

St.Gallen DRAFT – April 2025

**UNITED NATIONS FRAMEWORK CONVENTION ON
INTERNATIONAL TAX COOPERATION**

UNITED NATIONS

2025

THIS DOCUMENT ORIGINATES FROM A COURSE AT THE UNIVERSITY OF ST. GALLEN IN APRIL 2025. A TOTAL OF 16 STUDENTS EACH REPRESENTED A COUNTRY DURING THE NEGOTIATIONS AND IN THE DEVELOPMENT OF THIS DRAFT. THE FOLLOWING COUNTRIES WERE REPRESENTED:

CHINA, INDIA, SINGAPORE, NIGERIA, GHANA, SWEDEN, GERMANY, POLAND, BAHAMAS, EGYPT, NORWAY, ESTONIA, CZECH REPUBLIC, CHILE, COLOMBIA, SAUDI ARABIA.

THE DRAFT STILL CONTAINS SOME DISCREPANCIES, WHICH COULD NOT ALL BE RESOLVED DUE TO THE LIMITED NEGOTIATION TIME (2 DAYS).

UNITED NATIONS FRAMEWORK CONVENTION ON INTERNATIONAL TAX COOPERATION

The Parties to this Convention,

Acknowledging that tax policy and administration are essential instruments for achieving sustainable development, fiscal sovereignty, and economic justice,

Concerned that the current fragmentation and asymmetry in international tax rules undermine the ability of States, in particular developing countries, to mobilize domestic resources and combat tax abuse effectively,

Recognizing that harmful tax practices and aggressive tax planning have cross-border effects that require a coordinated international response,

Reaffirming the sovereign right of States to determine their own tax systems and policies, in accordance with the principles of international law, while acknowledging the need for cooperation to prevent base erosion and profit shifting and ensure fairness and transparency,

Noting the growing role of digitalization and global integration in shaping modern tax challenges, including the taxation of cross-border activities and digital services,

Recognizing the need for inclusive international tax cooperation that reflects the equal voice and participation of all States, regardless of size or level of development,

Acknowledging the importance of strengthening the capacity of developing countries to design and administer tax systems and participate fully in international tax discussions,

Reaffirming its resolution 69/313 of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development,

Reaffirming also its resolution 70/1 of 25 September 2015, entitled “Transforming our world: the 2030 Agenda for Sustainable Development”,

Recalling its resolutions 77/244 of 30 December 2022, 78/230 of 22 December 2023 and 79/235 of 24 December 2024 on the promotion of inclusive and effective international tax cooperation at the United Nations,

Looking forward to the convening of the Fourth International Conference on Financing for Development, from 30 June to 3 July 2025, in Seville, Spain,

Determined to promote effective, inclusive and equitable international cooperation in tax matters,

Have agreed as follows:

ARTICLE 1

DEFINITIONS

For the purposes of this Convention:

1. "Developing Country" means a State that is included in the list of developing economies as recognized by the United Nations, and which is not classified as a high-income country according to the most recent World Bank income classifications. The designation shall be periodically reviewed by the Secretariat under the supervision of the Conference of the Parties.
2. "Least Developed Country" means a State designated as such by the United Nations Committee for Development Policy (CDP), based on the established criteria relating to income, human assets, and economic vulnerability.
3. "Small Island Developing States" means States recognized by the United Nations as small island developing States due to their unique and particular vulnerabilities, including small population size, geographic isolation, exposure to climate change and natural disasters, limited economic diversification, and high dependence on external trade. The list of small island developing States shall be based on the most recent classification published by the United Nations Department of Economic and Social Affairs (UN DESA) or any successor body.
4. "Developed Country" means any State that is not classified as a developing country, a least developed country, or a small island developing State in accordance with the definitions provided in this Article. The designation of developed countries shall be residual, determined on the basis of exclusion from the aforementioned categories.
5. "State with Low Tax Capacity" means a developing country with a tax-to-GDP ratio below 15 percent, or otherwise identified as having limited administrative capacity in domestic revenue mobilization, as recognized in assessments by the IMF, World Bank, or UN Tax Reports.
6. "International Tax Cooperation" means the coordinated efforts by States to improve transparency, prevent tax base erosion and profit shifting, combat tax evasion and illicit financial flows, and enhance the fairness and effectiveness of cross-border tax rules.
7. "Convention" means the United Nations Framework Convention on International Tax Cooperation, including any annexes and protocols thereto.
8. "Tax Treaty" means any bilateral or multilateral agreement between States regarding taxation including any protocols to this Convention.
9. "Tax Administration" refers to the government agency or designated authority responsible for administering and enforcing the domestic tax laws of a State.
10. "Secretariat" means the body established under Article 5 of this Convention to support the implementation and administration of the Convention and its protocols.

