Invitation to provide inputs to the work of the Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation in preparation of the First Session – drafting Terms of Reference and indicative list of matters to be addressed in draft Terms of Reference

Submission by the Republic of Austria

The Republic of Austria welcomes the possibility to provide a written input in preparation of the First (Substantive) Session of the Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation. To facilitate a substantive scoping of the draft Terms of Reference and a discussion of an indicative list of matters to be addressed in those draft Terms of Reference, the Republic of Austria wishes to submit the following:

A future United Nations Framework Convention on International Tax Cooperation should seek to catalyse global dialogue and create policy synergies, without duplicating ongoing efforts for international tax cooperation.

In recognition of the call for more inclusive and effective international tax cooperation, international dialogue at the United Nations in relation to a future Convention should aim to gather all UN Member States to exchange effective practices on mobilising domestic resources through tax policy formulation and strengthening of enforcement mechanisms. This effort should highlight the pivotal role of the United Nations in supporting all UN Member States to mobilise domestic revenues and to finance development strategies, aligning closely with the aspirations outlined in Resolution 78/230 Promotion of inclusive and effective international tax cooperation adopted by the General Assembly on 22 December 2023.

International dialogue at the United Nations should seek to ensure that a future Convention is aligned with and helps to achieve the Sustainable Development Goals (“the SDGs”), inter alia by promoting (more) equitable and sustainable approaches to international tax cooperation and by formulating tax policies that support the achievement of the SDGs.

Against this background, draft Terms of Reference should include issues with a view to better achieve the SDGs, in particular to reduce inequalities, or – in the context of taking climate action – the development of standards for carbon pricing, or other tax policy areas that are meant to help achieve the SDGs.
At the same time, consistency with ongoing works and consensus achieved in other international fora such as the Inclusive Framework on BEPS and the Global Forum on Transparency and Exchange of Information for Tax Purposes should be a guiding principle for any tax-related international coordination undertaken at the United Nations. Therefore, UN Member States should engage in effective cooperation that ensures a synergistic approach to providing answers to global tax challenges, without diminishing or ignoring the outcomes already achieved amongst a great majority of UN Member States. The international dialogue at the United Nations on a future Convention should not lead to duplication of efforts, involving unnecessary additional budgetary costs and the need for additional human resources from States. Such a dialogue should be guided by and facilitated with a consensus-based decision-making process.