

**Opening remarks by Mr. Navid Hanif**

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**Briefing on the nomination process for the Committee of Experts on International Cooperation in Tax Matters (New York, 9 February 2021)**

Distinguished delegates and colleagues from capitals,

On behalf of the Secretariat, I want to welcome you to this briefing on the nomination process for the United Nations Committee of Experts on International Cooperation in Tax Matters.

The Committee's current Membership is nearing the conclusion of a highly productive four-year tenure, on 30 June 2021. The membership has produced a raft of new and updated practical policy and administrative guidance, for the benefit governments, and taxpayers. It has also given valuable advice to expand our tax capacity development program in UNDESA and strengthen its impact, especially by optimizing on the UN's distinctive approach to integrated policy and capacity support and how that fits developing country needs and priorities.

In light of the Secretary-General's call for nominations for the next membership, I will focus my remarks on three aspects: Firstly, I will provide brief background on the Committee, its mandate and composition. Second, I will touch on the Committee's mode of operation, including its multi-stakeholder Subcommittees. Lastly, I will give an overview of the nomination and selection process. These aspects are addressed in detail in the FAQs document we have circulated. Following my remarks, we will address any further questions, which you may share with us please through the chat function in Zoom.

**Brief background on the Committee of Experts on International Cooperation in Tax Matters**

First, the Committee is distinguished and globally recognized for its work in shaping international tax norms. It was established as a subsidiary expert body of the UN Economic and Social Council, by its resolution 2004/69.

The Committee works hard to develop guidance for developing countries, with the ultimate goal to help countries in mobilizing domestic resources for sustainable development. The Committee does this by focusing on broadening country tax bases and by avoiding both "double (or multiple) taxation" and "non-taxation" of taxable profits. This also includes identifying and generating fresh guidance on new and emerging issues in international cooperation in tax issues.

In all its work, the Committee, by its mandate, gives special focus to least developed countries and others in special situations, including small island states and landlocked countries. This includes finding pragmatic solutions to difficult problems and ensuring the relevance and administrability of its guidance for developing countries. Of course, it draws upon the best work of other organizations, such as the OECD, the IMF, the World Bank Group. And it works closely with them, as well as business, academia, and civil society.

The Committee comprises 25 members, who are nominated by UN Member States and appointed by the Secretary-General to act in their expert capacity, rather than as country representatives. It is intended to be of a manageable size, yet truly diverse, reflecting the UN's membership.

The current membership comprises 16 members from developing countries and 9 members from developed countries, representing all regions. All the current members are renowned experts in the field of taxation and some have led their countries' tax administrations.

This membership has forged ahead on an ambitious and impressive work plan and has impressed with their broad expertise, sharp focus and work ethic, which was sustained, even under difficult circumstances during the global Covid-19 pandemic.

### **Mode of operation of the Committee of Experts on International Cooperation in Tax Matters**

The Committee meets twice a year for four-day sessions to discuss and make decisions, especially on the basis of the work done in between sessions by its Subcommittees, most of which are multi-stakeholder and multi-disciplinary.

Committee sessions take place in April or May at the United Nations in New York City and in September or October at the United Nations in Geneva. Sessions have been held virtually since February 2020, due to the Covid-19 pandemic.

Most recently, the work of the Committee is conducted in nine Subcommittees. It is likely that a similar number will be formed going forward. I invite you to look on our website to get a complete overview of the different fields of work of the Committee, including, among others: the UN Model Convention, transfer pricing and environmental taxation.

Depending on the work plan of a given Subcommittee, it may have up to two meetings a year, for two to three days each. Subcommittees often form smaller groups that engage in drafting between their meetings.

Meetings of Subcommittees have taken place in different regions. They were graciously hosted by different countries and organizations and financially supported to ensure strong developing

country input. Again, due to the pandemic, Subcommittee meetings have been held virtually since February 2020.

Being a member of the Committee of Experts entails a substantial time commitment. The exact time devoted varies between members and over the term of the membership.

Committee members will spend time participating in, and preparing for, the twice yearly sessions of the Committee, plus the annual ECOSOC Special Meeting on International Cooperation in Tax Matters, which is usually held back-to-back with the April / May session.

Committee members are usually engaged in a minimum of three Subcommittees. This means that Committee members will also have to spend time participating in, and preparing for, Subcommittee meetings and working in drafting groups.

While the work of the experts is immensely valuable, it is not financially compensated.

The UN, however, does fund the travel of Committee members to the Committee sessions and ECOSOC Special Meeting. Currently, there are no budgetary provisions for travel to Subcommittee meetings. Yet, extra budgetary funds were available to cover the costs of developing country member participation in the recent past, through the Trust Fund for International Cooperation in Tax Matters, to which the governments of Norway and India have generously contributed. European Commission has also make in-kind contributions to support developing country member participation.

### **Nomination and Selection Process for the Committee of Experts on International Cooperation in Tax Matters**

Now to nomination and selection process. The Secretary-General is looking forward to receiving nominations by 15 March 2021. Member States may nominate experts in the field of taxation, regardless of their employment status or nationality. We already have received some nominations and expect to receive well above 25 in total.

While the early work of the Committee focused primarily on double taxation treaties, its work has broadened over time. Double tax treaties remain a key focus, but the Committee's work now includes a wide range of tax topics. Nominees for the Committee generally tend to be expert in one or more of the Committee's focus areas, and nominations of experts that have an overview of both domestic and international tax policy issues would be particularly welcome.

It is possible to nominate former or current members of the Committee for an additional term. In selecting members from among the nominees, an important goal is to strike a balance between the need for continuity and for bringing new perspectives into the Committee.

It is the practice for each Member State to nominate only one candidate. There is also the possibility for several Member States to cooperate to nominate one common candidate. All nominations must be presented through the diplomatic channel, i.e. the Permanent Mission of Member States or Observers to the UN. Other applications cannot be considered. **If we receive nominations directly from, for example, ministries of finance or tax administrations, we would ask them to have the nomination confirmed via the diplomatic channel.**

As in the past, the Secretary-General will choose among the nominations received and selects Committee members based on their expert knowledge and past and present contributions to the fields of tax policy and administration. **We thus encourage you to ensure that a complete and meaningful CV accompanies your country's nomination.**

As outlined in the Note Verbale, the Secretary-General particularly encourages the nomination of women candidates, given the UN's efforts to achieve gender equity. Nominating States could also bear in mind the benefits of having some younger experts playing their part in international cooperation in tax matters, for the benefit of their and future generations.

Ultimately, a membership of the Committee is sought that will be representative of the UN's diverse membership, giving appropriate weight to the different geographical regions and tax systems.

A number of you have already asked when the new membership will be decided. We expect the new members of the Committee to be announced after its 22<sup>nd</sup> Session, in April or May 2021. ECOSOC will first be notified of the Secretary-General's choice and the appointments will take effect after that notification process is completed.

I want to conclude my opening presentation by thanking you for your interest in the work of the UN Tax Committee. I urge you to nominate your best and brightest so that the Committee can continue to have a remarkable, practical, and sustainable development-focused impact and legacy.

I now welcome any questions you may have.