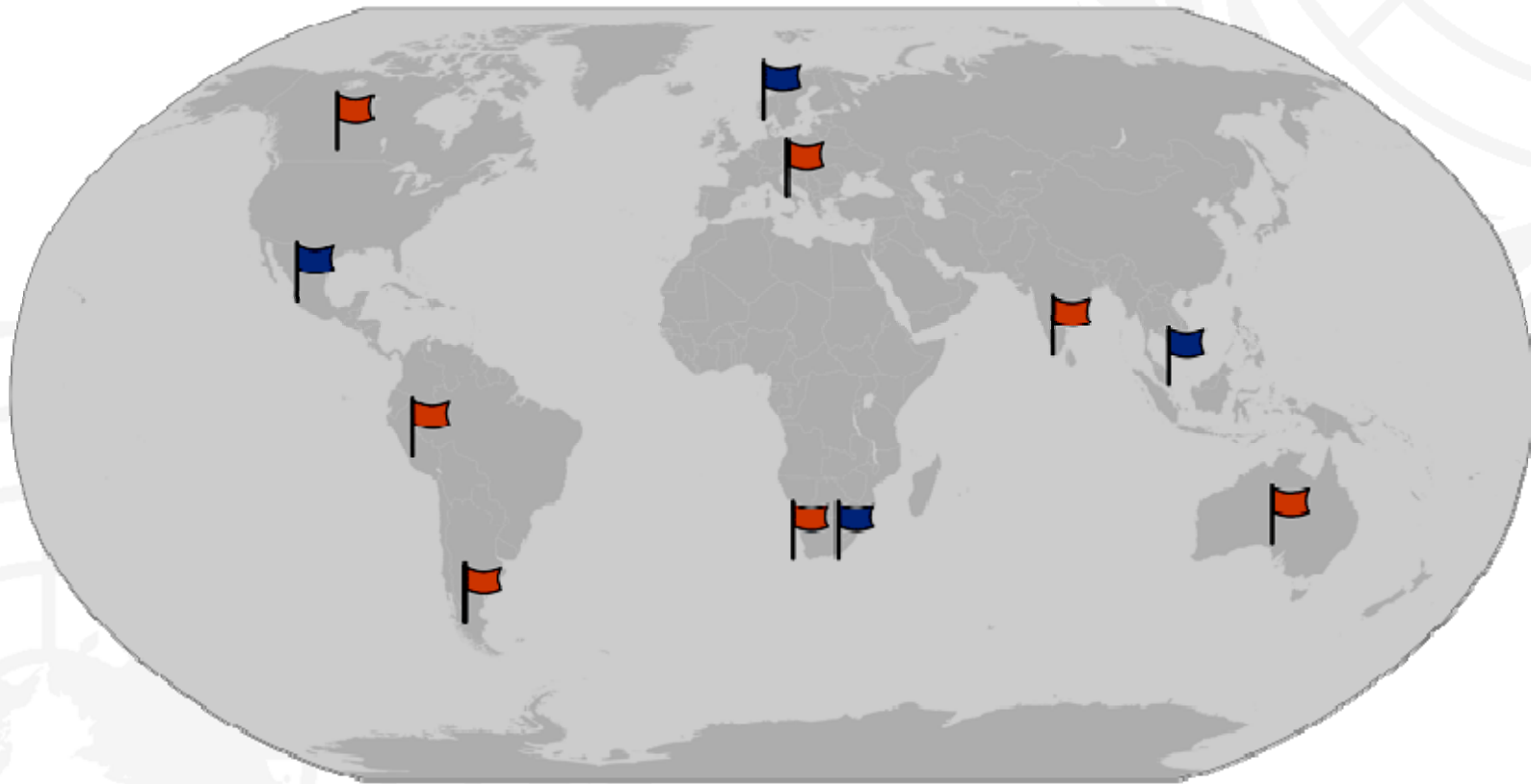




To ensure that materials are
developed in a consistent way

Authoring

To ensure that materials adequately
reflect the positions, priority areas
and interest of developing countries

Project Team - Geographical Representation



-  Committee members
-  Consultants

<http://www.un.org/esa/ffd/>



Thank you!

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