

General Statement of the United States

July 29, 2024

Thank you, Mr. Chair, for the opportunity to deliver this general statement.

At the outset of this session, we would like to express our appreciation for the efforts of the Chair and the Bureau to develop the agenda, revised terms of reference, and provisional organization of work. We acknowledge the importance of international tax cooperation and hope to engage in constructive discussions that consider the views of all Member States.

We noted in our written input on the zero draft of the ToR several points that we think are especially important to consider as this Committee moves forward with its work. We were disappointed to see that the revised ToR released on July 19 did not incorporate the many suggestions we and others made in the written inputs. As we have previously requested, we would appreciate receiving some insight into how the Chair made decisions about including or not including revisions to the ToR suggested by Member States. The rationales for why some suggestions were accepted, and some rejected, are critical to attempts to seek compromise and consensus.

Given that this latest draft of the ToR did not adopt our suggestions, we would like to emphasize a few of our recommendations—and why we think they are important to consider—here.

We reiterate our view expressed in our written input that the focus of the ToR should be the procedures for negotiating the Framework Convention, not the substance of the Framework Convention, which should be left to a future negotiating committee once it is established by the General Assembly. The ToR should not prejudge the substantive outcomes of the work of a negotiating committee. In order for future negotiators to have the best chance to find broad-based support, the substantive topics in the ToR must be non-binding examples that appropriately preserve a negotiating committee's flexibility on substance.

In addition, an important point that is not included in the draft ToR is the process under which a negotiating committee would make decisions. As stated in our written input and in our interventions at the First Session, we support consensus by a negotiating committee.

The decision-making by a negotiating committee will also require an appropriate sequencing of negotiations. We remain concerned that the simultaneous consideration of early protocols would create confusion and conflict, and inappropriately restrict a negotiating committee's work on refining conceptual objectives, principles, scope, and considering vehicles other than protocols as the negotiating committee seeks consensus. It would be premature for this Committee to mandate that the negotiating committee develop a protocol before there is a Framework Convention in place to guide the negotiation and development of protocols.

To further prevent confusion and conflict, the ToR should emphasize that every effort should be made to ensure a process that is complementary to, and not duplicative of, existing processes in other fora. Simultaneous discussions in multiple fora will result in the fragmentation of efforts, not stronger international tax cooperation.

In the same vein, the draft ToR includes a number of terms and concepts that are subject to multiple interpretations. For Member States to understand the ToR, and for a negotiating committee to productively undertake its work, there must be a common understanding of the scope of each issue.

We hope that as this process moves forward, these views will be taken into account as the ToR is further developed. We thank the Chair again for providing the opportunity for written inputs, and for considering our remarks today.