

## THE 5<sup>TH</sup> ANNIVERSARY OF THE PUNTA DEL ESTE DECLARATION

### Statement of Outcomes of the High-Level Working Dinner of Ministers of Finance and Heads of Tax Administrations

Asunción, Paraguay

26 June 2023

1. On 26 June 2023, 38 participants representing 11 Latin American countries, including 4 Ministers and Vice Ministers of Finance and 4 Tax Commissioners, along with regional partners and invited organisations came together for a High-Level Working Dinner to celebrate the 5<sup>th</sup> Anniversary of the Punta del Este Declaration. The High-Level Working Dinner was hosted by the Vice Minister of Taxation of Paraguay and Chair of the Punta del Este Declaration, Mr Oscar Orué Ortiz.
2. Launched in 2018, the [Punta Del Este Declaration](#) has been endorsed by the 15 Latin American countries member of the Global Forum on Transparency and Exchange of Information for Tax Purposes. In the Declaration, signatories agreed in particular to: (i) fully and effectively implement the international standards of transparency and exchange of information (EOI); and (ii) maximise the effective use of the information exchanged, including by considering a wider use of tax treaty-exchanged information for non-tax purposes, to tackle corruption and other financial crimes and improve international tax co-operation. The Declaration aims to ensure that jurisdictions in the region can fully and swiftly benefit from transparency and EOI for tax purposes and translate it into domestic revenue mobilisation.
3. Recalling the importance of advancing the tax transparency agenda in the region, the Minister of Finance of Paraguay, Mr Oscar Llamosas, opened the working dinner which aimed at reflecting on the progress made under the Latin America Initiative and on the remaining challenges to meet the objectives of the Declaration. Chairing the working dinner, the Vice Minister of Taxation of Paraguay and Chair of the Punta del Este Declaration Initiative, Mr Oscar Orué, provided a brief overview of the main progress in the fight against tax evasion and other illicit financial flows made since 2018, including the expansion of Latin American countries EOI networks, the increasing use of EOI to support tax audits and investigations, and the signature by interested countries of the pilot project for the wider use on treaty-exchanged information.
4. The participants recognised the crucial role of tax transparency and EOI for their countries for fighting tax evasion and other forms of illicit financial flows. They highlighted how EOI has contributed to domestic revenue mobilisation, but also reflected on the challenges faced to fully implement the tax transparency standards. Ensuring transparency of beneficial ownership information, implementing automatic exchange of financial account information (AEOI), including by taking advantage of voluntary disclosure programmes, continuously improving information security management and building sustainable capacities were raised by participants. They stressed the importance of EOI and tax transparency to ensure taxpayer compliance.
5. In this context, the participants commended the Latin America Initiative for being a valuable forum to share experiences, strengthen cooperation and build capacities in tax transparency. They called on Latin American countries that are non-Global Forum members to join the international efforts on tax transparency and EOI by becoming members of the Global Forum and joining the Latin America Initiative.

6. Sharing some positive and concrete experiences, the participants stressed the need to take full advantage of the EOI infrastructures and networks established by Latin American countries, with the continuous support of the Global Forum Secretariat and partners, to ensure that EOI implementation translates effectively into additional revenue to finance development. They invited all members to implement AEOI as soon as practicable to ensure the region can realise the full potential of EOI. They commended the availability and technical support received from the Global Forum Secretariat on the implementation and the effective use of the EOIR and AEOI standards, including in implementing a sound information security management. They also appreciated innovative programmes of the Global Forum such as the Train the Trainer and Women Leaders in Tax Transparency programmes and their sustainable impact in Latin American countries.

7. The participants also recognised the importance of the wider use of tax treaty-exchanged information for fighting illicit financial flows transcending tax evasion, and welcomed the work done in the last years to adopt a framework and to develop a pilot project as first steps.

8. Discussing the future of the Initiative, they reiterated the need to support the development of capacities, to support improvement of tax investigations including by continuously improving the use of EOI tools as well as the AEOI data received and by exploring other forms of administrative tax cooperation, to pursue the work on wider use, and to help address emerging tax transparency challenges such as crypto-currencies. Overall, they look forward to further collaboration of Latin American countries in tax transparency.

9. Finally, the participants commended Mr Oscar Orué for his leadership in the Latin America Initiative, and thanked the Minister of Finance and the Under Secretariat of State of Taxation of Paraguay for welcoming participants to the High-Level Working Dinner and the 8<sup>th</sup> Latin America Initiative meeting.

**List of participants of the High-Level Working Dinner****Latin American Countries**

Argentina • Bolivia\* • Brazil • Costa Rica • Dominican Republic • Ecuador • El Salvador • Honduras • Panama • Paraguay • Peru

\* Non-member of the Global Forum and observer to the Latin America Initiative

**Partners of the Punta del Este Declaration**

Inter-American Development Bank • International Finance Corporation • Organisation for Economic Cooperation and Development

**Other organisations**

Institute of Fiscal Studies • International Monetary Fund

**List of members and partners of the Punta Del Este Declaration****Signatories of the Punta del Este Declaration**

Argentina • Brazil • Chile • Colombia • Costa Rica • Dominican Republic • Ecuador • El Salvador • Guatemala • Honduras • Mexico • Panama • Paraguay • Peru • Uruguay

**Partners of the Punta del Este Declaration**

Inter-American Center of Tax Administrations • Inter-American Development Bank • International Finance Corporation • World Bank Group