



<p>Group Meeting on “Capacity Building on Tax Treaty Administration” Rome, Italy, 28-29 January 2013</p>

Terms of Reference for Participants

1. Background

Tax treaties play a key role in the context of international cooperation in tax matters. On the one hand, they encourage international investment and, consequently, global economic growth, by reducing or eliminating international double taxation over cross-border income. On the other hand, they enhance cooperation among tax administrations, especially in tackling international tax evasion.

Developing countries, and especially least developed ones, generally lack adequate skills and experience to efficiently interpret and administer tax treaties. This may result in difficult, time-consuming and, in the worst case scenario, unsuccessful application of tax treaties. Also, gaps in the interpretation and administration of existing (or newly negotiated or re-negotiated) tax treaties may jeopardize developing countries' capacity to be effective treaty partners, especially as it relates to cooperation in combating international tax evasion.

Capacity building initiatives targeted to strengthen skills of developing countries in the area above will contribute to further develop their role in supporting the global efforts aimed at improving the investment climate and effectively curbing international tax evasion.

2. Objective of the Meeting

The Financing for Development Office (FfDO) of UN-DESA and the International Tax Compact (ITC) are working on a joint project aimed at strengthening the capacity of National Tax Authorities (NTAs) in developing countries to effectively interpret and administer tax treaties.

The ultimate goal of this project is to support the development of a comprehensive set of capacity building tools to be used in developing countries, which are demand driven, reflect adequately needs and level of development of these countries, and are not a duplication of any existing and available tools, but rather a useful complement to them.

To this end, FfDO and ITC are jointly organizing a Group Meeting with a view to launching and advancing the relevant work programme for the purposes of the above project. The meeting will be held in Rome, Italy, on 28-29 January 2013 and aim to:

- 1) Identify the needs of developing countries in the area of tax treaty administration and take stock of the available capacity development tools at the disposal of developing countries; and
- 2) Determine the actual skills gaps and challenges faced by developing countries in administering their tax treaties.

3. Participants

Qualifications:

- Currently working, with a reasonable expectation to continue for some significant time, for NTA or other competent authorities in developing countries in the area of tax treaty administration;
- Substantial practical experience in the administration of tax treaties (preferably at least about 5 years of active work in this field);
- Good working knowledge of the English language.

Administrative Requirements:

- Obtain promptly any required internal approval for participation within the respective organizations;
- Accomplish duly and timely all the formalities to fulfil the applicable visa requirements, including applying for visa at the competent Italian consular posts/embassies.

Expected Contribution:

- Participate in an interactive discussion, including reporting on the current situation in his/her country with respect to the administration of tax treaties;
- Share practical experiences in the area of tax treaty administration, including an analysis of the main knowledge gaps and problems that are frequently encountered by relevant authorities in developing countries;
- Contribute to identifying the most needed in developing countries capacity development initiatives and/or tools and the most suitable strategy for their implementation.

4. Funding

Funding will be available to cover travel and accommodation costs for a limited number of participants. Funding facilities will be granted, as needed, on a first-come, first-served basis and will cover economy class return flight ticket to Rome, Italy, and Daily Subsistence Allowances (DSAs) and terminal expenses payable according to UN standard travel policies, rules and regulations.