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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Statements of the Member States of the European Union delivered at the first and second sessions of the Intergovernmental Negotiating Committee on the United Nations Framework Convention on International Tax Cooperation (New York, 4-15 August 2025)

Delegations will find attached for information statements delivered by Denmark on behalf of the Member States of the European Union at the first and second sessions of the Intergovernmental Negotiating Committee on the United Nations Framework Convention on International Tax Cooperation (New York, 4-15 August 2025).

Statement of the Member States of the European Union

delivered at the 1st session of the Intergovernmental Negotiating Committee on the United Nations Framework Convention on International Tax Cooperation

(New York, 4 - 8 August 2025)

Dear Chair, distinguished delegates, colleagues,

I have the honour to speak on behalf of the 27 Member States of the European Union.

We, the Member States of the European Union, are here to continue the negotiations on the future United Nations Framework Convention on International Tax Cooperation and its two early protocols in a constructive and inclusive manner.

For us, this process represents a good opportunity to consider current tax-related challenges and to contribute to enhanced tax cooperation at international level.

We acknowledge the principles on which the future Framework Convention and its Protocols are to be built. All tax policies should encompass general principles of equity, transparency, efficiency, legitimacy, and certainty, while recognising that every Member State has a sovereign right to decide on its tax rules.

In this regard, our shared objective is to promote the stability and coherence of the international tax architecture. We are willing to engage in exploring ways to strengthen international tax cooperation frameworks for them to better reflect the diverse needs, priorities, and capacities of all countries.

Ahead of this session, a lot of work has already been conducted in three workstreams. Yet, a lot of work remains to be done.

We would like to thank you, Mr. Chair, for taking the leadership in this process.

We would also like to express our gratitude to the Co-leads of all three workstreams. The discussions in each workstream have created a forum for sharing ideas and expertise and, at the same time, leaving room for expressing perspectives and concerns. Nonetheless, we consider that more in-depth analyses would have been necessary to enable the issue notes to provide a more balanced overview of the issues which are to be addressed in the Framework Convention and its two early Protocols. In this way, more meaningful engagement could have been encouraged among the Member States.

That being said, we do highly commend all participating Member States for their contributions and for advancing the work in a collaborative way.

We also extend our appreciation to the Secretariat for its work in preparing the documents for these sessions. In this context, we would like to reiterate that timely and transparent preparation of documents plays a crucial role in supporting a truly inclusive and effective process. It also helps improving the quality of our discussions as it allows all parties to prepare and participate on an equal footing.

Talking about participation, we are of the opinion that EU representatives should be allowed to participate in the informal meetings of the workstreams. The rules and long-established practices of the UNGA[1] should be followed – without exception. Inclusivity is at the core of this process and we strongly believe that a more inclusive participation in the informal workstreams could have a positive effect on the final output, building on a diverse range of expertise.

As we move into the formal and detailed negotiations, we, the Member States of the European Union, remain willing to engage in a pragmatic, inclusive, and forward-looking manner. In this spirit, we are ready to contribute constructively to the discussions. We believe that these sessions should be used to further analyse the identified issues, also considering economic evidence, and define areas of convergence to support the substantial development of the future Framework Convention and its two early Protocols.

As we have consistently underlined, our objective should be to reach agreement by consensus and to maximise synergies with existing international standards with a view to avoiding any duplication of work or efforts. In this regard, we will engage in working towards a Framework Convention which entails high-level commitments which are not self-executing; a first early protocol which relies on a thorough analysis and fully reflects the extended efforts already made in other international fora to address tax challenges arising from the digitalisation of the economy; and a second early protocol which builds on the existing legal frameworks for dispute resolution and prevention.

[1] UN Res. 65/276

Mr. Chair, distinguished delegates, colleagues,

We, the Member States of the European Union, are looking forward to participating in these sessions and to working with you towards to a successful and substantive outcome.

Thank you.

Statement of the Member States of the European Union

delivered at the 2nd session of the Intergovernmental Negotiating Committee

on the United Nations Framework Convention on International Tax Cooperation

(New York, 11-15 August 2025)

Dear Chair, distinguished delegates, colleagues,

I have the honour to speak on behalf of the 27 Member States of the European Union.

We, the Member States of the European Union, are here because we believe in multilateralism and international cooperation. We believe that dialog can foster agreement by creating a space for open communication, understanding, and mutual respect.

During the first session, we have been listening carefully to the Member States and stakeholders which have voiced concerns. We hope that our engagement shows that we are willing to discuss these concerns and to explore ways on how to address tax challenges that are related to new business models and global developments.

Our work during the first session focussed on the Framework Convention which should include commitments to achieve its objectives. In this regard, like many others in the room, we favour high-level commitments, which provide for flexibility and will increase the likelihood of broad support for the Framework Convention. We found it useful to start considering how the commitments could be reflected in the text, and we thank the Chair, Co-Lead and Secretariat for facilitating this exercise.

The INC also discussed whether a new commitment on exchange of tax information should be included in the Framework Convention. We would like to reiterate that we fully subscribe to the importance of tax transparency to ensure effective taxation. To this end, an extensive international framework is already in place. The INC should conduct its work in line with paragraph 22 of the ToR.

Moreover, we would like to stress that the exchanges of tax information between member states must navigate the delicate balance between the need for tax transparency and the need for confidentiality and data safeguards.

In the context of the INC's work, we move to the second session where we will focus on the two early protocols. We welcome an open discussion to identify current challenges related to the protocols and explore possible solutions which respect tax sovereignty of each member state.

Concerning the First Early Protocol on taxation of income derived from cross-border services, as a starting point, we recognise that the digitalisation of the economy has changed economic structures and the way services are being provided.

We would like to keep an open mind while discussing possible solutions regarding the First Early Protocol. We believe that there is no one-size fits all approach and any result should consider needs and economic realities of each Member State. To facilitate this process for all involved parties, we think that it is essential to thoroughly understand the economic impacts of these possible solutions building on the extensive efforts already made.

Concerning the Second Early Protocol on prevention and resolution of tax disputes, we support international approaches that facilitate bilateral or multilateral resolution of cross-border tax disputes and prevent them at an early stage.

The development of this protocol should encompass principles of clarity, efficiency and legal certainty. We believe that such a protocol could have an added value in supplementing existing international frameworks. We favour optionality, which would allow states to apply different dispute resolution mechanisms based on their individual circumstances, needs and capacities.

Mr. Chair, distinguished delegates, colleagues,

We, the Member States of the European Union, are ready to discuss current tax-related challenges at international level and to advance the work on the two early protocols.

Thank you.