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**Negotiating Group on the Multilateral Agreement on Investment (MAI)**

**Expert Group No.3 Expert Group No.3 on Treatment of Tax Issues in the MAI**

**AGENDA**

**Meeting on 22-24 May 1996**

## Expert Group No 2 on the Treatment of Taxes

### AGENDA

May 22-24, 1996

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|---|----------------------|
| <b>1. Adoption of the Agenda</b>                                    | DAFFE/MAI/EG2/A(96)2 |
| <b>2. Approval of the Summary Record of the April 22-24 meeting</b> | DAFFE/MAI/EG2/M(96)1 |
| <b>3. Report by the Chairman on Meeting with BIAC</b>               |                      |
| <b>4. Issues raised by MAI Drafting Group No 2</b>                  |                      |
| a. Definition of Investor and Investment                            | DAFFE/MAI/EG2(96)5   |

#### For Reference

Report by Drafting Group 2 on Definition of Investor and Investment

DAFFE/MAI/DG2(96)3

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| <b>5. Issues raised by MAI Expert Group No 1</b> |                    |
| a. Geographical Scope and Overseas Territories   | DAFFE/MAI/EG2(96)6 |
| b. Dispute Settlement                            | DAFFE/MAI/EG2(96)7 |

#### For Reference

Report by Expert Group No 1 on Selected Issues concerning Dispute Settlement and Geographical Scope

DAFFE/MAI/EG1(96)5

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| <b>6. Report of Expert Group No 2 to the Negotiating Group</b> | DAFFE/MAI/EG2(96)4 |
| <b>7. Other Business</b>                                       |                    |

#### Reference Documents

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|---|------------------------|
| 1. "Non-discrimination in Bilateral Tax Conventions"  | DAFFE/MAI/EG2/RD(96)1  |
| 2. "Taxation and International Trade or Investment Liberalisation Instruments" (A Statement by the Committee on Fiscal Affairs) | DAFFE/CFA(95)14/REV1   |
| 3. "Treatment of Taxes in the OECD Multilateral Agreement on Investment" (A Note by the Committee on Fiscal Affairs)            | DAFFE/CFA/INV/IME(95)2 |
| 4. "Taxation Issues in the MAI"<br>Contribution by one delegation   | DAFFE/MAI/RD(96)1      |
| 5. "Accession of Non-Member Countries"<br>(Note by the Chairman)  | DAFFE/MAI(96)13        |
| 6. "Accession of Non-Members"<br>(Contribution by one delegation)   | DAFFE/MAI/RD(96)22     |

## Notes to the Agenda

### Item 3

The Chairman of Expert Group No 2 will report on his May 22 luncheon meeting with representatives of BIAC.

### Items 4 and 5

At its second meeting, the Expert Group is invited to examine the taxation issues raised by the work of MAI Drafting Group No 2 on the definition of investor and investment and of Expert Group No 1 on geographical scope, dependent territories and dispute settlement.

Discussion of these items, under items 4 and 5 of the agenda, will be based on Notes by the Chairman. Written country contributions are also welcome. BIAC is also expected to make a contribution on the views of business.

### Item 6

The Expert Group will need to agree on the text of a report to be submitted to the Negotiating Group at its next meeting on 19-21 June, 1996.

The elements of a report based on the discussions at the April meeting will be circulated as a Chairman's Note [DAFFE/MAI/EG2(96)4]. Written comments should be sent to the Secretariat by Friday, 17 May.

The report will need to be revised, completed and finalised during the Group's May meeting.

**Mandate of Expert Group No 2 on the “Treatment of  
Tax Measures in the MAI”**

1. The Expert Group, open to the participation of all delegations, is charged with examining the tax issues raised by the work of Drafting Groups 1 and 2, and of the Expert Group on Dispute Settlement, and offering possible solutions to these issues.
2. The Expert Group will meet in April and May 1996; it will report to the MAI Negotiating Group in June 1996.
3. The Group’s mandate will terminate after its report to the Negotiating Group, unless the Negotiating Group decides otherwise.