Department of Economic and Social Affairs United Nations



In order to facilitate the identification of the gaps and deficiencies in international tax cooperation, the attachment to this letter includes a description of the OECD activities related to international tax cooperation. I hope that this part of our response will also be helpful for the drafting of section III (Activities by multilateral bodies in promoting international tax cooperation) of your report.

Tax policy is also about tax administration and the ability to properly implement international and domestic tax rules. As you know, the OECD has long been involved in providing a substantial programme of workshops to its members and non member countries. The UN would be more than welcome in this multilateral sharing of experience between experts, including both South \pm South dialogue on practical solution based approaches to problems in international tax areas. More details of the Global Relations program are in the annex but we would be very happy to discuss with you ways of developing an engagement that would strengthen your work programme and explore how we can help and support you in this area.

As we also discussed during our last meeting in New York, I invite you to consider how the UN (and maybe not only DESA) could contribute to and benefit from the International Tax Dialogue (ITD) which brings together key international tax organisations. The engagement of the UN (ECLAC attended the last ITD conference in Delhi on tax and inequality) in the ITD could help to achieve greater and more effective collaboration among international organizations working on tax matters.

I appreciate your willingness to allow me to provide our comments after the deadline. I very much look forward to seeing you again and to the discussion of the important topic of international tax cooperation at the upcoming March special meeting organized by the ECOSOC.

Best regards,

Pascal Saint-Amans

CC: Ms. Grace Perez-Navarro, Deputy Director, CTPA



Annex

OECD ACTIVITIES RELATED TO INTERNATIONAL TAX COOPERATION

Work related to tax treaties

There has been a long-standing cooperation and complementarities in the work of the OECD and the UN related to tax treaties. The first draft model tax convention published by the OECD in 1963 was largely based on the Mexico (1943) and London (1946) models of the League of Nations. The model that was subsequently developed by a group of experts appointed by the UN (the UN Model, published in 1980) was itself largely based on the OECD Model with adaptations being made for the special circumstances of negotiations between developed and developing countries.



those deliberations by non-OECD countries led to a decision, in 2011, to organize an annual global transfer pricing meeting similar to the Annual T D [7 U H D W \ 0 H H W L Q J G H V F U L E H G D E R Y H on Transfer Pricing will be held in March 2012: more than 100 countries, jurisdictions and international organizations, including the UN, have been invited to that meeting and representatives of at least 80 countries have registered to attend.

7 KURXJK WKH 2 (&'¶V *OREDO 5 HODWLRQV 3 URJUDP WKH 2 (&'-LV D building activities for non-OECD countries. In 2012, it is anticipated that the OECD will present more than 20 training seminars for non-OECD country tax authorities at locations around the world on various aspects of transfer pricing. In collaboration with the World Bank and the IMF, the OECD is also undertaking major projects on Tax and Development, including exercises targeted at capacity building in the transfer pricing area in a number of non-OECD economies.

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OECD's Global Relations Program

7 K H 2 (&'¶V *OREDO 5 HODWLRQV 3 URJUDP RUJDQL]HV DURXQG year involving about 2000 participating tax officials from 100 countries. It represents an ambitious capacity building and policy dialogue mechanism sharing good practices, and reinforcing the South-South dialogue between officials on key tax issues. The events delivered reflect focus on international tax issues including tax treaties, transfer pricing and exchange of information, as well as tax policy and tax administration. The program is the result of a partnership with regional and international tax organizations (including ATAF, CIAT, CREDAF, IOTA etc), cTA





out by the CFA (Money Laundering Awareness Handbook for Tax Examiners; a Bribery Awareness Handbook for Tax Examiners).

The International Tax Dialogue work

The International Tax Dialogue (ITD) is a collaborative project involving the European Commission (EC), Inter-American Development Bank (IDB), IMF, OECD, World Bank, and the Inter American Centre of Tax Administrations (CIAT) to encourage and facilitate dialogue on tax matters among national tax officials, international organisations, regional development banks and other key stakeholders. The ITD aims to share good practices and pursue common objectives in improving the functioning of national tax systems. The initiative builds on the strengths of existing structures, with a Steering Group made up of staff representatives from partner institutions. All countries are invited to make use of ITD resources and opportunities.