Commenting Jurisdiction: INDONESIA

Comments on Para.7:
Indonesia agrees that the UN framework convention should clearly define its purposes. We are of the view that one of the immediate purposes of the framework is to establish a global tax solution that is executable without necessarily creating a new problem for the stakeholders, in particular in the areas of taxation of the digitalized and globalized economy. The development of the UN framework convention on international tax cooperation should take into consideration the projects of the OECD that also aims for similar objectives and involves global commitments. In light of this situation, we would like to suggest adding one more objective, which is to establish a room for coordination, consultation, or collaboration with other international/global tax frameworks/initiatives with a view to creating an effective and efficient international tax cooperation landscape.

Comments on Para.12:
Indonesia fully agrees with the addition of the Capacity Building provision in the UN framework convention. Given the novelties of the framework in the international tax cooperation landscape, having adequate capacity, particularly for the domestic preparation of the framework, would be a critical aspect for each authority. The Capacity Building should ensure a standardised or common understanding of the framework convention among the countries.

Comments on Para.13:
Given that one of the principles of the UN framework convention is to increase certainty for taxpayers and governments (Para.9 bullet 4), we suggest adding “dispute prevention mechanisms” next to “dispute settlement mechanisms”.