SOUTH-SOUTH SHARING OF SUCCESSFUL TAX PRACTICES (S4TP)

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**SPECIAL UNIT FOR SOUTH-SOUTH COOPERATION**

**Who Are We?**
- 1978 Established by United Nations GA
- 2009 Endorsed in the Nairobi Outcome Document

**Why South-South?**
- Appropriate
- Adaptable
- Affordable

Global South-South Development Academy
PROJECT OVERVIEW

• Launched in 2008 in response to the Monterrey and Doha Conferences on Financing for Development

• Collaborating partners:
  • Financing for Development Office, UN/DESA
  • NGO Partners: New Rules for Global Finance Coalition
  • RTpay
  • Tax Justice Network
TAXATION AND DEVELOPMENT

- Domestic sources of revenue (i.e. public finance component of domestic taxes) are potentially the most sustainable source of financing for development.
  - Studies have shown that ODA into low-income countries is two to four times more volatile than domestic resource mobilization (DRM).
  - DRM creates “policy space” for national development priorities.
  - DRM is also generally considered a superior form of development financing because it avoids risks associated with foreign inflows (e.g. currency appreciation).
S4TP PROJECT GOALS

- Enhance cooperation and knowledge sharing among developing countries on successful practices for mobilizing domestic resources
- Identify practical opportunities for promoting areas of taxation where there is a greater scope for regional and multilateral cooperation
- Disseminate successful experiences and practices among developing countries
- Integrate ‘Southern perspectives’ into international tax norms and practices
S4TP FOCUS AREAS

- **Illicit Financial Flows** - Raising awareness of this development issue and strengthening institutional tax capacity through South-South technical assistance partnerships.

- **Transfer Pricing** - Strengthening the institutional capacity of national tax administrations to monitor transfer pricing, i.e. intra-group pricing of transactions in multinational enterprises.

- **Tax Modernization** - Technical assistance on centralized real-time tax collection tools to enhance capacity building and reduce tax fraud and administrative overhead.

- **Taxation and Climate Change** - Exchanging information on tax tools that mitigate climate change and stimulate green economic growth, and addressing the international consequences of domestic regulation in this area.
S4TP CAPACITY BUILDING MODALITIES

- South-South and triangular technical assistance partnerships
  - Partnership with AfDB (ADI), ATAF and Brazil on Illicit Financial Flows in African LICs
- South-South and triangular information sharing
  - S4TP Web Portal
  - Country Correspondents Network
Transfer Pricing Is a Financing for Development Issue

April 29th, 2012

This article by Jome Kwame Sandaram, Assistant Secretary-General for Economic Development in the United Nations Department of Economic and Social Affairs, focuses on the challenges faced by developing countries in assessing and collecting fair taxes due to corporate multinational enterprises and the related negative effects on tax revenues, which, if collected, could be allocated toward [...]
COUNTRY CORRESPONDENTS NETWORK
(WWW.S4TP.ORG)

WE NEED YOU!

• Member of a National Tax Authority or Tax Research Institution from the South

• Actively monitor tax developments in-country and share materials on the S4TP website

• Post any relevant presentations in the form of scholarly articles, Powerpoint, or video presentations (submissions subject to approval from UN Tax Subcommittee on Capacity Building)
Revenue’s Role in the Quest for Inclusive Development: What Works and What Can Work Better?
THANK YOU!