

Intergovernmental Committee to draft a United Nations Framework Convention
on International Tax Cooperation and two early protocols

Workstream I

Draft Issues Note

Morocco's comments

Morocco aligns with the statements made by the African Group and would like to submit its contribution with regard to the draft issue note released in preparation for the first and second Sessions of the Intergovernmental Negotiating Committee in its national capacity.

Abstract :

Morocco would like to commend the dedication and the progress made under Workstream 1 (WS1), and reiterates its commitment to contribute to the work aiming for building a fair, inclusive and effective international tax system. The United Nations Framework Convention must serve as a flexible legal foundation for future protocols and mechanisms that addresses the fiscal challenges and reflect the principles of equity, transparency, and international cooperation outlined in the Terms of Reference (ToR).

Morocco is fully committed to advancing a multilateral tax governance system that is equitable and transparent and that supports sustainable development and domestic resource mobilization especially for developing countries.

I. Comments on the issue of Effective Prevention and Resolution of Tax Disputes :

Morocco supports the commitment to prevent and resolve cross-border tax disputes, emphasizing that the language used in the Framework Convention should be concise and flexible focusing on the principles of fairness and legal certainty, and avoiding overly prescriptive or detailed rules that would be better addressed in the protocols.

II. Comments on the issue of fair allocation of taxing right :

Morocco supports the idea of a broad and high-level commitment that ensures every jurisdiction where business activity occurs has the right to a share in taxing income generated within its borders. Indeed, the Framework Convention must shift this imbalance by recognizing the rights of source countries, where users, consumers, and resources are located to effectively tax the economic activity within its market. This requires a clear political commitment at the Convention level, while technical rules can be elaborated in the relevant protocols.

The term “fair allocation of taxing rights” should remain sufficiently flexible to accommodate the continuous evolution of business models. The Convention should serve as a guiding framework that promotes fairness, while preserving the possibility for future adjustments in response to developments in the international economic landscape.

III. Comments on International Tax Cooperation for Sustainable Development :

Morocco firmly supports that the Framework Convention should contribute to sustainable development considering that it is an overarching goal for the global tax system.

Morocco underlines that tax cooperation should not just be about addressing global tax gaps but also about ensuring that developing countries can strengthen their own tax systems to fund their development goals. This approach aligns with the principle of fairness, and directly supports the objectives of the 2030 Agenda of the United Nations.

Conclusion:

In conclusion, Morocco reiterates its strong commitment to contributing constructively to the negotiations and supporting the establishment of a Framework Convention based on the principles of inclusivity, fairness, efficiency, and sustainable development, while ensuring the flexibility required to keep pace with changes in the global tax system.