11. “Tax related information” means any information that is foreseeably relevant to the administration, enforcement, or evaluation of tax laws and obligations.

ARTICLE 2

OBJECTIVES

1. The ultimate objective of this Convention and any related legal instruments that the Conference of the Parties may adopt is to establish, in accordance with the relevant provisions of the Convention, a system for fully inclusive and effective international tax cooperation that builds upon and complements existing frameworks governing the matter.
2. This Convention shall create an international tax system that respects and builds upon the fiscal sovereignty of States and fosters sustainable development that is inclusive, transparent, efficient and effective, enhancing the coherence of international tax law, legal certainty and predictability for taxpayers and tax administrations, while giving special consideration towards the needs of developing countries.
3. The Convention seeks to harmonize existing frameworks and standards governing international tax cooperation, while also addressing pressing social and environmental concerns in a balanced way.

ARTICLE 3

PRINCIPLES

In their actions to achieve the objectives of the Convention and to implement its provisions, the Parties shall be guided, inter alia, by the following principles:

1. Measures taken by the Parties to achieve the objectives of this Convention should be universal in approach but flexible enough to accommodate differing needs.
2. The Parties shall recognize that every member State has the sovereign right to decide its tax policies and practices, while also respecting the sovereignty of other Parties in such matters.
3. Measures taken by the Parties in the pursuit of international tax cooperation should be in line with the States' obligations under international human rights law.
4. This Convention shall be compatible with established international tax standards, ensuring that its provisions complement and support existing tax treaties and multilateral initiatives.
5. The Parties shall take a holistic approach that balances economic, social, and environmental aspects, contributing to the accomplishment of the UN Sustainable Development Goals where possible.
6. This Convention shall consider environmental impacts, aiming to support measures that contribute to reducing global warming and preserving ecosystems, in alignment with other international environmental agreements.
7. The Parties shall facilitate the exchange of tax related information to combat tax evasion and illicit financial flows, while ensuring appropriate safeguards for taxpayer rights and confidentiality in accordance with tax treaties in force.

8. Measures adopted under this Convention shall be effective in achieving the objectives while ensuring that compliance costs and administrative burdens remain proportionate to the intended benefits.
9. Actions by the Parties should be sufficiently flexible and resilient to ensure equitable and effective results as societies, technology, business models, and the international tax cooperation landscape evolves.
10. The Parties should apply rules that are as simple and easy to administer as the subject matter allows.
11. Measures taken by the Parties should ensure certainty for taxpayers and governments. They should furthermore require transparency and accountability of all taxpayers.
12. This Convention shall respect the rights of source countries to tax income generated from economic activity within their jurisdictions, including in digital and service sectors, regardless of physical presence.

ARTICLE 4

CONFERENCE OF THE PARTIES

1. A Conference of the Parties is hereby established as the supreme governing and decision-making body of this Convention to improve the international tax cooperation between States. Each Party shall be represented at the Conference of the Parties and shall have one vote.
2. The Conference of the Parties shall:
 - (a) Periodically review the overall status of implementation of this Convention and its protocols based on the Parties' reports;
 - (b) Foster dialogue, exchange of experiences, and voluntary cooperation among Parties and relevant stakeholders;
 - (c) Adopt amendments and protocols subject to subsequent ratification by the Parties;
 - (d) Establish working groups or subsidiary bodies as necessary, limited primarily to implementation facilitation and technical advice.
 - (e) Appoint the head of the Secretariat.
3. As a general rule, decisions of the Conference of the Parties shall be adopted by consensus. However, if all efforts to reach consensus have been exhausted, the following differentiated voting procedures shall apply:
 - (a) Substantive decisions, including but not limited to amendments to this Convention, international standards, guidelines or resolutions, and the allocation of financial resources, shall require a two-thirds majority of the Parties present and voting. In cases where a Party considers a decision to directly impact its sovereign taxation prerogatives or legal obligations under existing frameworks, it may record a formal reservation, to be reviewed by the

Facilitation Committee as outlined in Article 9. The reservation needs to be filed within 30 calendar days of the date of voting, which can be extended to 60 calendar days if capacity building is needed. The review by the Facilitation Committee shall in no case take more than 60 calendar days.

- (b) Procedural decisions, including but not limited to the adoption of the agenda, the election of officers, and the establishment of subsidiary bodies or working groups, shall require a simple majority of the Parties present and voting.

4. The Conference of the Parties shall convene regular annual sessions unless otherwise decided. The place of the sessions shall rotate among the five UN regional groups. Regular sessions shall, as a general rule, be conducted in person. When significant circumstances require it regular sessions may, as an exception, also be held virtually or in a hybrid format. The first session of the Conference of the Parties shall take place not later than one year after the date of entry into force of this Convention. Extraordinary sessions of the Conference of the Parties shall be held at such other times as may be deemed necessary, or at the written request of any Party, provided that, within four months of the request being communicated to the other Parties by the Secretariat, it is supported by at least one third of the Parties.

