



**CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT**
Mechanism



**GLOBAL
ALLIANCE
FOR TAX
JUSTICE**

Second Session: Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation

Intervention by Sergio Chaparro on behalf of the CS FfD Mechanism and the Global Alliance for Tax Justice

Mr. Chairman, Honourable Delegates,

With the transparency inherent in UN procedures, we are seeing how transparency is making a triumphant and transparent entry into these negotiations. Indeed, several interventions over the past days mentioned the importance of transparency both in relation to the taxation of high-net-worth individuals and corporate taxation. In all transparency, I would like to encourage Member States to go with full ambition for the inclusion of transparency as a standalone commitment in paragraph 10 and prioritise it also in the early protocols they agree.

Transparency is the kryptonite of tax abusers and their enablers. The greater the ambition to include transparency, the greater the losses for tax abusers and enablers, and the greater the gains for all states here, without exception. In the best interests of your peoples, we call on State Members to include the ABC of tax transparency in the Convention itself and to develop it as a priority in a protocol on tax-related illicit financial flows. By the ABC we mean:

- A truly universal standard on automatic exchange of information with differentiated responsibilities. Under such a universal and inclusive standard, improvements can be made to the Common Reporting Standard and other forms of exchange of information. As a priority, all willing countries should be able to benefit from access to information before facing any immediate requirement to reciprocate.
- Beneficial ownership transparency of companies, trusts, partnerships, and other legal vehicles, through public registers. This can be complemented by a Global Asset Registry as suggested by Colombia and Senegal, joining up both public and private registers of legal vehicles and high value assets.
- A single, technically robust standard for public country by country reporting along the lines of the golden standard developed by the Global Reporting Initiative.

Many countries would benefit today from better standards in these areas if greater ambition had not been frustrated by a few countries in light of consensus-only decision-making rules in some regions. The European Union knows this story well.

Also, progressive states would have gone further years ago if they didn't have opposition from those that overduplicate the non-duplication excuse today to speak about the benefits of standards such as the CRS without even participating in them.

Transparency is also key for the subsidiary bodies of the Framework Convention to have the information needed to perform their functions, including the evaluation of new proposals in an open and timely fashion, and the monitoring and supporting the implementation of the Convention. We suggest the establishment of a subsidiary body responsible for all key data generated by the ABC of tax transparency, including a UN public registry for corporate transparency, creating a major, global public good.

We believe that adopting transparency as a global norm through a UN Framework Convention could reduce the risks of setbacks in combating opacity, as has happened with recent decisions of the European Court of Justice. The inclusion of a human rights principle in line with international standards would clarify that combating tax abuse to fund social rights such as health or education is an interest that must be prioritised over the attempts of the rich to weaponise the right to privacy.

We would like to conclude with a respectful question to Member States, what if not a transparency illustrates the need for this Framework Convention to go beyond current standards and, in turn, provide the information necessary to make progress in other substantive commitments, from the taxation of high-net worth individuals, to curbing illicit financial flows?

Thank you