

STAKEHOLDER ROUND TABLE DISCUSSION ON “DOMESTIC RESOURCES MOBILIZATION”

Thursday, 25 July 2024, 10:00 – 11:30

1. The United Republic of Tanzania align with the submission made by previous speakers who fully support the importance of strengthening the domestic resource mobilization particularly to developing countries. Since the adoption of the Addis Ababa Action Agenda, developing countries including Tanzania are implementing robust reforms of the tax system to broaden the tax base and modernize revenue administration.

2. However, due to the interaction of the global trade and investments, domestic resource mobilization can be sustainably achieved on inclusivity approach through the proper forum which provide for legitimacy, inclusivity, universality, transparency, and accountability. We therefore, propose the Fourth Financing for Development to renew the commitment on Strengthening the role of the United Nations in international tax cooperation and the need of fast tracking the process to develop UN Framework Convention on Tax which will ensure;
 - ❖ Balancing of taxation rights, there is need to address the challenges faced by developing countries and ensure that taxes are paid to the Governments of countries where economic activity occurs, value is created and from where revenues are generated;
 - ❖ Effective taxation of cross-border services as well as digital taxation, prioritizing the taxation of digital economy will be a quick win and provide respite for countries unable to tax this sector owing to the ineffectiveness of the existing rules;
 - ❖ Access to exchange of information and Mutual Administrative Assistance in Tax Recovery;
 - ❖ Addressing of illicit Financial Flows, recovering and returning stolen assets, promoting financial integrity, improving public institutions, cross-border trade and investment, and boosting coordinated development and inclusive growth amongst member states;

- ❖ Effective taxation of the High Net-Worth Individuals to enable developing countries to raise additional resources crucial for funding public services such as education, healthcare, infrastructure, and social welfare programs;
- ❖ Effective tools to combat all forms of aggressive tax avoidance and evasion;
- ❖ Ensure international tax rules remain relevant and effective as technology and business models evolve;
- ❖ Protecting developing countries' share of value created directly and indirectly from their natural resources;
- ❖ There should be provisions regarding the entity or entities that have primary responsibility for, and funding for, supporting Member States, especially developing countries, in their efforts to build capacity on relevant international tax practice and related issues to ensure that they have adequate capacity in tax policy and tax administration; and
- ❖ Address the environmental concerns such as carbon taxation. We recognize that a main benefit of environmental and climate taxes is that they provide a clear financial incentive for companies and individuals to reduce their carbon emissions. This can lead to innovative solutions and technological advancements in clean energy and other sustainable practices.

THANK YOU.