

Congratulations on the 10 Year Anniversary of the Belt and Road Initiative

Statement by

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A famous case in the US Supreme Court noted that “Taxes are what we pay for civilized society.” It follows naturally that governments need revenues from taxation to assist their own economic development, protect their people, and promote social progress. In short, a wise system of taxation can assist a country’s development and attract significant foreign investment; an inefficient or ineffective tax system can hold a country back from achieving its full potential. Tax systems should be designed to promote economic growth.

Governments in both industrialized and developing nations face increased fiscal pressures as the needs of a growing (and in many countries, ageing) population raise demands on the public purse. New business models, increased mobility of capital, and technological developments have made it more difficult for countries to act unilaterally in matters of tax policy. The global tax community agrees that the architecture of the international tax system, designed almost exactly 100 years ago, is no longer appropriate. However, it cannot agree on appropriate solutions, increasing the risks of double taxation and reducing the free flow of capital. BRITACOM brings together countries that have historic trading ties in a new, cooperative mechanism, where consultation and discussion can help solve some of these problems.

Tax administration is too often neglected as an important aspect of a nation’s overall tax system. In this context, the role of BRITACOM in the work of tax administration is essential. Beyond its efforts in promoting the Belt and Road Initiative and in helping countries to participate more effectively in it, perhaps most of all, it seeks to raise the level of knowledge and skills by promoting cooperation among tax administrations. In this way, BRITACOM has a truly global impact.

In the Belt and Road Initiative, China seeks to develop closer ties with developing countries around the world so that other nations may embark on the same path of economic growth and eradication of poverty as China itself has done. The key insight that led to the establishment of BRITACOM and informs its work is this: Raising the level of knowledge and skill among tax administrations itself contributes to economic development, by helping countries to administer tax systems designed to promote economic growth.

The meetings of BRITACOM in which I have participated are tightly focused on this aim: how to develop and implement tax systems that are fair to taxpayers, predictable so that taxpayers understand their obligations, easy for revenue authorities to administer, and promote very high levels of compliance. BRITACOM has helped developing countries modernize their tax systems and optimize them for economic growth by promoting reforms involving tax regimes in a range of industries including extractive industries, agriculture, and many others.

The case, nearly 100 years ago, from which the quotation at the outset of this article is taken, concerns the limits of the powers by a court in a region seeking economic development to tax the business activities of a foreign corporation involving contracts entered into in a third country. Issues involving appropriate taxation regarding foreign investment are not new. There remains a clear need for constant discussion, clear communication, and strong cooperation between tax administrations to develop systems that are fair and predictable while also promoting economic growth. These issues require attention at the highest levels of national policymaking, as BRITACOM has promoted.

In this year in which BRI celebrates its 10th anniversary and ITIC celebrates its 30th, I appreciate the honor given to the International Tax and Investment Center as the only non-governmental organization invited to participate in the direct work of BRITACOM. I congratulate the Belt and Road Initiative on its 10th anniversary and look forward to our continued work together in helping the BRI partner countries contribute to global economic development.

Congratulations on your achievements and best wishes for a bright future.

Best regards,



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President