

Statement by Mr. Navid Hanif
Assistant Secretary-General for Economic and Social Development
to the 25th Session of the UN Committee of Experts on International Cooperation in Tax Matters
Geneva, 18 October 2022

On behalf of the United Nations, I warmly welcome Members and Observers to the first in-person session of this Committee membership. We celebrate meeting in person. And we look forward to a focused session, conducted in the Committee's collegial fashion.

This is the Committee's first hybrid session – allowing in-person and virtual participation by Observers. We appreciate the time zone issues for many remote participants. Yet, this is a big step forward in ensuring inclusive Committee sessions, especially for those in developing countries and other stakeholders who may not otherwise be able to participate.

We feel a productive joy in gathering. But we still meet during difficult times.

We see rising food and energy prices. On the one hand, these put a strain especially on the poorest in our societies. On the other hand, they lead to windfall profits for some companies.

Since the onset of the pandemic, inequalities have continued to deepen, within and among countries. There is an increasingly strong call for those most able to bear the costs of recovery to pay their fair share, and for those who make windfall profits in these unusual economic times to pay fair tax on those windfalls.

The Secretary-General, for example, has called on governments to tax such windfall profits and use the funds to support: the most vulnerable people, struggling with rising food and energy prices; and countries, suffering loss and damage caused by the climate crisis.

At the same time, we see greater inclination to multilateralism in dealing with tax matters and combatting illicit financial flows, including in the recent calls for a UN Tax Convention. Whatever comes from that call, it reflects the yearning for common solutions that are: principles-based; practical; as simple as the subject allows; and reflect the needs and priorities of all countries, including especially the least developed. This is a difficult balancing act, in technical and diplomatic

terms. Whatever the platform or process, an inclusive and sustainable development-guided approach is the best hope of success.

The impulse toward multilateralism with this practical aspect shows in this Committee's work. This includes your discussions this Session on a possible fast-track mechanism for speedier adoption of key UN Model Tax Convention provisions regarding taxing the digitalized and globalized economy, as well as other recent provisions. Such a mechanism would, in effect, update bilateral treaties more quickly and allow them to reflect modernizing changes in domestic law, while still avoiding double taxation.

We will hear other aspects of the impressive progress that Subcommittees have made since the April Session – in areas as diverse as transfer pricing, tax treaty issues and environmental taxation – in order to keep pace with the changing business environment and emerging issues that pose challenges or opportunities in taxation for sustainable development.

We will also hear reports and proposals on new Committee workstreams, such as wealth taxation, health taxes, indirect taxes, tax transparency and digitalization of revenue authorities. Providing much needed guidance on these topics will be useful to developing countries seeking to expand their tax revenues and effectively deploy fiscal policy as a lever for sustainable development.

All of you gathered in Geneva and in our virtual meeting room play your part in this work, with your various perspectives and expertise. I wish the Committee and all Observers a successful, practical and enjoyable Session.

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