



# Economic and Social Council

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## Resolution adopted by the Economic and Social Council on 20 April 2017

[on the recommendation of the Committee of Experts on  
International Cooperation in Tax Matters (E/2016/45)]

### 2017/3. United Nations code of conduct on cooperation in combating international tax evasion

*The Economic and Social Council,*

*Recognizing* that tax evasion, including tax fraud, is a global problem affecting developed and developing countries,

*Considering* that, during the past years, the Committee of Experts on International Cooperation in Tax Matters has devoted substantial time and effort towards updating the provisions related to exchange of information in the United Nations Model Double Taxation Convention between Developed and Developing Countries, in order to adjust to current conditions,

*Considering also* that, at its fifth session, the Committee of Experts adopted the code of conduct on cooperation in combating international tax evasion,<sup>1</sup> setting minimum standards of conduct required of Member States regarding the exchange of information,

*Welcoming* the important role that the Group of 20 has played in the international sphere by supporting and encouraging the development of new initiatives on automatic exchange of information and to tackle tax evasion,

*Acknowledging* the important role that the multilateral Convention on Mutual Administrative Assistance in Tax Matters can play in facilitating the implementation of automatic exchange of information, and taking advantage of the fact that a number of countries have already signed the Convention, including a growing number of developing countries and several jurisdictions that are covered by way of territorial extension,

*Noting* that, to tackle tax evasion, including tax fraud, automatic exchange of information has been developed to exchange information about financial accounts held by certain tax residents of a foreign jurisdiction with that jurisdiction's tax authorities,

*Considering* that a number of countries and jurisdictions are committed to an early adoption of automatic exchange of information,

<sup>1</sup> See *Official Records of the Economic and Social Council, 2009, Supplement No. 25 (E/2009/45)*, annex.



*Acknowledging* that all information exchanged is subject to the confidentiality rules and other safeguards provided for in the legal instrument pursuant to which it is exchanged, including the purposes for which the information may be used and limiting to whom the information may be disclosed,

*Recognizing*, however, that automatic exchange of information presents challenges to developed and developing countries that should be adequately addressed by developing the appropriate legal framework, having the necessary information technology and human resources in place, as well as capacity-building, in order to achieve effective and efficient implementation,

*Conscious* of the need to provide technical assistance and capacity-building to developing countries so that they may reap the benefits of automatic exchange of information,

*Emphasizing* that nothing in the present resolution affects the rights and obligations of States or their respective spheres of competence,

*Decides* to adopt the following code of conduct, and invites States to consider adopting the goals and substantive actions set out therein:

## **United Nations code of conduct on cooperation in combating international tax evasion**

### **I. Goals**

The United Nations code of conduct on cooperation in combating international tax evasion has the following goals:

(a) To ensure that all States following the present code of conduct, in an effort to combat international tax evasion and avoidance, and to protect their tax bases from non-compliance with their tax laws, provide that high levels of transparency and exchange of information in tax matters are adhered to, in particular, automatic exchange of information;

(b) To assist in the development of international norms, practical steps and capacity-building programmes that those States may follow, with a view to preventing and combating international tax evasion and protecting their tax bases from non-compliance with their tax laws.

### **II. Substantive actions**

States following the present code of conduct intend:

(a) To effectively exchange information in both criminal and civil tax matters;

(b) To have appropriate confidentiality rules for information exchanged and safeguards and limitations that apply to taxpayer information;

(c) To endorse the work carried out on automatic exchange of financial account information, including the Standard for Automatic Exchange of Financial Account Information in Tax Matters, the so-called Common Reporting Standard;

(d) To encourage all countries that have not already done so to consider becoming a party to the multilateral Convention on Mutual Administrative Assistance in Tax Matters;

(e) To affirm the need to work within the United Nations, as well as with the Organization for Economic Cooperation and Development, the Global Forum on Transparency and Exchange of Information for Tax Purposes, the Group of 20 and

other concerned multilateral bodies and relevant international organizations, in order to help developing countries and countries with economies in transition to identify their needs for capacity-building and technical assistance on automatic exchange of information, including on addressing confidentiality issues;

(f) To also affirm the need to conduct technical meetings, seminars and other capacity-building or technical assistance events on automatic exchange of information, including confidentiality, for developing countries and countries with economies in transition, with the involvement of concerned multilateral bodies and relevant international organizations.

The substantive actions are intended to be taken by means of two broad types:

1. Unilateral means: the national implementation of automatic exchange of information may necessitate that countries amend their domestic legislation and practices and develop necessary administrative resources and information technology infrastructure;

2. Bilateral or, as appropriate, multilateral means, including regional approaches: the principles of transparency and effective exchange of information will generally be implemented through international cooperation (capacity-building), bilateral or multilateral arrangements in order to exchange information automatically, including by implementing the substance of article 26 and the accompanying commentary of the United Nations Model Double Taxation Convention between Developed and Developing Countries, as finalized by the Committee of Experts on International Cooperation in Tax Matters.

*21st plenary meeting  
20 April 2017*