



EUROPEAN UNION AND ITS MEMBER STATES POSITION ON OPTIONS FOR FURTHER STRENGTHENING THE WORK AND OPERATIONAL CAPACITY OF THE COMMITTEE OF EXPERTS ON INTERNATIONAL TAX COOPERATION, WITH AN EMPHASIS ON BETTER INTEGRATING ITS WORK INTO THE PROGRAMME OF WORK OF THE COUNCIL FOLLOWING ITS REFORM AND EFFECTIVELY CONTRIBUTING TO THE FINANCING FOR DEVELOPMENT PROCESS AND TO THE POST- 2015 DEVELOPMENT AGENDA.

New York, 10 February 2015

1. As underlined in Monterrey and Doha, in the Outcome Document of the MDG Summit, in the outcome of the UN Conference on Sustainable Development (2012), in the report of the Intergovernmental Committee of Experts on Sustainable Development Financing and most recently, in the Secretary General's Synthesis report, **domestic resource mobilization and enhancing fiscal capacity** are essential for financing the attainment of sustainable development. In this regard, the EU and its Member States fully acknowledge the need to further promote international cooperation in tax matters and will continue to engage constructively on this issue, especially in the lead up to the third International Financing for Development Conference, to be held in Addis Ababa on 13-16 July 2015.
2. **Supporting developing countries in designing efficient and cooperative tax systems is a priority of the EU's development policy.** The EU and its Member States are fully engaged internally and internationally on efforts to improve cooperation in tax matters. We participate actively in the important work carried out in international fora, such as the OECD, including through the OECD informal taskforce on tax and development, and engages in extensive dialogue with developing countries through instruments such as the Global Forum on Transparency and Exchange of Information and the Global Forum on development.
3. Enhancing the involvement of developing countries in relevant international fora on tax dialogue and cooperation contributes to their efforts to effectively tackle tax evasion and other harmful practices. **We support broader participation of developing countries in existing structures, and enhanced cooperation between the OECD, the UN Committee of Experts, the International Tax Dialogue, and the International Tax Compact**, taking into account the specific needs and capacities of developing countries.
4. In this context, we recognize the important role of the UN, through its Committee of Experts on international cooperation in tax matters, and the need to ensure that the Committee maintains its effectiveness. In October 2009 the Committee of Experts decided to create 9 Sub-committees in order to address new developments on international tax cooperation, thus responding to the Doha mandate to examine the strengthening of UN institutional arrangements on tax matters.

5. **We firmly believe that, before considering options for setting-up new intergovernmental bodies or upgrading the existing structures, every effort should be made to ensure that the existing Committee and sub-committees function in the most effective way.** This should include a comprehensive evaluation and prioritisation of the work performed under the existing Committee and the recently created Sub-committees. In this regard, we are ready to look into ways to broaden and enhance cooperation with the 9 sub-committees, via sharing information, studies and best practices, in order to increase the impact and relevance of their work
6. In addition, there are already a number of international fora pursuing similar objectives (ie the OECD Global Forum and joint task-force on tax and development, the UN Committee of experts, the International Tax Compact and the International Tax Dialogue). **Strengthening institutional arrangements should not lead to the creation of competing fora. Rather, the focus of the Secretary General's report to the Council should be on improving cooperation among these bodies.**
7. In particular, the priority should be to **create synergies with on-going OECD activities.** For example, progress in the implementation of international tax standards made through the Global Forum on Transparency and Exchange of Information has been steady. 125 countries, including emerging and developing countries are now part of the Global Forum, which conducts peer-reviews to assess progress in the implementation of the standards. Effective cooperation of the UN Committee of Tax Experts with OECD fora should aim at reinforcing this type of processes.
8. In addition, also **increased dialogue and cooperation with regional fora** such as the African Tax Administration Forum and the Inter-American Centre of Tax Administrations, IMF regional technical centres, and with related initiatives such as the Extractive Industries Transparency Initiative (EITI), could be further explored.
9. EU Member States are concerned at the increased resource commitments that would be inherent in any suggestion to upgrade or expand the mandate of the UN Committee of Tax experts, and urge the Secretary General to take account of this in his report.