5. The Conference of the Parties shall encourage and facilitate regional consultations and preparatory meetings between the representatives of the five UN regional groups and further negotiation groups before Conference of the Parties sessions. These consultations and meetings shall enable Parties to discuss regional priorities, challenges, strategies, and coordinate their positions prior to the Conference of the Parties.

6. Conference of the Parties sessions shall be made transparently accessible for observers to participate and submit Statements, including, but not limited to; non-member States, international and regional organizations, non- and intergovernmental organizations, the private sector, academia, and civil society. Observers shall be allowed to participate in deliberations without voting rights. Any potential observer, which has informed the Secretariat of its wish to be represented at a session of the Conference of the Parties as an observer, may be so admitted unless at least one third of the Parties object.

7. Delegations of Parties attending the Conference of the Parties are encouraged to comprise diplomatic and technical experts. Special efforts shall be undertaken to prevent disproportionate representation between developed and developing countries.

8. The first session of the Conference of the Parties shall, for each taxation matter, elect a Chair, Vice-Chair, and Rapporteur, ensuring balanced geographical and gender representation as well as diplomatic and tax expertise among the elected officers, who shall constitute the Conference of the Parties Bureau.

9. Conference of the Parties meetings shall include high-level segments for strategic discussions and technical segments addressing detailed international tax matters.

ARTICLE 5

SECRETARIAT

1. A Secretariat is hereby established to support the effective functioning of this Convention. The Secretariat shall perform the functions assigned to it by the Conference of the Parties, the Subsidiary Bodies, and other relevant organs established under this Convention.

2. The recruitment of the Secretariat's staff shall follow transparent, competitive, and merit-based procedures, with due regard for regional balance, gender equality, technical qualifications, and the need for institutional independence. The staff shall consist of at least 15 people for a term time of three years with the possibility of re-election.
3. In performing its functions, the Secretariat shall act in accordance with the objectives and principles of this Convention under the guidance and authority of the Conference of the Parties.
4. The Secretariat shall not have decision-making powers nor exercise direct compliance monitoring or enforcement functions unless explicitly mandated by the Conference of the Parties.
5. The Conference of the Parties shall undertake a review of the functions of the Secretariat three years after the entry into force of this Convention, and at regular intervals thereafter, to determine whether adjustments to the Secretariat's mandate are necessary.
6. The Secretariat shall, under the guidance of the Conference of the Parties:
 - (a) Provide administrative and logistical support to meetings of the Conference of the Parties, subsidiary bodies, and working groups;
 - (b) Prepare and distribute reports, agendas, background documentation, and technical materials as requested by the Parties or the Conference of the Parties Bureau;
 - (c) Provide legal and technical assistance to Parties upon request;
 - (d) Facilitate access to capacity-building and technical cooperation programs, in cooperation with other international organizations and relevant stakeholders;
 - (e) Compile and publish reports based on information submitted by Parties, without making independent assessments or recommendations;
 - (f) Perform any other functions entrusted to it by the Conference of the Parties.
7. The Secretariat shall provide comprehensive organizational and logistical support to facilitate the negotiation process. In particular, it shall:
 - (a) Prepare and circulate notices, draft meeting agendas, and relevant documentation in advance of negotiation sessions;
 - (b) Coordinate the scheduling and management of negotiation meetings, including plenary sessions, working groups, and informal consultations;
 - (c) Ensure the availability of interpretation services in all official UN languages in order to facilitate communication during negotiations among Parties.
8. The Secretariat shall provide technical and legal support only upon the explicit request of Parties. Such support may include, but is not limited to, the facilitation of negotiation processes. In providing such support, the Secretariat shall refrain from imposing any external standards on domestic tax policy.

- a) Prepare background papers, technical briefs, and legal analyses on issues under negotiation, upon request by the Parties;
- b) Provide clarification on procedural and substantive matters related to the negotiation;
- c) Assist in the drafting and revision of negotiation texts, including draft articles, protocols, and annexes;
- d) Oversee the accreditation and registration of delegates, observers, and other stakeholders to ensure inclusive participation;
- e) Manage meeting and conference facilities, including virtual platforms where applicable;
- f) Ensure the availability of security, protocol services, and other logistical arrangements essential to the effective conduct of negotiations.

9. The Secretariat shall ensure the transparency and inclusivity throughout the negotiation process. It shall:

- a) Maintain open channels of communication with all delegations and stakeholders;
- b) Facilitate access to negotiation documents, consistent with the applicable rules on confidentiality and transparency;
- c) Support the participation of developing countries, particularly least developed countries and small island developing States, through technical assistance and capacity-building initiatives as outlined in Articles 12 through 28.

