



**Domestic Revenue Mobilisation at the heart of Sustainable  
Development: the Seville Declaration**

**Side-event at the Fourth Financing for Development Conference  
(FFD4), co-hosted by the South Centre, The EU Commission, Germany  
and Nigeria**

**High Level Statement by Dr. Carlos Correa, Executive Director of the  
South Centre**

*Excellencies, Ladies and Gentlemen,*

I want to start by thanking our Co-Organizers Nigeria, Germany and the EU Commission for holding this side event with the South Centre, and the invaluable support provided by the Addis Tax Initiative (ATI) Secretariat.

The South Centre, an intergovernmental organization of developing countries, was part of the Task Force that steered the preparation of the Seville Declaration on Domestic Revenue Mobilisation.

The Declaration rightly emphasises that tax collection is at the heart of Sustainable Development. Developing countries need to growingly rely on their own resources to implement their development strategies.

I would like to share our views on how some of the valuable actions that the Declaration promotes can be taken forward. I will specifically make three comments in this regard.

First, Action 1 of the Declaration calls for improving countries' capacities to tax High Net Worth Individuals. This was a key issue advocated by Brazil during its Presidency of the G20, and it has received support from several other countries. It is now a candidate for a protocol to the future UN Framework Convention on International Tax Cooperation.

Second, Action 3 of the Declaration calls for combating tax-related Illicit Financial Flows - which in the South Centre's view also includes tax avoidance. Action 3 mentions the need to improve Country by Country Reporting. There is ample interest among our Member States to move towards public Country by Country Reporting.

We are pleased that the South Centre's inputs on this matter have been incorporated in the FFD4 Outcome Document.

We are also pleased that the Seville Declaration in its opening paragraph contains a commitment to implement the outcomes of FFD4. This clearly means that ATI can begin conducting an evaluation of how a central public database for country by country reports can be created to help developing countries. The South Centre will also work on this issue and we welcome interested organizations to partner with us on this.

Third, and finally, while the Seville Declaration makes no mention of digital services, we want to reiterate that the taxation of the digital economy is a top priority for our Member States. Recent South Centre research shows that developing countries across all income categories suffered significant service trade deficits.

Our research quantified for some of our Member States the revenue losses due to tax treaties' restrictions on the ability to tax service payments. It found that, for instance, Nigeria lost USD 5.8 billion in revenues, Brazil USD 11 billion and Argentina USD 6.1 billion. The South Centre will produce quantitative assessments of revenue losses for other Member States.

Digital services are responsible for a growing share of these deficits. For this reason we reiterate the key importance for developing countries of the taxation of the digital economy, and we will support them in the negotiations of the UN protocol for the taxation of cross border services. These actions can substantially contribute to the objectives of the Seville Declaration.

In conclusion, I wish to once again thank our co-organizers, the Secretariat of the ATI for holding this important side event and, of course, our distinguished panelists, and wish you fruitful deliberations.