



**PERMANENT MISSION
OF THE PRINCIPALITY OF LIECHTENSTEIN
TO THE UNITED NATIONS
NEW YORK**

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CHECK AGAINST DELIVERY

ECONOMIC AND SOCIAL COUNCIL

SPECIAL MEETING ON INTERNATIONAL COOPERATION IN TAX MATTERS

STATEMENT BY GEORG SPARBER

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Mr. President

Liechtenstein welcomes the special meeting on international cooperation in tax matters, which provides an excellent opportunity to share our national experience. As one of the first non-OECD countries, Liechtenstein joined the Inclusive Framework of the OECD in 2016 and reflected the international standards that were developed during the OECD/G20 Base Erosion and Profit Shifting project in its national law and tax treaty policy.

Liechtenstein is committed to the work of the Inclusive Framework and participates actively in its subsidiary bodies and working parties. Furthermore, we appreciate the opportunity to participate in the meetings of the UN Tax Committee in New York and Geneva and are thereby following closely the work of the Committee.

In relation to tax cooperation, over the last years Liechtenstein has significantly expanded its network of Double Tax Agreements, counting 20 treaties as of today. All the new treaties already reflect the BEPS minimum standard on treaty abuse. The other treaties will be amended shortly by the Multilateral Instrument (MLI) to Implement Tax Treaty Related Measures to Prevent BEPS, where Liechtenstein was also amongst the first signatories.

Liechtenstein is one of the most highly industrialized countries in the world with 43% of gross value added generated in industry and goods production. Therefore, we consider bilateral tax treaties as very important because they provide clarity and tax certainty to the business community while strengthening the tax cooperation framework between two countries.

Besides the tax treaties also the domestic tax provisions have been brought in line with the international standards. This has been confirmed by the Forum on Harmful Tax Practices (FHTP) as well as the EU Code of Conduct Group on business taxation.

Mr. President

As tax compliance and tax transparency also constitute an important pillar of tax cooperation let me also give an overview of our latest work in this area.

Liechtenstein has just finalized the second round of the peer review on exchange of information on request. As a result the Global Forum has again issued a positive rating where Liechtenstein is “largely compliant” with the international standard. This shows the continuous commitment of the Liechtenstein Government to implement the international standards on tax transparency, which is one of the main pillars in its financial center strategy.

Furthermore, Liechtenstein’s active approach is reflected by its ratification of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC), which is applicable in Liechtenstein since 1 January 2017 allowing for a wide range of mutual cooperation in tax matters with more than 120 partner jurisdictions. In addition, Liechtenstein has introduced the automatic exchange of information as an early adopter and has also implemented spontaneous exchange of information and Country-by-Country reporting.

Mr. President

Liechtenstein values the work of the United Nations in the area of tax cooperation. We consider the Committee’s work important for the effectiveness of international tax cooperation especially to preserve consistency during the development of norms and standards. A strong and coherent international framework for cooperation in tax matters can make an important contribution to achieving the sustainable development goals to which Liechtenstein remains fully committed.

Thank you.