



International Chamber of Commerce Statement to the Second Substantive session of the UN Ad-Hoc Committee for the Terms of Reference for a UN Framework Convention on International Tax Cooperation

As the international chamber of commerce, representing millions of companies from all sizes, industries and regions of the world, we appreciate the opportunity to constructively engage in this second session of negotiations and all the efforts that led to the draft TOR.

We believe the goal of this new initiative should focus on developing principles-based international tax and trade policies that facilitate investment and the achievement of the Sustainable Development Goals (SDGs). For companies globally, tax policy is not only a means of raising government revenues but should also encourage sustainable growth and development through investment in jobs, infrastructure, technology, and promote free trade, sustainable investment, and fair competition. We advocate for tax systems that support a level playing field for all businesses, ensure the elimination of double taxation, and simplify administrative processes.

Regarding the Terms of Reference (TOR) draft documents to be discussed in this session, we would like to highlight the following three points:

1. **Stakeholders Engagement:** Aligned with the objective in paragraph 7a, ICC strongly supports the goal to "ensure the full inclusiveness and effectiveness of international tax cooperation." To achieve this, we believe a stable international tax framework requires an inclusive approach involving all stakeholders, including taxpayers. However, the current TOR does not specify methods for involving and engaging stakeholders. As stated in our response to the Call for Inputs, we recommend including modalities that establish a structured dialogue channel for receiving taxpayers' input, through regular meetings and public consultations, allowing ample time to gather feedback and comments from our global network, which includes several developing countries across various time zones. Therefore, we suggest including a paragraph under the TOR section on approaches and timeline specifically referring to stakeholders' engagement opportunities. Such inclusion would also be supported by SDG 17, which reads "Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development" and recognizes multi-stakeholder partnerships as important vehicles for mobilizing and sharing knowledge and expertise.

This paragraph could be formulated as follows: *"Throughout its work, the intergovernmental negotiating committee should host intersessional consultations to solicit inputs from stakeholders representing taxpayers on the elaboration of the draft convention and potential early protocols;"*¹

¹ We suggest this paragraph as paragraph 21 under the section Approaches and time frame for negotiations.



2. **Tax Certainty:** We appreciate the inclusion of tax certainty for taxpayers as one of the guiding principles for drafting and implementing the convention, along with references to simple and administrable rules. However, we emphasize that to enhance tax certainty, it is crucial for any new rules to be adopted with broad buy-in from countries and coordination with existing rules and frameworks adopted by other international forums.
3. **Negotiations and Topics for Early Protocols:** While we understand that the TOR draft document now specifies drawing topics for early protocols from a list, thus limiting the number of negotiated protocols, we recommend that any early protocols be negotiated and finalized after the Framework Convention.

In the weeks ahead, we look forward to engaging constructively in discussions, elaborating on additional points already addressed in our written response to the Call for Input. ICC, along with our global network of national committees worldwide, stands ready to actively participate throughout the process and provide meaningful input to the committee's work.

We wish the Committee a very productive second session of negotiations.