

EUROPEAN UNION

DELEGATION TO THE UNITED NATIONS

New York, 24 January 2011

The Delegation of the European Union to the United Nations presents its compliments to the United Nations Secretary-General (Department of Economic and Social Affairs - Finance)

and its Member States to the Secretary-General's Note, DESA/10/2508, of 14

January 2011, regarding arrangements to promote international cooperation in tax matters, including the Committee of Experts on International Cooperation in Tax Matters.

Department of Economic and Social Affairs

Financing for Development Office

Two United Nations Plaza

Room DC2-2172

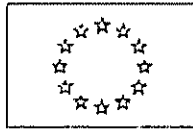
New York, NY 10017

Fax: (+1-212)963 0443



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**STRENGTHENING OF INSTITUTIONAL ARRANGEMENTS TO PROMOTE INTERNATIONAL COOPERATION IN TAX MATTERS, INCLUDING THE COMMITTEE OF EXPERTS ON INTERNATIONAL COOPERATION IN TAX**

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(MDGs) Outcome Document, domestic resource mobilization and enhancing fiscal capacity are essential for financing the attainment of the MDGs. In this regard, the EU fully acknowledges the need to further promote international cooperation in tax matters

a priority of the EU's development policy. The EU is fully engaged internally and externally in promoting international cooperation in tax matters. The EU will continue to support the work of the Committee of Experts on International Cooperation in Tax Matters, the Global Forum on Transparency and Exchange of Information and the Global Infrastructure Anti-Corruption Centre, and will continue to support the work of the Global Forum on Transparency and Exchange of Information and the Global Infrastructure Anti-Corruption Centre in their efforts to promote international cooperation in tax matters and to support development.

3. Enhancing the involvement of developing countries in relevant international fora on tax dialogue and cooperation contributes to their efforts to effectively tackle tax evasion and other harmful practices. The EU supports broader participation of developing countries in existing structures, and enhanced cooperation between the G20, the Committee of Experts on International Tax Dialogue, and the International Tax Compact, taking into account the specific needs and capacities of developing countries.

4. In this context, the EU recognizes the important role of the UN, through its Committee of Experts on International Cooperation in Tax Matters, and the need to ensure that the Committee maintains its effectiveness. In October 2009 the Committee of Experts decided to create 9 sub-committees in order to address new developments on international tax cooperation, thus responding to the Doha mandate to examine the strengthening of UN institutional arrangements on tax matters. The EU firmly believes that, before

existing Committee and the recently created Sub-committees. In this regard, the EU is ready to look into ways to broaden and enhance cooperation with the 9 sub-committees, via sharing information, studies and best practices, in order to increase the impact and relevance of their work.

5. In addition, there are already a number of international fora pursuing similar objectives (ie the OECD Global Forum and joint task-force on tax and development, the UN Committee of experts, the International Tax Compact and the International Tax Dialogue).

improving cooperation among these bodies

6. In particular, the priority should be to create synergies with on-going OECD activities.

For example, progress in the implementation of international tax standards made through the Global Forum on Transparency and Exchange of Information has been steady.

Effective cooperation of the UN Committee of Tax Experts with OECD fora should aim at reinforcing this type of processes

7. In addition, also increased dialogue and cooperation with regional fora such as the

Extractive Industries Transparency Initiative (EITI) could be further explored.

8. EU Member States are concerned at the increased resource commitments that would be required to fulfil the mandate of the UN Committee of Tax experts, and urge the Secretary General to take account of this in his report.

