



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY CAROLA IÑIGUEZ, UNDERSECRETARY OF INTERNATIONAL ORGANIZATIONS OF ECUADOR, AT THE ECOSOC SPECIAL MEETING ON INTERNATIONAL COOPERATION IN TAX MATTERS (New York, 7 April 2017)

Mr. President,

I have the honor to deliver this statement on behalf of the Group of 77 and China.

The Group emphasizes the importance of inclusive cooperation and dialogue among national tax authorities on international tax matters, and underscore the importance of the increasing recognition of the central role of tax systems in development, and stress the importance of scaling up international tax cooperation and combating illicit financial flows in order to mobilize domestic resources for the implementation of the 2030 Agenda for Sustainable Development and its Sustainable Development Goals.

In this regard, the Group reiterates its commitment to work to strengthen regulatory frameworks at all levels to further increase transparency and accountability of financial institutions and the corporate sector, as well as public administrations. We also emphasize that efforts in international tax cooperation should be universal in approach and scope, and should fully take into account the different needs and capacities of all countries.

Mr President,

The Group underlines the importance of a coordinated and enhanced action towards eliminating safe havens that create incentives for transfer abroad of stolen assets and illicit financial flows. We reiterate our commitment to work to strengthen international cooperation and national institutions to combat money-laundering and financing of terrorism, which have serious implications for economic development and social cohesion.

The Group of 77 and China highlight the need to strengthen the Committee of Experts and call on to Member States, relevant organizations and other potential donors, to contribute generously to the Trust Fund for International Cooperation in Tax Matters established by the Secretary-General, to supplement regular budgetary resources, to enable the Committee to fulfil its mandate.

In this context, the Group recalls the importance of an equitable geographical distribution of members of the Committee of Experts and invites developing countries, particularly least developed, to nominate candidates as members of the Committee of Experts, taking into account an increased participation of members from developing countries with a view to reflect a balanced representation of different tax systems and to fully take into account the different needs and capacities of all countries.

Mr. President,

The Group urges the Committee and its subcommittees to fulfill its mandate considering new and emerging issues that have extensively affected domestic resources mobilization, especially illicit financial flows, tax evasion and corruption, with a view to eventually eliminating them through strengthened national regulation and increased international cooperation, taking into account the best practices and lessons learned on tax policy and administration.

The Group of 77 and China highlights the situation that there is still no single global inclusive forum for international tax cooperation at the intergovernmental level. While it may be indicated that a certain level of dialogue and initiative actions are taking place at the international level regarding cooperation on tax matters, the Group underscores that the United Nations is the only universal forum where these issues can be discussed in an open, transparent, and inclusive manner, considering that other processes might be outlined from a perspective that safeguards the interests of constituents from developed countries.

The Group of 77 and China urge Member States to consider the upgrading of the Committee of Experts on International Cooperation in Tax Matters, by transforming it from experts acting in their own capacity, to an inter-

governmental subsidiary body of the Economic and Social Council (ECOSOC), with experts representing their respective governments. This upgrading is necessary and important to allow all Member States to participate in a mechanism that is inclusive and participatory.

In closing, the Group of 77 and China stand ready to engage actively and constructively with Member States and the Council in order to make the global discourse in tax matters to be as transparent and inclusive as possible.

Thank you.