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ECOSOC
Special Meeting on International Cooperation in Tax Matters
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Statement Delivered by
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Mr President,

I have the honour to speak on behalf of the European Union and its Member States.

At the outset we would like to thank you, Mr President, for arranging today's meeting, which provides the opportunity to consider international cooperation in tax matters, in particular the work of the Committee of Experts on International Cooperation on Tax Matters, such as the United Nations Model Double Taxation Convention between Developed and Developing Countries, the United Nations Practical Manual on Transfer Pricing for Developing Countries and the Handbook on the taxation of extractive industries in developing countries. The EU and its Member States have provided financial support to the Tax Committee in 2016, including funding for the participation of experts from developing countries in the sub committees. We plan to agree similar support for 2017.

Mr President,

I would like to thank all panellists for their insightful comments today. The EU has consistently shown leadership on good governance in tax matters and promoted the principles of transparency, information exchange and fair tax competition that are now gaining traction worldwide. Major improvements have been made in tax governance in the EU internal market while taking into account the implications for other countries.

We welcome the work done by the OECD in the context of the Global Forum on Transparency and Exchange of Information for Tax Purposes. The Global Forum has 139 members on equal footing and is the premier international body for ensuring the implementation of the internationally agreed standards of transparency and exchange of information in the tax area. We also welcome the valuable and relevant work on Base Erosion and Profit Shifting spearheaded by the OECD, and the successful efforts to make this an inclusive framework with 90 countries participating in the initiative. It is encouraging that all countries that wish to participate have an equal voice in the development of standard setting BEPS implementation monitoring.

The EU has a long-standing record of supporting developing countries in their efforts to secure sustainable domestic revenues, including by tackling tax avoidance, evasion and illicit financial flows and is committed to doubling its support to DRM by 2020, as stated in the Addis Tax Initiative (ATI).

The European approach, as outlined in the "Collect More-Spent Better" strategy, is a holistic one that addresses both the revenue and expenditure side of Domestic Public Finance. 'Collect more' discusses how to close the tax policy gap and tax compliance gap with a particular focus on tax evasion, tax avoidance and illicit financial flows. 'Spend better' deals with aspects related to public expenditure management, which, if properly executed, should lead to an efficient and effective transformation of revenues into public goods and services.

In this context we welcome recent initiatives by Member States, such as the International Expert Meeting on the Management and Disposal of Recovered and Returned Stolen Assets, including in Support of Sustainable Development hosted by Ethiopia and Switzerland in Addis Ababa in February, as well as the Workshop on Illicit Financial Flows, organised by Nigeria and Norway in New York last week.

With the ECOSOC Resolution adopted on 5 October 2016, regarding the Committee of Experts on International Cooperation in Tax Matters, the European Union and its Member States agreed that Committee meetings shall alternate between Geneva and New York, on the understanding that this decision supported the implementation of paragraph 29 of the Addis Ababa Action Agenda,

The EU and its member states emphasised their firm understanding that this arrangement will not alter the expert nature of the Committee and that the decision adopted on 5 October concluded the discussion on implementing the agreement contained in paragraph 29 of the Outcome Document of the Third Intergovernmental Conference on Financing for Development.

Thank you.