10. The Secretariat shall be responsible for accurate and timely record-keeping and dissemination of information. It shall:

- a) Prepare and distribute official records of negotiation meetings, including minutes, session summaries, and outcome reports;
- b) Maintain a secure and accessible digital archive of all negotiation documents and related material;
- c) Publish regular updates and summaries of negotiation progress, subject to the approval of the Parties;
- d) Report periodically to the Conference of the Parties on relevant administrative, procedural, and substantive developments concerning this Convention.

11. The Secretariat shall support efforts to build consensus among negotiating Parties. It may:

- a) Provide neutral and impartial facilitation services upon request by the Chair or Parties.

- b) Assist in identifying areas of agreement and disagreement to help clarify positions and encourage dialogue;
- c) Support informal consultations and dispute resolution efforts in the event of procedural challenges during negotiations.

12. The Secretariat shall assist the Conference in the performance of its functions and shall undertake additional responsibilities as mandated by the Conference of the Parties. To ensure accountability and continuous improvement, the Secretariat shall:

- a) Implement periodic internal reviews of its performance in fulfilling its duties and distribute the reports to the Parties;
- b) Conduct provisional impact assessments to evaluate the effectiveness of its support and services and distribute the reports to the Parties;
- c) Develop and distribute evaluation surveys to delegations for feedback following major negotiation sessions;
- d) Facilitate consultations with Parties to assess satisfaction and identify areas for improvement;
- e) Report findings and recommendations to the Conference of the Parties for consideration and possible action.

ARTICLE 6

DISPUTE RESOLUTION MECHANISM

This Dispute Resolution Mechanism as further outlined in Article 7 shall apply to disputes arising from this Convention and protocols between Parties to this Convention to which the application of this mechanism has expressly been agreed to in writing.

ARTICLE 7

CONSULTATION PROCEDURES

1. Any Party to this Convention may initiate a request for consultation, under the Dispute Resolution Mechanism, with another Party as outlined in Article 6.
2. Consultations shall be concluded within 180 days of initiating the dispute resolution procedure.
3. The consultations may be concluded with;
 - (a) a statement of agreement;
 - (b) a proposed solution multi- or bi-laterally; or
 - (c) a mutual decision to refer the dispute to the ICJ, provided that several alternative dispute resolution mechanisms have been explored and exhausted.

ARTICLE 8

FINANCIAL SUPPORT FOR CONSULTATIONS

1. Developed countries are encouraged to provide financial support to developing countries, particularly least developed countries, for participating in the consultation process, including legal counsel, travel, and other related expenditures.
2. All other Parties are encouraged to support this initiative voluntarily.
3. The support provided shall be subject to an annual review by the Secretariat, whereby outcomes are documented in a report, and further needs are identified and reported to the Conference of the Parties.

ARTICLE 9

FACILITATION COMMITTEE

1. A Facilitation Committee shall be established with the following functions:
 - (a) to review and assess formal reservations submitted by Parties, in accordance with Article 4, paragraph 3(a) such review shall be impartial, evidence-based, and guided by the principles of transparency and balanced participation.;
 - (b) to oversee dispute consultations between Parties;
 - (c) to assist Parties in understanding the structure of protocols adopted under this Framework Convention in disputes.
2. The Facilitation Committee shall be composed of fifteen independent representatives, with three representatives nominated from each of the five United Nations regional groups. Where possible, at least one representative per region shall be from a developing country. Each representative shall serve a term of three years. The Secretariat shall implement a staggered election process to ensure continuity and to avoid the simultaneous expiration of all terms.
3. The Facilitation Committee shall operate in a non-punitive manner, with a mandate focused on facilitating cooperative dialogue, procedural understanding, and technical support among Parties.
4. When reviewing formal reservations in accordance with Article 4, paragraph 3(a), the Facilitation Committee shall submit a report to the Conference of the Parties within the timeframe established under Article 4, paragraph 3(a). It shall also provide annual reports on progress and challenges of its mandate.

ARTICLE 10

PROCEDURAL GUIDELINES AND VOLUNTARY INSTRUMENTS

1. This dispute resolution mechanism does not establish detailed rules of procedure, however, Parties to this Convention are encouraged to utilize existing guidelines when

resolving disputes under Article 6. Parties may consider the UNCITRAL arbitration rules, among others, provided they are accessible, cost-effective, and appropriate for the technical nature of disputes.

2. Use of these instruments shall remain voluntary and non-binding under this Convention and shall be subject to mutual consent by the Parties involved in the disputes.

ARTICLE 11

REVIEW OF THE DISPUTE RESOLUTION MECHANISM

1. This dispute resolution mechanism shall be assessed by the Conference of the Parties.
2. The first review shall occur one year after entry into force of this Convention, and every three years thereafter.
3. The review shall inform any improvements to make the mechanism more inclusive, and effective for international tax cooperation as per the principles outlined in Article 3.

