

**Draft Statement by Caribbean Community (CARICOM)**  
**Special meeting of ECOSOC on International Cooperation in Tax Matters**

**5 June 2014**  
**New York**

**Mr. President,**

I have the honour to speak on behalf of the fourteen Member States of the Caribbean Community (CARICOM).

At the outset, we would wish to align ourselves with the statement delivered by the delegation of the Plurinational State of Bolivia on behalf of the Group of 77 and China.

CARICOM welcomes the convening of this meeting of the ECOSOC to consider the question of International Cooperation in Tax Matters, including institutional arrangements to promote such cooperation, in pursuance of ECOSOC Resolution 2013/24; and would wish to thank the Secretariat for the documents prepared in this context.

**Mr. President,**

CARICOM emphasises the urgent need for an informed discussion of international cooperation in tax matters within the context of a meaningful dialogue on development – that is the common pursuit of all countries to achieve economic growth, meaningful development and poverty eradication.

In this vein, CARICOM affirms the legitimacy and the historical benefit of a development model based on the delivery of a diversified mix of high quality business services, inclusive of financial services in a manner consistent with international best practices and standards. This model has supported skills acquisition, training and human development, infrastructure development, strong judiciaries, business transparency and economic freedom. These, Mr. President, are all values for which this great United Nations stands and affirms.

**Mr. President,**

CARICOM wishes to underline that well regulated international financial centres (IFCs) – understand that the world of transparency is the new reality. The fiscal pressures on all of our economies, from the sustained economic slowdown and changing population demographics, creates a strong impetus for better tax administration and enforcement. These issues are the same whether we are talking about customs duties or property taxes, VAT or income taxes.

CARICOM, a region boasting well regulated financial centres, also understands that the new reality must ensure that financial centres continue to grow and thrive in a transparent environment through the responsible operation of the trade of financial services.

**Mr President,**

CARICOM believes that any meaningful dialogue on international cooperation in tax matters must be equally cognizant of the dual objective of developing countries to achieve growth with jobs AND with the other objective of finding a pathway to greater financial sector transparency. One cannot be separated from the other – both are equally important.

With this understanding, CARICOM has been supportive of the work to improve transparency within the IFC when provided the opportunity, and will continue to be a full participant in initiatives in the area of international cooperation in tax matters which have global consequences.

It is important to note here that small States are often invited to participate in such international initiatives, after the road map or the standard has been developed, rather than as equal co-drafters of the global standard. Indeed, small States are usually not at the table where the actual decisions are made, and as such their voices are not heard until much later in the process, most of the time after the standard has been developed and agreed. This must change if policies are to truly result in equality of treatment by establishing a level playing field; while taking into account realistic implementation timetables within the context of the development realities of small states.

In this connection, CARICOM fully supports the principle that rule-making and norm setting processes should be conducted in institutions that are truly representative. The ability to participate in such decision making, particularly in those decisions which impact CARICOM economies is viewed as a right and not a privilege.

In this connection, CARICOM reaffirms the important role of the United Nations in addressing matters related to international tax cooperation given its universality and legitimacy. The universal character of the UN ensures that all countries are able to participate on “equal footing”, allowing all Member States the opportunity to shape the global agenda. The broad and diverse membership of the UN also allows for a variety of perspectives, realities and priorities in the consideration of international cooperation in tax matters, the importance of which cannot be overstated.

**Mr. President,**

CARICOM also recognizes that the United Nations Committee of Experts on International Cooperation in Tax Matters has done useful work in supporting national efforts toward efficient tax administration and policies, including through the enhancement of international cooperation and participation at the multilateral level. CARICOM is of the view that this work should not be perfunctorily noted. Rather, it should be supported and enhanced and directly linked to an intergovernmental process. It also should be better integrated into the programme of work of the Council following its reform and effectively factored into the post-2015 development agenda discussions.

It is in this context that CARICOM fully supports the call for the conversion of the Committee of Experts on International Cooperation in Tax Matters into an intergovernmental subsidiary body of the Economic and Social Council. CARICOM strongly believes that the upgrading of the Committee, in this manner, would allow for proper intergovernmental consideration of issues of international tax cooperation – consideration currently not provided for under the Coordination and Management meetings of ECOSOC.

We look forward to constructive engagement with Member States on the way forward in this regard.

I thank you, Mr. President.