



DFI supported OIF in organising the fourth technical workshop of the Francophone LIC Finance Ministers' Network. Held in Madagascar, the current chair of the Network, this four-day event focussed on the theme of tax treaties. Tax treaties (which are meant to help tax authorities collect tax without overtaxing companies and individuals) have too often become a means of diverting developing country tax revenues away to be paid in OECD countries, or of facilitating tax dodging.

High-level participants from 14 countries and experts from 4 international and 3 regional organisations, the London School of Economics, Colombia, France and Spain exchanged experiences on negotiating and renegotiating tax treaties, identified their own national priorities and strategies for renegotiations, and defined their future needs for building their capacities to negotiate treaties which allow them to collect more tax.

They also agreed to establish a permanent sub-network to continue to exchange information on treaties and on broader tax policy issues, to work with other international organisations to reinforce very practical training activities allowing countries to design detailed action plans for treaty negotiation; and to transmit the message to Ministers of Finance at their forthcoming meeting in Bali that treaties can be useful tools but require high national capacities to ensure they are well negotiated and do not result in major losses of tax revenue.