

**Economic and Social Council**  
**Special Meeting on International Cooperation in Tax Matters**  
**(ECOSOC Chamber, 29 April 2019)**

*Tentative Programme*

Amidst urgent efforts to mobilize financing and other support for sustainable development, the meeting will focus on frontier issues in international cooperation in tax matters. It will bring forward the latest thinking and innovations to help mobilize public resources to finance the SDGs and to strengthen the positive impact of fiscal policies on sustainable development.

The meeting will comprise three interactive panel discussions, a general discussion segment featuring interventions and statements by participants, and opening and closing sessions.

The first panel will focus on raising public revenues through the taxation of the digitalized economy. It will consider how different proposals made by groups of countries and international organizations, including the UN Tax Committee, to address the relevant issues may impact the tax revenues of different countries. Special attention will be given to the least developed and other countries in special situations, as well as to the overall quality and effectiveness of relevant domestic and international tax rules.

The second panel will address how countries at different levels of development can use fiscal policies to protect the environment. It will discuss the pros and cons of different green fiscal measures and the challenges in developing coherent policy frameworks that support sustainable development in all its dimensions.

The third panel will explore options available to different countries to reduce inequalities by using both taxation and expenditure policies. It will also address the political and practical considerations often faced by countries when attempting to reduce inequality through these policies.

The meeting will take place immediately following the 18<sup>th</sup> session of the UN Tax Committee (New York, 23-26 April 2019). It will provide special opportunity to enhance the dialogue between the Committee and the Council and to generate inputs to intergovernmental consideration of tax issues at the United Nations and beyond.

Participants will contribute to enhancing the impact of expert and intergovernmentally-driven UN policy guidance on tax matters, at the global, regional, national and subnational levels.

<b>10:00 am – 10:30 am</b>	<p><b>OPENING REMARKS</b></p> <ul style="list-style-type: none"> <li>▪ H.E. Inga Rhonda King (Saint Vincent and the Grenadines), President of the Economic and Social Council</li> <li>▪ Mr. Elliott Harris, Assistant-Secretary-General for Economic Development and Chief Economist</li> </ul>
<b>10:30 am – 12:00 pm</b>	<p><b>TAXATION AND THE DIGITALIZATION OF THE ECONOMY</b></p> <p>Under existing international tax rules, countries are not able to tax business profits of certain new business models that do not require a physical presence in their market. Smaller economies also face an additional</p>

	<p>challenge, that is the lack of domestic legislation that effectively addresses these new business models, so that taxes can be collected on the profits derived from such models. In addition, a large number of countries have not yet adopted the necessary changes to their laws and administrative practices to ensure, in line with a largely endorsed international recommendation, the collection of value added tax (VAT) on cross-border supplies of digital products and services.</p> <p>The debate on these issues at international, regional and national levels is very active, and several proposals have been made by international organizations and groups of countries to address them. Building on the current debate, this session will focus on how these proposals may impact the tax revenues of countries at different levels of development, with special attention to the least developed and other countries in special situations.</p> <p>This session will present an important opportunity to further elaborate and shape the debate on these issues, to ensure the adoption of effective domestic and international tax rules that best reflect and address the situation and interests of different countries.</p> <p><b><u>Panel discussion:</u></b></p> <ul style="list-style-type: none"> <li>➤ What impact the different proposals made to address the tax issues related to the digitalization of the economy would have on the revenues of different countries?</li> <li>➤ How can we ensure that the situation and interests of all countries are duly taken into account in revising international tax rules to address such issues?</li> <li>➤ How can we ensure the overall quality and ultimate effectiveness of these rules?</li> </ul> <p><b><u>Moderator:</u></b></p> <ul style="list-style-type: none"> <li>▪ Ms. Kosha Gada, Contributor, Forbes and Consumer News and Business Channel (CNBC)</li> </ul> <p><b><u>Panellists:</u></b></p> <ul style="list-style-type: none"> <li>▪ Mr. Eric Nii Yarboi Mensah, Co-Chairperson, Committee of Experts on International Cooperation in Tax Matters; and Assistant Commissioner, Revenue Authority, Ghana</li> <li>▪ Mr. Carlos Protto, Committee of Experts on International Cooperation in Tax Matters; and Director of International Tax Relations, Ministry of Treasury, Argentina</li> <li>▪ Ms. Marilou Uy, Director, Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (G-24)</li> <li>▪ Representative of the OECD/ Task Force on the Digital Economy (TFDE) [TBC]</li> <li>▪ Irving Aw, Counsel, Legal Department, International Monetary Fund</li> </ul> <p><b>Interactive dialogue</b></p>
12:00 pm – 1:00 pm	<b>General discussion</b>

