Relation between the UNFCITC and other governing bodies

Irma Mosquera & Peter Hongler



UN Intergovernmental negotiations

Institutional Challenges

- Who is setting the agenda? 5 Regional Groups. Clear direction UN African Group, but others? SDIS (Caribbean, Pacific), European Union (Western, Eastern), Latin America. No input EU in writing, different interests that do not correspond to the regional groups.

- 2023 Secretary General Report: Multilateral binding Convention- regulatory nature, to function as any other treaty or convention vs. Draft Convention – constitutive nature to establish a system of international tax governance: objectives, key principles, and the governance structure (adopted Res. 78/230)

HOWEVER.. TO ACHIEVE THIS

UN Intergovernmental negotiations

- Draft Framework Convention: Not substantive obligations, but high-level commitments (Parties acknowledge/recognize/reaffirm). Otherwise, make reservations possible (art. 25 Draft)
- Governance provisions only July 2026 Draft, and still more work needs to be done in capacity building, conference of the parties, to allow inter-state dispute settlement
- Duplication of work should be addressed (e.g. harmful tax, EOI, mutual administrative assistance), not yet in July 2026 Draft). Limit capacity of countries to negotiate/agree on articles without having clarity on how to address prior initiatives at the OECD, Global Transparency Forum, and BEPS Inclusive Framework (mentioned Res. 2022, 2023 and 2024).
- See our input to July 2026 Draft available here

Plurilaterism – key to success!



«We need multilateralism in order to address our shared agenda, ranging from armed conflicts and climate change to sustainable development and artificial intelligence. Currently, however, we seem to be going the other way: towards a non-cooperative multipolar world order. This order, as it turns out, is based on zero-sum deals, transactions, and unrestrained power. This is a short-sighted approach.

Tempting as it may be for some, such a multipolar order will ultimately lead to conflict. It will turn against us, whether you represent a great power, a middle power, or a small state, like Finland.

Between these two approaches, there is of course a third option: plurilateralism. It means building ad hoc coalitions when global co-operation is unattainable.

And this is my first observation today: the emergence of flexible forms of co-operation around different themes and interests. Be it in the economy, climate, defence, or technology.

Coalition-building can be a force for good. But with one condition: it should not challenge multilateralism, but build on it. It should support the UN system, not substitute it.»

Alexandre Stubb, President of the Republic of Finland, GA New York, 22. September 2026

Plurilaterism – key to success!

Each agreement is evidence that cooperation still works. And bilateral deals can serve as laboratories for developing rules in new areas, precisely because they involve fewer parties. Agreements can be tested, refined and then scaled more widely. Several current WTO rules started life exactly this way, as ***coalition-of-the-willing initiatives*** *during the earlier GATT era.*[15]

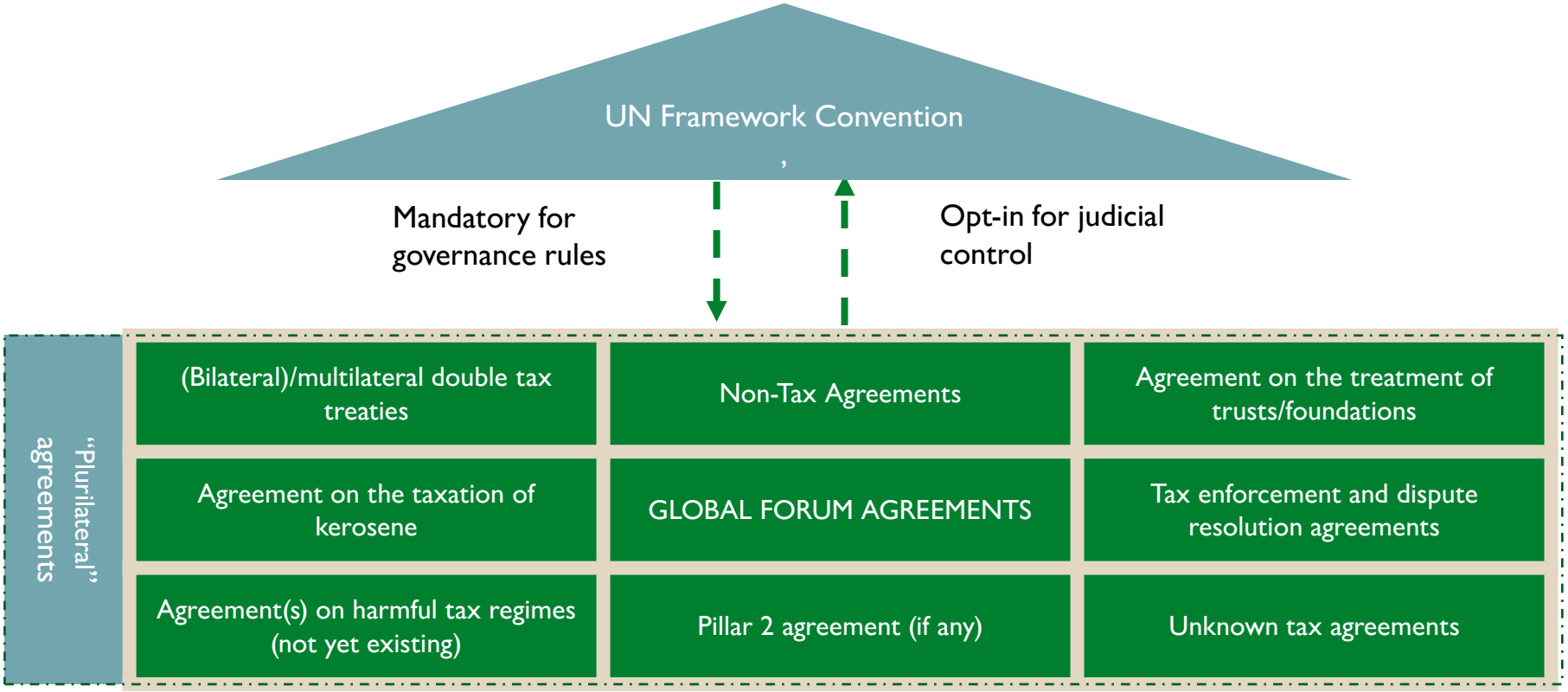
[15] For instance, the Standards Code, agreed during the Tokyo Round of trade negotiations in the 1970s, was later developed into the Agreement on Technical Barriers to Trade and entered into force with the establishment of the WTO. See Dimitropoulos, G. et al. (2025), "Plurilateralism: a new form of international economic ordering?", *Journal of World Investment & Trade*, Vol. 26, pp. 1-30



