



PERMANENT MISSION OF THE REPUBLIC OF FIJI TO THE UNITED NATIONS

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Fiji Statement

International Negotiating Committee on the United Nations

Framework Convention on International Tax Cooperation

MONDAY 3 FEBRUARY 2025 - 10:00 – 13:00

CONFERENCE ROOM 1 (3 minutes)

Mr. President,

Thank you for convening this week's meeting and you can be assured of Fiji's support.

The UN Framework Convention on international tax cooperation governance undeniably, is a central pillar for development in small island developing states like Fiji.

In view of our economic vulnerability, Fiji like many SIDS often have small and open economies that are highly dependent on a few sectors, such as tourism, agriculture and fisheries.

International tax cooperation helps our countries attract foreign investment and ensures that multinational enterprises pay their fair share of taxes.

Studies have also revealed that SIDS economies are vulnerable to tax base erosion and profit shifting (BEPS) by multinational corporations. International tax cooperation as this, can help combat these practices by establishing global standards and ensuring that profits are taxed where economic activities occur.

Additionally, this UN led effort must create an inclusive and equitable tax system that allow all member States irrespective of the size of our economies to have a voice in global tax governance. This can lead to fairer tax policies that consider the unique challenges faced by small island economies, with the intention of addressing knowledge gaps with partners, some of whom had unilaterally categorized and blacklisted our economies.

Mr. President, to strengthen international tax cooperation governance, capacity building is a necessity. Most small island economies lack the resources and expertise to effectively administer our tax systems. The UN International tax cooperation should be positioned to provide technical assistance and capacity-building to strengthen our tax administrations.

In relation to decision making, the Committee should be governed by the same rules of procedure which governs the activities of the General Assembly and its subsidiary bodies, including through conducting vote in case consensus is not achieved.

Let me now turn to the choice of the Second Protocol.

While all four Protocols listed are important for the purpose of encouraging tax compliance, Fiji however, considers these two Protocols favorable to form the Second Protocol namely “**Addressing tax evasion and avoidance by high-net worth individuals and ensuring their effective taxation in relevant Member States**” and “**Measures against tax-related illicit financial flows.**”

The justifications of our choice will be provided in our longer statement to be submitted to the Secretariat separately.

Finally, in relation to the TOR, Fiji supports the structural elements of the framework Convention in particular the need to include action oriented commitments to achieve the Convention’s goals.

I thank you.

End