

## Opening Ceremony 64<sup>th</sup> IFA Congress, Rome, 29 August 2010



*Speech by Manuel E. Tron, President of IFA*

Welcome to Rome, the Eternal City; Rome, the city of art and history, the city of passion and creativity, of music and pictures, the city of friends, our Italian IFA friends. Thank you once more for your hospitality; we look forward to hear interesting discussions, yes, but also to enjoy prosciutto and fettuccine with a glass of Chianti, and a tiramisu with an espresso macchiato.

IFA has come a very long way to meet here, 72 years after its foundation, at the cradle of Roman Law; many of us have made part of this journey together, so the road has always been full of friends; not all of them are here today though, and sadly, some have already departed. Let's remember them so they can always live in our hearts:

- (i) Last year, Raoul Lenz passed away at the age of 91; he was the Chair of the Permanent Scientific Committee for 13 years and made extraordinary contributions to the scientific activities of IFA.
- (ii) This year, at the age of 69, David Ward also passed away; a very active member of IFA, he was part of the Executive Committee from 1986 to 1992. They will be sorely missed by all of us who had the pleasure and privilege of knowing them.

On the bright side of things, IFA is today more active and lively than ever; 72 years ago 33 people from 9 European countries founded IFA and adopted its first set of Statutes. Today, IFA has more than 12,000 members, representing more than 100 nationalities, organised in 60

Branches around the world. This year, at the end of the Congress, we may add another two new Branches.

A new trend has been established and regional meetings are growing stronger around the world since our most recent (and I have to add, truly wonderful) Congress in Vancouver; in November of last year, I had the pleasure to be present in Warsaw for a dazzling meeting of the Central and Eastern European countries, while in April of this year, more than 300 members of 10 Latin American Branches of IFA (yours truly included) got together in Buenos Aires for a magnificent three days meeting.

Congratulations to both the Polish and Argentinean Branches; a very high standard has been set.

Old friends will be reacquainted and new friends will be made during this week in Rome, together with more than 2,200 IFA friends; we will work hard, but we will also enjoy ourselves. And for that, we need to specially thank our young members, our YIN participants.

Since its initiation in Buenos Aires, 5 years ago, it has attracted young and talented members to our association, and as properly predicted by our dear friend and past President Marcus Desax, they are taking over. I like to think that the regional activity and the YIN are the future of IFA, a new way to communicate among ourselves, a new manner to learn and to share as has been the way of IFA since the beginning.

Here in Rome we will have two extremely interesting main subjects (with an all-time high number of Branch Reports) and a rich Seminar programme, all to be discussed under the expert guidance of the selected Chairs. But other tasks are at hand; as a result of the need to recognise the changing world and its conditions, and our own growth and expansion as well, there is also the need for the continued work of modernisation of IFA. This is why, this year, the Executive Committee, the General Council and the General Assembly will discuss and examine different proposals made with this objective in mind.

A number of discussions will take place that will emphasize the uniqueness of IFA, for ours is certainly a unique organisation. It has as members, representatives from all sectors involved in international taxation: authorities, judges, professors and researchers, corporate tax officers and private practitioners, from numerous countries around the world. In addition, IFA has the benefit of a close relationship and exchange with international organisations, such as the United Nations Committee of Tax Experts, the European Union and the OECD.

Because of its composition and links, IFA has developed the other factor that makes it unique, which is expressed in two well known principles: maximum scientific quality of its work and neutrality. In other words, at IFA we want to do things in the best possible way and we will not (institutionally) take sides on the discussions.

IFA is by definition the ideal forum to discuss international taxation matters; however, there is also a unique challenge: while IFA should and will remain neutral, we cannot afford to remain passive. The current situation makes demands on all, but especially on the gifted ones, and certainly IFA is the most gifted international organisation in this area.

The world has seen one of the most devastating economic, financial and institutional crises of modern times; governments around the world are struggling to make ends meet and survive from one tax year to the other. In 2007 the OECD issued the "Seoul Declaration", in which abusive tax planning and the role of "tax intermediaries" were addressed, and strong actions against both of them were called for. Following the Seoul Declaration, the OECD issued three reports dealing with the identified subjects, voicing the concerns, analysis and recommendations of the tax administrations represented within the OECD.

The war on terror and that against drug cartels have united the governments of the world in demanding transparency in each and every financial transaction, and a new attitude towards tax disclosure and compliance. Tax havens appear to be an endangered species and countries

traditionally known for their financial and tax secrecy have signed numerous exchange of information agreements.

This is good news, we cannot live in a world of hideouts and abuses, that much is true, but, as in every other aspect in life, this coin has two sides; so far we have heard a clear and strong voice carrying the tax administrations ideas and concerns, but there are others that need to be heard. Taxpayers, academics, corporate tax officers and independent tax practitioners all have a voice and the right and the need to express it. In the face of the new "enhanced relationship status" and because of its unique features, IFA is clearly the most qualified forum to have an open and constructive discussion on this topic.

It is my belief that, in view of these circumstances, IFA needs to address these issues in the scientific and neutral manner that is natural to our organisation. However, when and by doing so, IFA cannot remain passive; it has a responsibility towards all of its members, no matter on which side of the equation they are standing at. IFA shall then promote and take responsibility for providing the required forum for the parties to interact.

We can and should drive an "enhanced discussion", in which we will invite all the parties to discuss in an open and respectful way. For this objective to be achieved, we need first to set the ground rules for discussion: (i) contents and procedures, (ii) representation, and (iii) fair access to information. This is being worked at here in Rome; on the one hand, the subject will be discussed at the Recent Developments Seminar, while on the other one, working groups of each of the actors in the international taxation forum will meet in order to define said ground rules and procedures.

In short, it is my belief that, with the Rome Congress as a departure point, we need to start raising the bar of the discussion; let's search for international principles to rule the field. IFA is in a unique position to achieve it, and Rome is the perfect place to start.

And being the 19:30 hours of the 29<sup>th</sup> day of August 2010, I hereby formally declare open the 64<sup>th</sup> Congress of the International Fiscal Association.

I wish you a fruitful and enjoyable Congress week.