

Saudi Arabia's inputs on Bureau's Proposal for Zero Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation by the Chair of the Ad Hoc Committee

Saudi Arabia reiterates that Framework Convention should leverage the work of other international fora and should consider every effort build on what were achieved. Ideally, the framework should focus on addressing existing gaps and challenges that are leading to unfair taxation and require international tax cooperation. Additionally, we reiterate that the UN Framework Convention shall not disturb existing taxation rules for certain industries that are currently fairly taxed. The focus should be on mitigating challenges where certain businesses may currently evade taxation, without inadvertently disrupting the established tax frameworks that are working effectively for other sectors.

Saudi Arabia welcomes full engagement of all Member States. However, we stress on the importance of having a negotiation process that follow a clear, inclusive and transparent decision-making rules. These rules should be clearly articulated and communicated to member states participating in the bureau of intergovernmental negotiation committee to guide the negotiation.

We reiterate the importance to consider the time frame of the negotiation of the Framework Convention. For effective participation of all Member States, member states must be given sufficient time to review proposal and documents related to the Framework Convention and provide written comments. As tax administrations are already participating in other work in similar international fora and need to manage their resources. Furthermore, all communications should be directed to registered participants via emails for the ease of access and preparation to discussions and negotiations. To ensure inclusive participation, Saudi Arabia suggests leveraging technology to facilitate virtual participation, which can help overcome the barriers posed by distance, however the time zones might still limit participation, therefore, holding such meetings in a more neutral time zone can also be explored.