**Australia’s Interventions to the zero draft Outcome document of the Fourth International Conference on Financing for Development**

**II. A Domestic Public Resources**

* In P28, we need to commit to strengthening domestic public resources and renewing our commitment to allocate these resources to ensure that no one is left behind. We propose highlighting the self-reinforcing nexus between domestic resource mobilisation and financing strengthened social protection systems.
* This paragraph can be strengthened by including language that reinforces the primary responsibility that each country has for its own economic and social development and that the role of national policies and development strategies cannot be overemphasized. As highlighted in P15, the 2015 Addis Ababa Action Agenda includes a social compact to provide fiscally sustainable and nationally appropriate social protection systems and measures for all. FFD4 is an opportunity to recommit to building domestic resource mobilisation and renewing our commitment to allocate these resources so that no one is left behind.
* It would be beneficial to define Public Development Banks (PDB), National Development Banks (NDBs) and Multilateral development banks (MDBs) in the outcome document, so it is clear which financial institutions are being asked to respond.
* In P29 a), we propose substituting the word “commit” with “encourage”, acknowledging countries’ sovereign right to tax policy.
* In P29 b), we suggest replacing the word “commit” with “encourage”, recognising countries’ legal and structural constraints that must be considered.
* In P29 e), the language could be amended to ‘ultra-high-net-worth individuals’ in line with the G20 and the agreed Rio Declaration on International Tax.
* In P29 h), we propose including previously agreed language from COP when referring to “inefficient fossil fuel subsidies”.
* In P30 b), Australia recognises the importance of international tax cooperation, and the significant body of work being undertaken on this issue in other forums such as the OECD, and we caution against duplicating or detracting from these efforts.
* In P30 e), support for developing economies to maximise their accessibility to exchange of information (EOI) needs to be balanced against ensuring appropriate confidentiality and safeguards. This is important so as not erode overall confidence in the EOI framework.
* In P30 f), it is important to note there are already several international standards dealing with beneficial ownership, including through the Financial Action Task Force (FATF). If the reference to a ‘global beneficial ownership registry’ implies a single register, this would go further than existing international commitments on beneficial ownership to date and Australia does not support this.
* P31 could be strengthened by including explicit references to crime. We refer to paragraphs 25, 92 and 112 in the 2015 Addis Ababa Action Agenda, which address bribery, human trafficking, illegal activities, terrorism and exploitation.
* In P31 a), Australia emphasises that the standards being referenced should expressly be mentioned. In this case, it should mention the FATF requirements for countries to regulate Designated Non-Financial Businesses and Professions, and international cooperation. Efforts to improve the effectiveness of asset recovery arrangements should focus on the better implementation of existing standards, and not on the creation of new frameworks, bodies or mechanisms.
* In P31 c), we fully support this language regarding the implementation of UNCAC and the Implementation Review Mechanism.
* In P31 d), we propose including “in line with international obligations” in this paragraph to ensure consistency with and encourage the effective implementation of UNCAC, the UN Convention against Transnational Organized Crime (UNTOC) and FATF Standards. Australia does not support language around “barriers to asset recovery and return”, as countries should take steps themselves to address challenges, rather than amending existing mechanisms that are globally accepted as best practice.
* In P31 e), Australia recognises the substantial and persistent challenge that countries face in combatting illicit financial flows. Efforts to improve the effectiveness of asset recovery arrangements should focus on the better implementation of existing standards, and not on the creation of new frameworks, bodies or mechanisms.
* There are already an extensive number of international instruments that apply in the asset recovery space, including the UNCAC, FATF s, the UNTOC, and the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances. It is important that we ensure consistency with the FATF Standards as the internationally agreed Standards relating to confiscation of assets, as implemented by over 200 jurisdictions. Creating additional international obligations would be duplicative and risks reducing the effectiveness of current frameworks and may potentially reduce direct cooperation between requested and requesting States.