ARTICLE 12

INTERNATIONAL CAPACITY-BUILDING PROGRAM

An International Tax Capacity-Building Program (ITCBP) shall be established under this Convention to offer basic, request-based support for improving tax administration capacities of Parties, particularly least developed countries, small island developing States and developing countries.

ARTICLE 13

INTERNATIONAL TAX COOPERATION FUND

1. A dedicated International Tax Cooperation Fund (ITCF) shall be established to finance the ITCBP.
2. The ITCF shall be administered by the Secretariat under the supervision of the Conference of the Parties, which will ensure transparency, oversight, and equitable resource allocation.

ARTICLE 14

STATE CONTRIBUTIONS

1. The Secretariat shall develop a formula for equitable financial contributions, considering the criteria in paragraph 2 of this Article, ensuring fairness and predictability in funding. The formula shall be reassessed yearly.
2. Parties shall provide financial contributions in line with their economic capacity, considering:
 - (a) GDP size; adjusted for population size, development indicators, and trade balance

- (b) The scale of financial and corporate sectors, considering domestic regulatory frameworks.
- 3. Parties may further contribute voluntarily.
- 4. When providing financial contributions the following limits shall not be exceeded:
 - (a) A maximum contribution per country of USD 1 million.
 - (b) A minimum contribution of UDS 10,000 for developed countries.
- 5. The annual funding of the ITCF shall be USD 5 million unless otherwise agreed by the Conference of the Parties.

ARTICLE 15

SUPPORT FROM INTERNATIONAL FINANCIAL INSTITUTIONS

- 1. The ITCF according to Article 13 shall cooperate with the International Monetary Fund (IMF), the World Bank, and regional development banks to secure grants, concessional loans, and other financial support.
- 2. International organizations and bilateral donors are encouraged to provide financial assistance to developing countries for participation in tax cooperation efforts.

ARTICLE 16

ALLOCATION AND OVERSIGHT OF FUNDS

- 1. The Financial Oversight Committee (FOC) shall be established considering equitable regional representation by the Secretariat under the supervision of the Conference of the Parties to:
 - (a) Review financial reports and audit outcomes;
 - (b) Ensure transparency in fund allocation;
 - (c) Assess the effectiveness of financing mechanisms.
- 2. Annual financial audits shall be conducted by independent experts not being members of the FOC, with findings reported to the Secretariat and the Conference of the Parties.

ARTICLE 17

TAX TREATY NEGOTIATIONS

- 1. A portion of the ITCF as outlined in Article 13 shall be dedicated exclusively to supporting tax treaty negotiations. This includes:
 - (a) Providing expert advisory services for treaty formulation;
 - (b) Facilitating dialogue and coordination between negotiating Parties;
 - (c) Covering travel and logistical expenses related to treaty negotiation meetings;

- (d) Developing model treaty language and negotiation toolkits.

ARTICLE 18

NEGOTIATION ASSISTANCE (CONVENTION)

1. The ITCBP, as established in Article 12, shall provide comprehensive assistance to Parties in preparation for negotiations related to the Convention and related legal instruments. The aim is to ensure that all Parties are fully equipped to engage effectively in the negotiation process.
2. The assistance shall include:
 - (a) Clarification and guidance on the documents and materials distributed by the Secretariat before each negotiation session;
 - (b) Support in understanding technical and legal terminology;
 - (c) Tailored briefings and preparatory sessions, available both online and in person, to assist representatives in familiarizing themselves with the issues under discussion if requested by a Party;
 - (d) Provision of summaries and explanatory notes on key sections of negotiation documents, highlighting the implications for different Parties based on their specific needs and priorities.
3. Assistance shall be provided at least two weeks prior to the meetings.

ARTICLE 19

TECHNICAL ASSISTANCE AND KNOWLEDGE TRANSFER

1. Developed countries under the umbrella of the ITCBP shall provide technical assistance to the tax administrations of least developed countries, small island developing States and developing countries.
2. Assistance shall include:
 - (a) The exchange of best practices on tax policy and administration;
 - (b) Training on international tax standards, including transfer pricing and exchange of information;
 - (c) Development of guidelines for tackling tax evasion, avoidance, and illicit financial flows.
3. A Technical Assistance Fund shall be established under the ITCF to finance expert missions, advisory services, and training programs. To ensure knowledge transfer and capacity-building.

