First Global Conference of the Platform for Collaboration on Tax - Taxation and the Sustainable Development Goals

Concept Note and Agenda

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Organisation for Economic Co-operation and Development (OECD)
United Nations (UN)
World Bank Group (WBG)
CONCEPT NOTE

1. Introduction

The members of the Platform for Collaboration on Tax will hold their first Global Conference on February 14-16, 2018 at the UN Headquarters in New York, under the theme “Taxation and the Sustainable Development Goals (SDGs)”. The conference will use as an input the work developed by Platform members, both jointly and separately, in connection with the themes covered in the conference.

2. Objectives

This first Global Conference of the Platform aims to: (a) take forward the global dialogue on the role of tax in achieving the SDGs among senior policy makers and tax administrators from developing and advanced countries; (b) obtain country insights and viewpoints on the challenges and opportunities countries see in using their tax systems to help achieve the SDGs. This would inform the future work of the members of the Platform, and possibly others active in the area, on how best to design support for countries to improve their tax systems.

3. Audience

The target audience consists of senior tax policy makers and tax administrators (at the Director level) and other key tax partners, including regional institutions. Leading academics with recent contributions relevant to the Conference agenda, private sector representatives, and members of civil society actively involved in the global tax dialogue will also be invited. As with the global conferences of the International Tax Dialogue, we expect to have around 200 participants to travel to New York to participate face-to-face.

4. Outcomes

Following the Conference, and building on its discussions, the Platform will issue a note summarising the discussions, issues and challenges raised, and reflecting on the role of the Platform in helping countries address them.

5. Format

The conference will consist of plenary and parallel sessions. There will be five plenary sessions, including an opening and closing session on the link between taxation and SDGs. At least 8 parallel sessions will explore more in detail the linkages between taxation and the SDG.

The sessions will be structured around five thematic areas: i) domestic resource mobilization and the state; ii) the role of tax in supporting sustainable economic growth, investment and trade; iii) tax and the social dimension-addressing poverty, inequality and health; iv) capacity development, and v) tax cooperation the SDGs.
For each session, there will be a session chair, who will summarize the main points, in particular, the challenges and issues identified during the discussions, recommendations to overcome them, as well as, opportunities and possible ways to move forward. The session chairs will play a key role in preparing the technical record of the conference.

Throughout the conference representatives from developing countries (governments, civil society and businesses) will give their views on the challenges to be faced and how they can best be addressed.

AGENDA

The proposed sessions are as follows:

**Overall Theme: Taxation and SDGs**

**Opening Session (Plenary)- The Role of Taxation in Achieving the SDGs by 2030**

This first session will focus on how taxation\(^1\) can be used as policy instrument to achieve the SDGs. It should cover the different dimensions of taxation as it relates to the SDGs, highlighting domestic resource mobilization and including inclusive growth, sustainability, gender equality, good governance, private sector efficiency and human development, among others. It will draw on the overall follow-up and review process of the implementation of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda on Financing for Development, and will emphasize the universal agenda of the SDGs.

It should take stock of the situation end 2017 with taxation reforms and efforts to support such reforms and discuss possible interrelated actions in order to achieve the SDGs by 2030.

*Speakers: High level representatives of the UN (host), IMF, OECD and WB.*

**Session I - Setting the stage (Plenary): Countries’ perspectives on taxation’s role in achieving the SDGs**

This session will allow different countries to express their views on how taxation may help them achieve the SDGs and what obstacles need to be removed. The session should discuss the taxation challenges faced by different low and middle income countries, depending on their intrinsic issues, and distill lessons on what could be done to enhance the performance of their tax policy and administration, as they work towards achieving the SDGs.

\(^1\) For brevity, this term is to be read here as including nontax sources of government revenue.
Panel: high level representatives of developing countries, including a fragile or post-conflict country, a resource rich country, a small island, and a middle income economy.

**Theme A. Domestic Resource Mobilization (DRM) and the State**

**Session II-A (Parallel) – DRM, fiscal sustainability and growth: evidence to date**

This session will focus on the role of tax policy to mobilize domestic revenue in order to expand fiscal space and ensure fiscal sustainability, drawing a clear link to SDG17. The session should consider DRM strategies in comparison with other forms of financing such as borrowing (internal and external), expansive monetary policy, and foreign grants, and their effects on macroeconomic stability and growth. It should also examine the evidence to test whether policy and administrative approaches currently adopted by lower income countries are delivering strengthened DRM and imposing macro and growth prospects.

Panel: policy makers from lower income countries that have substantially improved domestic resource mobilization by conducting responsible fiscal policy, as well as representatives of the private sector.

**Session II-B (Parallel): DRM and state building: taxation for better governance**

This session will be dedicated to the role of DRM in state building by enforcing a social contract between citizens and the state, highlighting the links with SDG16. It should discuss different approaches to building a government’s credibility to be more effective in raising fiscal revenues, as well as strategies to motivate citizens and companies to comply with their tax obligations.

Panel: top academics who have undertaken research in this area, as well as government and civil society representatives who can present concrete country experiences and new cutting edge techniques (e.g., information, IT, behavioral) to strengthen the social contract between citizens and the state to improve taxation.

**Session II-C (Plenary): Tax Administration: how reforms can increase revenues**

Effective tax administration institutions can play a significant role not just in SDG 16, but also in raising revenues. This session will look at the range of experiences in tax administration reform from a range of developing countries, and will highlight best practices in improving administrative performance along several dimensions such: human resources, audits, dispute settlement, IT, and others.

