

# Summary of the High-Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda consultation with United Nations Member States 24 April 2020

On 24 April 2020, the High-level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (FACTI Panel) held a consultation with United Nations Member States. The consultation, held virtually due to COVID-19 related restrictions around the world, was the first chance the Panel has had to interact with Member States since its composition was finalized and the second co-chair (H.E. Dr. Dalia Grybauskaitė of Lithuania) was appointed. More than 160 people participated in the meeting, and 24 delegations made statements.

## Opening

The meeting was co-chaired by **H.E. Dr. Dalia Grybauskaitė**, former President of Lithuania and **H.E. Dr. Ibrahim Mayaki**, former Prime Minister of Niger, Chief Executive Officer of the New Partnership for Africa's Development (NEPAD) Agency. In her opening remarks, **Dr. Grybauskaitė** provided the participants with highlights of the Panel's substantive work since the launch, including the review of the background paper, the agreement on three clusters of work, and the intention to present some initial thoughts for Member States by July 2020 and the full interim report in September 2020. She then asked countries to provide their input on their key priorities and challenges related to financial accountability, transparency and integrity as well as ideas for how the Panel can advance work in those areas. She also introduced the FACTI Panel members who are coordinating the work of the Panel's three clusters.

**Mr. Jose Antonio Ocampo**, who leads the cluster on improving cooperation in tax matters, stated that the cluster may consider: the need for universal international legal instruments and institutions on tax, allocation of taxing rights, improvement of tax enforcement capacities, and the need for reliable global data. **Ms. Susan Rose-Ackerman**, who coordinates the cluster on accountability, public reporting and anti-corruption measures, indicated that the cluster would consider: distinguishing between those paying and those soliciting/accepting bribes; action in jurisdictions that take in ill-gotten funds; and the role of financial institutions that handle such resources. **Mr. Thomas Stelzer** and **Ms. Irene Ovonji-Odida**, who co-lead the cluster on cooperation and settling disputes, explained their cluster's focus will be on: improving cooperation on bribery investigation and prosecution; examining options to strengthen peer review processes; improving international cooperation on asset recovery and return; exploring options to improve capacity; and the role of non-state actors (business, NGOs, trade unions, media).

## Statements from Member States

Twenty-four delegations made statements, including group statements by the African Group and the European Union.

The vast majority of interventions were substantive in nature, focusing on country priorities for where the Panel could make recommendations. A few delegations indicated the need for more time before they could submit substantive comments. Among the many inputs, the following priorities were identified by delegations.

On cluster 1 on improving cooperation in tax matters:

- Addressing new and emerging issues including in relation to harmful commercial practices like aggressive tax avoidance as well as taxation in the context of the digitalization of the economy;
- Fostering universal participation in international legal instruments on tax matters;

- Upgrading the UN Committee of Experts on International Cooperation in Tax Matters to an intergovernmental body with experts representing their respective Governments;
- Assessing the impact of proposed reforms to international tax norms on developing countries;
- Distinguishing between tax crimes and tax avoidance in discussing enforcement;
- Exploring greater transparency of beneficial ownership information.

On cluster 2 on accountability, public reporting and anti-corruption measures:

- Creating an International Anti-corruption Court;
- Being informed by the preparatory process for UNGASS 2021 on corruption;
- Considering both sides of corruption and asset recovery;
- Strengthening beneficial ownership registries for all legal entity types;
- Considering the role of non-state actors and whistleblowers;
- Establishing effective asset recovery mechanism including through the development of good practices on asset return and considering the adoption of an additional protocol to the UNCAC;
- Concern on proposals for the creation of a global asset registry;
- Challenges and imbalances in the implementation of corruption prevention measures and FATF standards.

On cluster 3 on cooperation and disputes

- Identifying ways to enhance capacity building and technical assistance, with some focusing specifically on the need for building capacity in asset return;
- Identifying ways to enhance international cooperation and information exchange;
- Examining alternatives to arbitration to resolve disputes around taxes, including the establishment of an international tax tribunal.

General issues:

- Giving specific attention to Africa and to make recommendations relevant to the continent;
- Making timely, targeted and evidence-based recommendations related to financing the 2030 Agenda for Sustainable Development;
- Building on and strengthening existing instruments and initiatives to avoid undermining them or duplicating their work, including UNCAC, UNTOC, FATF standards, OECD BEPS Actions, the High Level Panel on IFFs from Africa, and other forums and processes;
- Identifying areas of consensus so that the Panel's recommendations are actionable;
- Continuing regular consultations and providing opportunities to engage with the Panel and its substantive work.

## Closing

**Dr. Ibrahim Mayaki** thanked all delegations for their valuable inputs and invited them to engage in the Panel's future activities highlighting that their participation will help the Panel present proposals that would enable the global economic and financial systems to work better for everyone and everywhere. He concluded the consultation by wishing participants and their beloved continued health and success to all efforts to control the spread of COVID-19 and address the economic consequences of the pandemic.