

Economic and Social Council
Special meeting on international cooperation in tax matters
(New York, 18 May 2018)

Background

The implementation of the 2030 Agenda for Sustainable Development (2030 Agenda) requires the mobilization of significant financial resources. To this end, the Addis Ababa Action Agenda (Addis Agenda) of the Third International Conference on Financing for Development provides a holistic and coherent framework for financing sustainable development in all its three dimensions, including through the effective mobilization and use of domestic resources.

Taxation is one of the most important tools in which developing countries can mobilize resources for investment in sustainable development. Substantial gaps in raising tax revenues persist between developed and developing countries (especially the least developed countries). In this respect, strengthening tax systems, both in terms of tax policy and administration, has emerged as a key development priority both in the 2030 Agenda and the Addis Agenda. Specifically, the Addis Agenda contains a commitment to "[...] work to improve the fairness, transparency, efficiency and effectiveness of tax systems" and highlights the critical role to be played by development-oriented tax policies, modernized tax systems and efficient tax collection procedures. Given the globalized nature of business and finance, there are limits to what countries can do on their own through domestic policies, so the Addis Agenda also emphasizes the importance of international tax cooperation and the need to combat illicit financial flows.

Within the United Nations system, the High Level Panel of Experts on International Cooperation in Tax Matters (Panel) is tasked with addressing tax issues, paying special attention to developing countries and countries with economies in transition.

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