



## **Responding to COVID-19: BRITACOM PERSPECTIVE, 2 June 2020**

### **Script of speech**

#### **Mr. Daniel A. Witt, President, International Tax and Investment Center**

ITIC recently published a paper in the BRITACOM Tax Journal and Tax Notes International:

*Fiscal Stimulus Measures in Response to COVID-19: A comparative Analysis and Future Approaches for Key BRI Jurisdictions*

Identifies the most effective steps that can be taken by BRI countries. Assessed against strength and weaknesses of fiscal measures following 2008/09 global financial crisis.

BRITACOM Secretariat to kindly share the link

As we look to the future work of BRITACOM, let's not forget that we're facing the biggest challenge to the world economy in the past 100 years. However, it's important to remember (in spite of the populist rhetoric) we have a globalized, integrated world economy. This has delivered growth and prosperity for the people. These are also among the reasons why BRI was launched and why it has evolved into a strong and unique platform for international tax coordination.

Now COVID-19 is causing unprecedented challenges and changes. We're seeing just the start of what may be a significant paradigm shift.

Thus, globally I believe now is not the best time to change the international tax compact that has been in place for nearly 100 years. We must see how the changes evolve and consider the economic and investment flow data.

Nevertheless, there is an important role for BRITACOM during this time of unprecedented change. The founding principle of *Building a Growth Friendly Tax Environment* is more important than ever as BRI countries struggle to return to economic growth, attract investment and face greater demands for government revenues.

I draw your attention to the paper that my ITIC colleague Hafiz Choudhury and I wrote for the cancelled Nur-Sultan meeting: *A Practical Tax Policy Solution to Facilitate Trade and Investment between BRI Nations*.

Soon to be published in the BRITACOM Tax Journal (Secretariat please share the link)



Among our proposals that we hope will form part of the future BRITACOM agenda was the development of a BRI model double tax treaty and a tax-focused Investment Treaty.

In the immediate term we urge the PRC STA and BRITACOM offer guidance on residency and PE rules to provide relief to employees who have been stranded or working outside of their “normal” home jurisdictions due to COVID lockdowns.

The future BRITACOM work must continue to strongly embrace and advance tax policies that do not pose barriers or burdens to investment, but rather stimulate investment, growth and development.

Announce new ITIC paper and webinar series on Fiscal Measures to stimulate post-COVID-19 economic recoveries. BRITACOM will kindly share the papers and webinar invitations. We invite all BRITACOM countries and advisors to participate.

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