<p><b>3:00 pm – 4:30 pm</b></p>	<p><b>TAXATION AND ENVIRONMENTAL PROTECTION</b></p> <p>The SDGs reflect the central concept that, to achieve sustainable development, poverty and inequality must be tackled while protecting the environment and ensuring sustainable production and consumption patterns. They include ambitious targets on combating climate change and its impacts at the global and local level and on ecosystems conservation. They also highlight that environmental protection actions, in order to be effective, should be coupled with sustainable energy strategies, and with the responsible use of resources.</p> <p>A coherent framework of environmental taxation and taxation of natural resources exploitation, coupled with a progressive implementation strategy on environmental taxation, could therefore contribute to achieving several of the SDG targets related to climate protection.</p> <p>Several countries have already introduced comprehensive green fiscal reforms (often within a broader tax reform), which include a coherent framework of taxes on pollutants and/or emissions, with the aim to reduce environmental degradation at the local level and to tackle climate change. In these reforms, targeted environmental taxes are intended to change the behaviour of businesses and households to reduce pollution, and to support public expenditure as a whole. Collected revenues can be used towards further environmental protection and/or to reduce poverty and inequality.</p> <p>This session will provide an opportunity to discuss the interactions between taxation and environmental protection, focusing on the ways countries at different levels of development can use fiscal policies to achieve this goal. Panellists will debate the pros and cons of different green fiscal measures and the challenges in developing coherent policy frameworks that support sustainable development in all its dimensions</p> <p><u>Panel discussion:</u></p> <ul style="list-style-type: none"> <li>➤ How can countries at different levels of development use fiscal policies to foster environmental protection?</li> <li>➤ What are the pros and cons of introducing different green fiscal measures (carbon taxation, environmental taxation, or environmentally related taxation) for countries at different levels of development?</li> <li>➤ What other policies should be taken into account when introducing environmental taxation, to promote sustainable development in all its dimensions?</li> <li>➤ What are the effects of such taxes on equality?</li> </ul> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> <li>▪ Prof. Janet Milne, Director, Environmental Tax Policy Institute, Vermont Law School</li> </ul> <p><u>Panellists:</u></p>
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	<ul style="list-style-type: none"> <li>▪ Ms. Natalia Aristizabal, United Nations Committee of Experts on International Cooperation in Tax Matters, Coordinator of Subcommittee on Environmental Taxation Issues</li> <li>▪ Mr. Rodrigo Pizarro, University of Santiago, former Ministry of Environment of Chile</li> <li>▪ Mr. Kurt Van Dender, Head of the Tax and Environment Unit, OECD Centre for Tax Policy and Administration</li> <li>▪ Mr. Gervais Coulombe, Senior Director, Excise, Sales Tax Division, Tax Policy Branch, Department of Finance, Canada</li> </ul> <p><b>Interactive dialogue</b></p>
<p><b>4:30 pm – 5:50 pm</b></p>	<p><b>TAXATION AND INEQUALITY</b></p> <p>In addition to generating revenue for investment in sustainable development, adequate domestic and international fiscal policies can play an important role in reducing inequalities, with the broader objective of leaving no one behind.</p> <p>Inequality is not only a barrier to building fair and stable societies, but also a hindrance to economic and social development. The societal benefits derived from public goods and services and from avoiding extreme inequality, to provide equal opportunities for all and to reduce poverty, are clear. However, many countries experience significant challenges in ensuring the equity of their fiscal policies.</p> <p>Most countries derive their tax revenues primarily from corporate taxes, personal income taxes, social security charges and consumption taxes. There are, however, significant differences in how much revenues these taxes generate in developed and developing countries, which in turn has important effects on how equitable tax systems would be structured in countries at different levels of development.</p> <p>What is the “desirable” distribution of income and wealth differs in each country, and often there is little agreement on how different taxpayers should contribute to public revenues, or on how to deal with the trade-off between economic development and raising taxes. Mega wealth, typically concentrated in the hands of a few individuals, is often not taxed adequately; in developing countries, it is often not taxed at all.</p> <p>The panel will explore the potential of fiscal systems to increase or reduce inequality, before discussing the different options available to countries at different levels of development to tax wealth and improve equality, using both taxation and expenditure policies. It will also consider the broader economic and societal implications of such policies, and analyse what are the political considerations often faced by countries when attempting to reduce inequality through fiscal policies.</p> <p><i>Panel discussion:</i></p>

	<ul style="list-style-type: none"> <li>➤ What is the role of taxation in reducing inequality, within countries at different levels of development? How can fiscal policies aggravate inequality?</li> <li>➤ What are options available to countries to tax wealth and improve equality, both on the taxation and on the expenditure side?</li> <li>➤ What are the overall economic effects of such policies? How to determine what is “desirable” income distribution?</li> </ul> <p><i><u>Moderator:</u></i></p> <ul style="list-style-type: none"> <li>▪ Prof. Wilson Prichard, University of Toronto</li> </ul> <p><i><u>Panellists:</u></i></p> <ul style="list-style-type: none"> <li>▪ H.E. Ms. Isabel de Saint Malo de Alvarado, Vice President and Ministers of Foreign Affairs, Panama [TBC]</li> <li>▪ Ms. Elfrieda Tamba, United Nations Committee of Experts on International Cooperation in Tax Matters</li> <li>▪ Mr. Ricardo Fuentes-Nieva, Executive Director, OXFAM Mexico</li> <li>▪ Mr. Alvin Mosioma, Executive Director, Tax Justice Network Africa (TJNA)</li> </ul> <p><b>Interactive dialogue</b></p>
<p><b>5:50 pm – 6:00 pm</b></p>	<p><b>Closing remarks</b></p> <ul style="list-style-type: none"> <li>▪ H.E. Inga Rhonda King (Saint Vincent and the Grenadines), President of the Economic and Social Council</li> </ul>