Christine Lagarde
The President of the European Central Bank

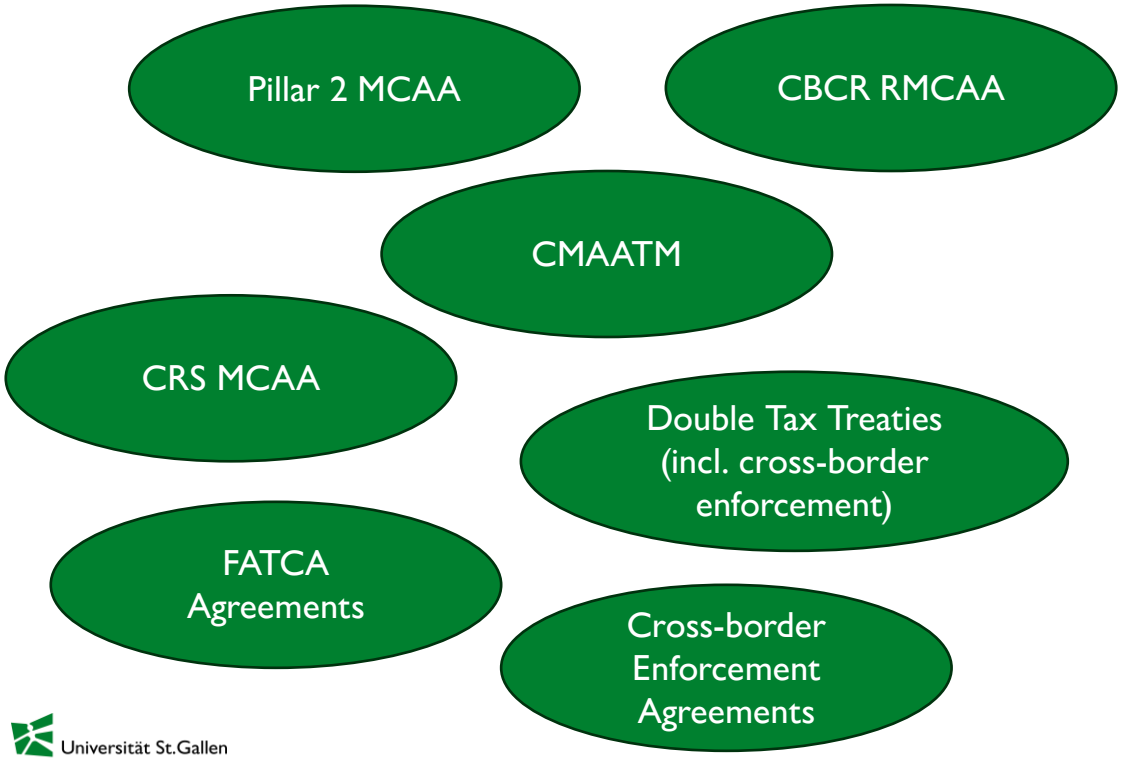
20 February 2026

The New UN Framework Convention – how we see it!



For more details: Hongler/Habich, Journal of World Investment & Trade 26 (2025), 247–274

Mutual Administrative Assistance – a Success Story?



- Two main weaknesses
- **Rules have been developed by a small group of countries → non-inclusive framework**
- **Outcome is in favor of developing countries (is this indeed true?)**

Art. 10 as an example

Article 10
Mutual Administrative Assistance

1. States Parties shall cooperate to promote mutual administrative assistance in tax matters to facilitate the administration of taxes, combat tax evasion and avoidance and support domestic resource mobilization, including through:

(a) exchange of information;

(b) assistance in tax collection;

(c) simultaneous tax examination;

(d) tax examination abroad;

(e) service of documents; and

(f) any other form of mutual administrative assistance as may be agreed by the States Parties from time to time;

in each case, under procedures to be specified in future protocols or other instruments.

2. The States Parties shall identify barriers to effective mutual administrative assistance in tax matters and cooperate to eliminate them if and as appropriate.