

High-level Latin America and Caribbean regional consultation

13 NOVEMBER 2020
FACTI BACKGROUND NOTE

INTRODUCTION

The FACTI Panel published its interim report on 24 September 2020. The FACTI Panel will hold a series of high-level virtual regional consultations with global stakeholders from 9 to 24 November 2020. The consultations aim to discuss possible means to address the shortcomings identified in the interim report.

Participants in the regional consultations are free to raise any of the issues covered in the Panel's mandate and report. To help orient the Latin America and Caribbean regional consultation, this document provides some background and guiding questions on a few topics that may be of interest for Latin American and Caribbean countries.

INTERNATIONAL TAX ARCHITECTURE

The Panel identified elements of institutional deficits and is considering proposals for structural changes to the international tax architecture. These include regional cooperation structures, as well as global ones, considering the lack of a universal global institution or legal instrument in the tax sphere. Consideration is needed as to how the many existing and new measures and instruments are joined up and coherent. Guiding question for the consultations:

- **How can international tax cooperation be more inclusive and universal given the array of existing arrangements and institutions?**

IMPUNITY FOR GRAND CORRUPTION

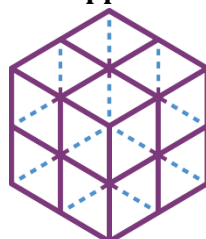
Given that impunity for grand corruption is a serious threat to accountability and integrity, the Panel would like to examine ideas for the international community to address it. The Panel will look carefully at which ideas meet the criteria of technical feasibility and political viability. Guiding question for the consultations:

- **What could be done at the international level to address the impunity of high-level public officials involved in grand corruption?**
- **How could the use of non-conviction-based confiscation be enhanced to prevent perpetrators of grand corruption from enjoying the proceeds of their crimes?**

ADDRESSING ENABLERS

The Panel will examine measures needed in the countries used as havens, or where enablers of corruption and tax abuse work, building ideas in advance of the forthcoming FATF strategic review. Coherence with the tax transparency norms will be important, as well as better regulation and supervision. Guiding question for the consultations:

- **How can international-level action improve the effectiveness of the application of anti-money-laundering**



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standards to lawyers, accountants and other designated non-financial businesses and professions (DNFBPs)?

FINANCIAL REPORTING AND INFORMATION EXCHANGE

The Panel will examine potential improvements to existing frameworks for reporting information related to financial integrity concerns, including exchange of financial account information and country-

by-country reporting by multinational companies. The aim is to ensure accountability to the public and benefit to those countries currently unable to access or use this information effectively. Guiding question for the consultations:

- **How can information exchange provisions be better tailored to developing country contexts, circumstances and needs?**
- **How can all actors be held accountable for production, sharing and use of tax information?**

Further details on the high-level Latin America and Caribbean regional consultations can be found on the FACTI Panel website: <https://www.factipanel.org/events/facti-panel-high-level-latin-america-and-caribbean-regional-consultation>