ARTICLE 20

DIGITALIZATION

1. A Digital Tax Infrastructure Initiative is hereby established under the authority of the Conference of the Parties, to support the modernizations and digital transformation of tax administration systems of participating Parties, with particular attention to the needs of developing countries.
2. The objectives of the initiative shall include:
 - (a) Enhancing the efficiency, transparency, and effectiveness of tax collection and enforcement;
 - (b) Promoting compliance with international standards;
 - (c) Strengthening digital resilience and the secure handling of taxpayer data;
 - (d) Reducing compliance costs and promoting taxpayer engagement through digital services.
3. The initiative shall support Parties through:
 - (a) The design and implementation of e-filing systems, digital reporting platforms, and real-time transaction monitoring tools;
 - (b) Capacity-building and training programs focused on the use of digital technologies, including big data analytics, artificial intelligence, blockchain, and cybersecurity;
 - (c) Technical assistance in legal and regulatory reform to enable digitalization efforts.
4. A dedicated digitalization support window shall be established within the ITCF to finance the activities of the Initiative. Parties or other stakeholders may contribute financially or in-kind.

ARTICLE 21

EXCHANGE PROGRAMS

1. The ITCBP shall establish a Global Tax Official Exchange Program (GTOEP) to enable tax officers from developing countries to gain hands-on experience in more advanced tax administrations.
2. The program shall be structured as:
 - (a) Short-term secondments (3–12 months) in foreign tax agencies;
 - (b) Joint training sessions for tax officials from multiple States;
 - (c) Peer-learning networks coordinated by the Secretariat.

3. Participation in the GTOEP shall be open to all Parties, with priority given to officials from least developed countries, small island developing States and developing countries with limited capacity. The Secretariat shall coordinate the selection process.

ARTICLE 22

REGIONAL TAX TRAINING CENTERS

1. The ITCBP shall establish Regional Centers of Excellence for Tax Capacity-Building in different global regions to enable knowledge transfer and similar standards among similar Parties.

2. These centers shall provide:

- (a) Specialized training on international tax law, treaties, and compliance;
- (b) Certification programs for tax auditors and investigators;
- (c) Research support on global tax trends and challenges.
- (d) Opportunities for knowledge transfer among Parties

3. The centers shall cooperate with existing institutions such as the African Tax Administration Forum (ATAF), Inter-American Center of Tax Administrations (CIAT), and the Asian Development Bank (ADB).

ARTICLE 23

DOMESTIC RESOURCE MOBILIZATION

1. The ITCBP shall provide targeted financial, technical, and advisory support to developing countries to strengthen their domestic resource mobilization capacities.

2. The objective of this support is to enhance national revenue potential, promote equitable tax systems, improve voluntary compliance, and reduce reliance on external financing through the development of efficient, fair, and transparent tax systems.

3. Assistance may include:

- (a) Broadening the tax base by addressing gaps in coverage, including through improved taxpayer registration;
- (b) Support for designing and implementing progressive taxation policies, including income, wealth, and property taxes that promote fairness and reduce inequality;
- (c) Strengthening enforcement and compliance strategies, including risk-based auditing, improved taxpayer services, and dispute resolution mechanisms;
- (d) Digitization of domestic tax systems to improve efficiency and transparency.

ARTICLE 24

LANGUAGE SUPPORT

1. In order to promote inclusive and effective participation in tax treaty negotiations, the ITCBP shall offer targeted language and communication support to representatives of Parties, particularly those from developing countries.
2. This support shall include:
 - (a) Official UN language training for delegates involved in negotiations within the Conference of the Parties, subsidiary bodies, and working groups;
 - (b) Specialized language modules focused on international tax terminology, negotiation vocabulary, and legal drafting;
 - (c) Interpretation and translation services during formal meetings and informal consultations to facilitate real-time understanding and engagement.
3. The ITCBP shall prioritize access to such services for representatives from least developed countries, small island developing States and developing countries, ensuring participation across all regions.
4. The Secretariat shall coordinate the design and delivery of language support programs in cooperation with relevant UN language services, academic institutions, and regional language training centers.

ARTICLE 25

TARGETED COUNTRIES FOR CAPACITY-BUILDING SUPPORT

1. Special priority shall be given to least developed countries to enhance their capacity to mobilize domestic resources for development.
2. Due to their reliance on offshore financial services and vulnerability to tax base erosion, small island developing States shall receive specialized support in strengthening compliance with international tax standards and ensuring adequate support for regulatory transitions and avoiding reputational harm due to compliance gaps.
3. Developing countries with low tax-to-GDP ratios and limited tax enforcement mechanisms shall receive targeted assistance. These countries shall be identified as outlined in the definitions.
4. Developing States affected by global tax reforms under the umbrella of an international organization shall be eligible for transitional financial support.
5. States demonstrating a commitment to anti-tax avoidance measures and international transparency shall receive priority in technical assistance and funding. Eligibility shall be assessed based on adherence to international tax cooperation agreements.

