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**Committee of Experts on International  
Cooperation in Tax Matters**

**Thirtieth session**

24-27 March 2025

Item 3(h) of the provisional agenda

**Dispute Avoidance & Resolution.**

**Co-Coordination Report**

***Summary***

This report is presented to the Committee for *information* at the thirtieth Session. It apprises the Committee of the group's progress in delivering on the group's mandate to monitor developments in the work on taxation of the digitalized economy as well as feedback received from capacity development work by the Secretariat that may necessitate update of the United Nations Handbook on the Avoidance and Resolution of Tax Disputes.

## **Background and Subcommittee Mandate**

1. At the Twenty-third Session of the Committee in October 2021, the Secretariat provided a paper on Dispute Avoidance and Resolution [E/C.18/2021/CRP.27](#). That paper provided an outline of the work of the previous Subcommittee on Dispute Avoidance and Resolution. At that Session, the Committee established a small group on dispute avoidance and resolution to monitor the developments in the digitalization work; consider any feedback received from the capacity development work; and determine the necessary action.

2. As noted in the [Report on the Twenty-fourth Session](#), the [Report on the Twenty-fifth Session](#), [Report on the Twenty-sixth Session](#), [Report on the Twenty-seventh session](#), [Report on the Twenty-eighth Session](#), and the [Report on the Twenty-ninth Session](#) the group monitored developments in this area. The substantive focus of the group remains highly relevant to strengthening domestic resource mobilization and supporting the achievement of the Sustainable Development Goals.

## **Update**

3. The Co-Coordinator, Mr. Aart Roelofsen and Mr. Carlos Protto, participated in discussions in the Subcommittee on Transfer Pricing's workstream on Dispute Avoidance & Resolution. Specifically, the Subcommittee addressed the issue of Advance Pricing Agreements with a particular focus on developing countries and their concerns, and the Committee approved a paper on this issue, [ANNEX A to E/C.18/2024/CRP.24](#), which outlined Bilateral Advance Pricing Agreement / Arrangement Programs Frequently Asked Questions(FAQs).

4. It is observed that the workstream on dispute avoidance and resolution included in the work on digitalization undertaken in other fora has so far not resulted in significant developments that call for new guidance or input from the Committee. The capacity development work, disseminating the [United Nations Handbook on the Avoidance and Resolution of Tax Disputes](#) produced by the Committee and subsequently published in 2021 (and now available in English, French and Spanish) is also ongoing.

## **Recommendation**

5. The small group proposes that the incoming Committee membership consider continuing to monitor the relevant work undertaken in other fora as well as updating the UN Handbook on the avoidance and resolution of tax disputes with the work that has been undertaken in other workstreams during this membership, specifically from the Subcommittee on Transfer Pricing and the Subcommittee on the Relationship of Tax, Trade and Investment Agreements.

6. The Subcommittee on Transfer Pricing's work on Bilateral Advance Pricing Agreement / Arrangement Programs FAQs ([ANNEX A to E/C.18/2024/CRP.24](#)) would be appropriate for a revision of the Handbook to incorporate this under the section addressing approaches to avoiding disputes, whereas the work from the Subcommittee on the Relationship of Tax, Trade and Investment Agreements proposing an amendment

to Article 25 ([E/C.18/2025/CRP.2](#)) would call for a revision of the handbook to address the way this amendment affects the MAP process.