Panel: revenue authorities with interesting case studies (e.g. Mexico, Rwanda), TADAT leads, FTA, taxpayer representative, representatives from the partners that have been working on tax administration
Theme B: The role of tax in supporting sustainable economic growth, investment and trade.

Session III (Plenary): BEPS and developing countries

This session will be focused on the challenges of implementing business taxation globally, from the perspective of developing countries. In particular, it should analyze how the design and implementation of business taxation can minimize distortions to economic decisions while, at the same time, ensure that businesses comply with their tax obligations globally. It should discuss the challenges of taxing corporate income in a globalized world where transactions are often digital, not bound to territories, and many inputs along the value chain are intangible. In particular, different proposals to tax multinational companies should be discussed, with a particular focus on formulating solutions to reduce tax avoidance in developing countries. Relevant work carried out by international and regional organizations should also be presented and discussed.

Panel: leading academics, international taxation experts, representatives from/experts involved in the work of relevant international and regional organizations, representatives of the private business sector, policy makers from developing countries and tax civil society representatives.

Session IV-A (Parallel): Resource abundance and taxation: reversing the curse

This session will attempt to capture the complexity of taxing natural resources by analyzing current challenges and concrete examples of tax reform, particularly in the oil and mining sectors. It should cover important dimensions such as government sharing of profits, progressivity of the tax instruments chosen, effects of the taxation regime on the local population, political economy of reforms, management transparency, social and environmental effects, and economic diversification issues.

Panel: policy makers, thematic experts, representatives from international and regional organizations doing work in this area, private sector businesses CEOs, and civil society representatives from resource rich countries.


Tackling illicit financial flows is a priority for most countries and is reflected in SDG 16. This session will focus on the impact that illicit financial flows (IFFs), in particular those caused by tax evasion and corruption, may have on sustainable development. It will discuss measures, both at the national and international level, which may help to reduce IFFs and identify opportunities to increase cooperation among the range of actors tackling IFFs. It should also cover policies and actions that may address the underlying behaviors that give raise to IFFs, as well as the challenges limiting progress.

2 In addition, we could consider discussing some specific sectors such as agribusiness and/or telecommunications.
Panel: Representative from Mbeki panel on IFF, policy makers from different income countries (and possibly offshore financial centers), private sector (B-Team), civil society, as well as representatives from international organizations that have been working on initiatives to combat IFFs.

Session IV-C (Parallel): Fiscal policy for sustainable development: environmental taxes

This session will be dedicated to discussing options for environmental taxation, analyzing current experiences based on COP21 and subsequent agreements, as well as remaining challenges, it will link to SDGs 7, 12 and 13. It should discuss country solutions with carbon taxes and cap-and-trade schemes, as well as other environmental taxes which have been applied in advanced and developing economies, and the lessons learned so far. The session should also elaborate on the political economy of environmental taxation as it relates to climate change risks and perceptions, with the goal to distill useful lessons for developing countries.

Panel: policy makers who have implemented environmental taxes in different contexts, as well as experts who have studied environmental taxation in connection with climate change, and private sector and civil society representatives.

Theme C: Tax and the social dimension: addressing poverty, inequality and health.

Session V (Plenary): Remaining equity challenges: taxation for better income distribution

This session will address existing and growing equity challenges worldwide from the perspective of taxation, linking to SDG 1 on poverty and 10 on inequality. It will discuss specifically how different tax instruments on, for example, personal income, corporate income, capital gains and wealth assets, could be instrumental to reducing disparities at the country level and globally.

Panel: top academics who have written on the subject as well as government and civil society representatives from developing countries.

Session VI-A (Parallel): Transformational development: taxing to improve health and human development

This session will approach health related taxes from the perspective of behavior correction which can curb the consumption of health damaging products and lead to better public health outcomes, and as such link to SDG 3. It should further elaborate on the risks and consequences associated with consumption of those unhealthy products (such as alcohol, tobacco or sugar) as affordability increases in developing countries and young populations, the future of the labor force, consume them. The session should assess recent experiences from developed and developing countries in
curbing consumption of health damaging goods and their effects on the well-being of the poorer segments of the population.

Panel: policy makers (knowledgeable of both taxes and public health issues) who have led country-level reforms in this area, as well as academics and partners such as WHO and other institutions working on health related taxes.

Session VI-B (Parallel): Smarter taxation for better gender equality

This session will assess the gender implications of tax systems in developing countries, providing concrete examples of reforms that can lead to eliminating gender biases in taxation, in reference to, for example, property, family income, or MSMEs owned by women, among others. The links with SDG 5 will be made and explored.

Panel: thematic experts who have conducted research on the gender implications of taxation as well as policy makers and representatives of the civil society from developing countries who can provide a perspective of how taxation affects them.

Theme D: Tax Capacity Development

Session VII (Plenary): Tax Capacity Development

This session will highlight successful capacity development initiatives in tax policy and administration, gathering lessons learned and good practices, as well as exploring its links to SDG 17 (and especially 17.1). It will also discuss what the Platform could do to further support developing countries, taking into account main directions from the four IOs at the highest level as well as the views expressed by Conference participants.

Panel: representatives from international and regional organizations doing work in this area, thematic experts, academics.

Theme E: Tax Cooperation and the SDGs

Session VIII (Plenary): The way forward: role of international tax cooperation in supporting the SDGs

This session will close the Conference with a discussion on how possible tax reforms can contribute to accomplishing the SDGs and on the complementary role that international tax cooperation may play. It should cover the work of international and regional organizations, as well as other relevant international initiatives. The session will cover Automatic Exchange of Information (AEOI), regional agreements, among others.

Panel: representatives from international and regional organizations doing work in this area, policy makers, thematic experts.