ARTICLE 26

ASSESSMENT OF CAPACITY-BUILDING

1. The ITCBP shall conduct regular and systematic assessments to evaluate the effectiveness and impact of its capacity-building initiatives.
2. The assessment shall include:
 - (a) Qualitative and quantitative analysis of the outcomes of capacity-building activities, including training programs, technical assistance, and knowledge transfer initiatives;
 - (b) Monitoring of institutional changes in beneficiary countries, including improvements in tax administration;
 - (c) Evaluation of the alignment of capacity-building initiatives with the national priorities of recipient countries, ensuring that support is tailored to their specific needs and challenges.
3. The findings of the assessment shall be compiled into a comprehensive capacity building evaluation report, which shall:
 - (a) Summarize the key achievements, challenges, and lessons learned from the implementation of capacity-building activities;
 - (b) Provide actionable recommendations for improving the design, delivery, and impact of future capacity-building efforts;
 - (c) Include a review of the financial and resource allocation for capacity-building activities, ensuring the efficient use of funds and alignment with objectives.
4. The report shall be submitted to the Secretariat and the Conference of the Parties for review. Based on the findings, the Secretariat or the Conference of the Parties may recommend adjustments to the ITCBP's strategy.

ARTICLE 27

ASSESSMENT OF CAPACITY-BUILDING TARGETS

1. Every year the targets of direct capacity-building support shall be reassessed and redefined by the Secretariat or the Conference of the Parties.
2. Criteria for assessment are:
 - (a) GDP size; adjusted for population size, development indicators, and trade balance
 - (b) The scale of financial and corporate sectors, considering domestic regulatory frameworks.
 - (c) Distance to location of meetings.

3. Reception of capacity building shall be ensured for five years and longer if the Party provides credible justification that it is needed for the effective implementation of this Convention and its related legal instruments.
4. Control mechanisms for the effectiveness of capacity-building shall be implied by the Secretariat under the supervision of the Conference of the Parties.
5. A recipient may be temporarily deprioritized from capacity-building support if no demonstrable progress is shown, subject to review and the opportunity for corrective engagement.

ARTICLE 28

EXCHANGE OF INFORMATION

1. Parties shall cooperate to facilitate the timely, secure, and effective exchange of information relevant to the implementation of this Convention.
2. The exchange of information shall aim to enhance transparency and mutual understanding of tax policies and practices, and support capacity-building efforts by sharing best practices, experiences and technical expertise.
3. Parties shall endeavor to establish appropriate mechanisms, including:
 - (a) Secure and standardized channels for the exchange of information;
 - (b) Periodic multilateral and bilateral consultations to discuss tax-related developments;
 - (c) Databases or platforms for the sharing of anonymized data, research, and analytical tools;
 - (d) Confidentiality and data protection safeguards to ensure that exchanged information is used solely for the agreed purposes.

ARTICLE 29

RIGHT TO VOTE

1. Each Party to the Convention shall have one vote, except as provided for in paragraph 2 below.
2. Regional economic integration organizations, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States that are Parties to the Convention. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa.

ARTICLE 30

DEPOSITARY

The Secretary-General of the United Nations shall be the Depositary of the Convention and of any Protocols adopted.

ARTICLE 31

SIGNATURE

This Convention shall be open for signature by States that are Members of the United Nations or of any of its specialized agencies, or that are Parties to the Statute of the International Court of Justice, and by regional economic integration organizations. It shall be open for signature at United Nations Headquarters in New York from 30 April 2025 to 29 April 2026.

ARTICLE 32

RATIFICATION ACCEPTANCE, APPROVAL OR ACCESSION

1. This Convention shall be subject to ratification, acceptance, approval or accession by States and by regional economic integration organizations. It shall be open for accession from the day after the date on which the Convention is closed for signature. Instruments of ratification, acceptance, approval or accession shall be deposited with the Depositary.
2. Any regional economic integration organization which becomes a Party to the Convention without any of its member States being a Party shall be bound by all the obligations under the Convention. In the case of such organizations, one or more of whose member States is a Party to the Convention, the organization and its member States shall decide on their respective responsibilities for the performance of their obligations under the Convention. In such cases, the organization and the member States shall not be entitled to exercise rights under the Convention concurrently.
3. In their instruments of ratification, acceptance, approval or accession, regional economic integration organizations shall declare the extent of their competence with respect to the matters governed by the Convention. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence.

ARTICLE 33

ENTRY INTO FORCE

1. The Convention shall enter into force on the ninetieth day after the date of deposit of the fiftieth instrument of ratification, acceptance, approval or accession.
2. For each State or regional economic integration organization that ratifies, accepts or approves the Convention or accedes thereto after the deposit of the fiftieth instrument of ratification, acceptance, approval or accession, the Convention shall enter into force on the ninetieth day after the date of deposit by such State or regional economic integration organization of its instrument of ratification, acceptance, approval or accession.
3. For the purposes of paragraphs 1 and 2 above, any instrument deposited by a regional economic integration organization shall not be counted as additional to those deposited by States members of the organization.

