



**SECRETARIAT OF WATAF
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Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework
Convention on International Tax Cooperation,
Email: ahc-tax@un.org

N° ____069____-2024/WATAF/SEC/CLM
Abuja, 21 June, 2024

Dear Mr. Ramy M. Youssef and Members of the Ad Hoc Committee,

**WEST AFRICAN TAX ADMINISTRATION FORUM (WATAF) COMMENTS ON THE
ZERO DRAFT TERMS OF REFERENCE FOR A UNITED NATIONS FRAMEWORK
CONVENTION ON INTERNATIONAL TAX COOPERATION**

The West African Tax Administration Forum (WATAF) appreciates the opportunity to provide comments on the Zero Draft Terms of Reference (ToR) for a United Nations Framework Convention on International Tax Cooperation. We commend the efforts of the Bureau and all members involved in preparing this draft.

In accordance with our members' needs and priorities and in support of the Zero Draft ToR's content, we submit the following comments for consideration:

1. Principles:

The last bullet point in paragraph 9 under "other fundamental human rights" could be misinterpreted. We therefore suggest that it should be deleted. Furthermore, it may impede clarity and transparency because the required confidentiality rules are already considered by the provision of UN model tax convention (Article 26 Exchange of Information) and other relevant instruments on this matter.

2. Substantive elements of the Framework Convention:

The phrase "transparency and exchange of information for tax purposes" in paragraph 10 needs to include the word "effective." This is because the current EOI system (especially with regards to Automatic exchange of information) is inaccessible to most of our members due to the high cost of setting up the data centre and acquiring the required software from limited vendors.

Working groups should be established to work on the identified areas of focus in the framework convention.

3. Capacity building:

In paragraph 12, we recommend that participating member countries allocate financial resources to facilitate their participation in the negotiation process and guarantee objective contributions during negotiations.

4. Specific priority areas are to be addressed in the early protocol.

In paragraph 14, we suggest that the number of protocols should be reduced to avoid divided attention and ensure that the purpose of the framework convention is achieved. Our priority areas include:

1. Tax-related illicit financial flows;
2. Taxation of digitalised and globalised economy;
3. A fair allocation of tax rights.

Due to the limited resources (financial and human), it would be difficult for members to negotiate the framework convention and the protocol concurrently. Therefore, we recommend concluding the framework convention before the protocol. To optimise coordination between the documents, we recommend concluding both the framework convention and the protocol within 18 months, with the goal of finishing the negotiations of the protocol not later than six months after the framework convention.

5. Approaches and time frame for negotiation:

We suggest the replacement of "should" with "may" in the first line of paragraph 20 to ensure that the committee is not under strict obligation to consider the work of other relevant forums.


We believe that addressing these points will help create a framework convention on international tax cooperation that is inclusive, fair, and effective in enhancing tax administration capacities and securing sustainable tax revenues for West African countries.

Thank you for considering our comments. We look forward to participating in the upcoming discussions and negotiations.


Sincerely,




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