

## **OUTCOME STATEMENT FROM THE INFORMAL TASK FORCE ON TAX AND DEVELOPMENT, PARIS, 11 MAY 2010**

- The meeting was co-Chaired by the Netherlands and South Africa (also representing ATAF) and brought together representatives from the tax and aid communities from OECD (UK, US, Norway, Germany, Japan, France, Switzerland, Belgium, Spain, Italy), and developing countries as well as emerging economies (India, Uganda, Sierra Leone, Kenya, Zambia, Malaysia, Philippines, Vietnam), business (including BIAC and TUAC), international organisations (ATAF, EU, CIAT, ITC, ITD, UN), and NGOs (TJN, TJN Africa, Christian Aid, Eurodad, and CCFD).
- The purpose of the meeting was to introduce the informal Task Force; discuss its purpose, its characteristics (informal with a flexible membership) and objectives, and agree the draft terms of reference; discuss plans for a detailed work programme to be produced following the meeting, and agree next steps.
- The objective is to benefit developing countries through putting more resources into the tax area, assisting them in accessing the information necessary to enable their tax regimes to work better both raising revenue and strengthening good governance. In order to achieve that the co-Chairs suggested the following:
- First, the Task Force will set up three sub-groups representative of all constituencies to:
  1. Work on supporting developing countries on exchange on information working with the World Bank and IMF, ATAF, and others to enable developing countries to increase numbers of bilateral or multilateral TIEAS, and to discuss how to assist in implementation of these agreements.
  2. Look at strengthening transfer pricing implementation in developing countries, including identifying best practices and encouraging South-South co-operation.
  3. Examine the issue of county by country reporting, develop a scoping paper for the next Task Force meeting and provide advice to the CFA regarding the Investment Committee's MNE Guidelines.
- In addition, the Task Force also asked the ITC, ITD and other interested international organisations to work together on the mapping of international assistance and developing country needs, building on the work already done in this area.
- The GOVNET was invited to work with the ITC, developing countries and civil society to work on tax and statebuilding and on mechanisms for linking tax revenue to expenditure. Finally, the GOVNET were asked to track aid dependency, and aid directed to revenue functions. Reports in both areas were requested for the next meeting of the Task Force.
- The Co-Chairs also noted that Task Force work is open ended and when resources allow will consider looking at possible interaction in other areas such as taxation of the informal economy and broadening the tax base.

The next meeting of the informal Task Force will be in early 2011.