ARTICLE 34**RESERVATIONS**

No reservations may be made to the Convention.

ARTICLE 35**WITHDRAWAL**

1. At any time after three years from the date on which the Convention has entered into force for a Party, that Party may withdraw from the Convention by giving written notification to the Depositary.
2. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal.
3. Any Party that withdraws from the Convention shall be considered as also having withdrawn from any protocol to which it is a Party.

ARTICLE 36**AUTHENTIC TEXTS**

The original of this Convention, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

IN WITNESS WHEREOF the undersigned, being duly authorized to that effect, have signed this Convention.

DONE at St.Gallen this fifteenth day of April two thousand and twenty-five.

Annex I**PROTOCOL 1**The Parties to this Protocol,

Recognizing that bilateral tax treaties are fundamental instruments for the elimination of double taxation and the facilitation of cross-border trade and investment,

Believing that such treaties must also effectively address tax avoidance, base erosion, and profit shifting in order to preserve the integrity and fairness of the international tax system,

Desiring to ensure that bilateral tax agreements are compatible with the objectives and principles of the United Nations Framework Convention on International Tax Cooperation, and to establish common minimum standards for fair and effective taxation,

Considering that multilateral cooperation provides a more coherent, efficient, and equitable framework for addressing cross-border tax challenges than fragmented bilateral approaches,

Acknowledging that the Parties to this Protocol share a common commitment to principles of transparency, integrity, equality of treatment, and development-oriented tax cooperation,

Reaffirming that this Protocol does not limit existing taxing rights under applicable tax treaties, but rather aims to strengthen their legal coherence and practical effectiveness among Parties,

Have agreed as follows:

ARTICLE 1**SCOPE OF APPLICATION**

1. This Protocol shall apply, notwithstanding any contrary provision in any agreement for the avoidance of double taxation or for the prevention of tax evasion or avoidance (hereinafter referred to as a “Double Tax Treaty”), between two or more Parties to this Protocol.
2. The provisions of this Protocol shall apply to any Double Tax Treaty:
 - (a) that is in force between the Parties to this Protocol at the time of its entry into force for those Parties; or
 - (b) that is concluded between such Parties after the entry into force of this Protocol for those Parties.
3. In the event of a conflict between the provisions of this Protocol and any provision of a Double Tax Treaty referred to in paragraph 2, the provisions of this Protocol shall prevail to the extent of the conflict.

4. Nothing in this Article shall be interpreted as affecting the rights or obligations of a Party to a Double Tax Treaty with respect to any jurisdiction that is not a Party to this Protocol.

5. In the event of a conflict between this Protocol and the constitutional law or applicable law of the European Union, the latter shall prevail.

ARTICLE 2

TAXATION OF CROSS-BORDER BUSINESS SERVICES

1. This Article applies to fees for services paid by a resident of a Contracting State to a resident of the other Contracting State, where the services are rendered without a permanent establishment in the other State.

2. Fees for services means payments for any service, including managerial, technical, consulting, digital, and professional services, unless covered by other Articles of this Protocol.

3. The other State may tax such fees, regardless of physical presence.

4. A tax may be imposed on a gross basis through a withholding tax at a rate to be bilaterally agreed but under no circumstances exceeding 7 percent.

5. Where a resident of a Contracting State derives income which may be taxed in the other State in accordance with the provisions of this protocol the first-mentioned State shall grant the same relief as for business income.

ARTICLE 3

SIGNATURE, RATIFICATION, ACCEPTANCE AND APPROVAL

1. This Protocol shall be open for signature by any Party to the Convention.

2. This Protocol shall be subject to ratification, acceptance or approval by signatory Parties. Instruments of ratification, acceptance or approval shall be deposited with the Depositary.

3. Only Parties that have ratified, accepted or approved the Convention may become Parties to this Protocol.

4. This Protocol shall enter into force on the ninetieth day following the date of deposit of the tenth instrument of ratification, acceptance or approval.

5. For each Party ratifying, accepting or approving this Protocol after the date of entry into force, it shall enter into force on the ninetieth day following the date of deposit of its instrument of ratification, acceptance or approval.

ARTICLE 4

AMENDMENT

1. Any Party may propose amendments to this Protocol.

2. Amendments to this Protocol may be adopted by consensus of all Parties to the Protocol.
3. The text of any proposed amendment shall be communicated by the Secretariat to all Parties at least six months before the meeting at which it is proposed for adoption.
4. An amendment adopted pursuant to paragraph 2 shall be subject to ratification, acceptance or approval by the Parties. It shall enter into force for those Parties that have ratified, accepted or approved it on the ninetieth day following the date of deposit of such instrument with the Depositary.
5. Thereafter, for each Party that ratifies, accepts or approves the amendment, it shall enter into force on the ninetieth day after the date of deposit of its instrument of ratification, acceptance or approval.