

**Introductory remarks by Taro Aso, Deputy Prime Minister and
Minister of Finance, Japan**

**G20 Ministerial Symposium on International Taxation
-For a globally fair, sustainable, and modern international tax system-**

(Fukuoka, Japan, June 8, 2019)

Ministers, Governors, representatives from international organizations, distinguished guests, ladies and gentlemen, good morning and welcome to my hometown of Fukuoka. It is my great pleasure to meet you all here. Situated in the center of East Asia, Fukuoka is known as a “Gateway to Japan”, and proudly boasts the best environment for both businesses and living in Japan. As Fukuoka’s growth rate of foreign residents is the highest among Japan’s mega cities, I wouldn’t be surprised to see some of you, if not your countrymen and women, living here in the future. I am very pleased to kick off the very first G20 Finance Ministers and Central Bank Governors meeting in Japan, with a ministerial symposium on international taxation, which is a policy priority for the international community. Of course you will be familiar with this cliché, but Benjamin Franklin is attributed with the quote that “in this world nothing can be said to be certain, except death and taxes”. Maybe he would be surprised to know that in today’s world, double non-taxation is a policy concern. We have come a long way in the fight against tax avoidance and evasion, but more needs to be done.

I planned this high-level symposium, with support from the OECD, to provide an opportunity to reflect on what we have achieved so far and consider a way forward. As shown in the opening video, we started our journey to tackle tax avoidance in 2012, as the base erosion and profit shifting, so-called BEPS Project. Since then, significant progress has been made, helped by the G20’s leadership. Japan has also devoted a lot of energy to this endeavor. I have many good memories, including initial discussions at the G7 in Buckinghamshire in 2013 and hosting the very first meeting of the Inclusive Framework on BEPS in Kyoto in 2016. International taxation has been a success story for the G20. However, challenges remain in modernizing the international tax system.

Technological innovation provides opportunities as well as challenges. Highly digitalized business models, which have scale without mass and rely on intangible assets, data and user participation, pose particular tax challenges. Due to public frustration surrounding the lower effective tax rates faced by some digital companies in particular, several countries have decided to act unilaterally, by putting temporary measures in place. Obviously, multilateralism is better than unilateralism; a common approach is always better than fragmentation. Last year, G20 Leaders agreed to work together to seek a consensus-based solution to address the impacts of digitalization on the international tax system, with an update this year and a final report by 2020. To meet this target, the Inclusive Framework has been actively discussing this issue, and its members have agreed on *the Programme of Work* to develop a solution. I appreciate Secretary-General Gurría's strong leadership. In the first session today, we will discuss a way forward based on *the Programme of Work*.

The second session will discuss how to continue the fight against tax avoidance and evasion. The implementation of the BEPS Project is well underway three years after the agreement of its final reports, while the mandate of the Inclusive Framework will expire next year. Significant progress has also been made on tax transparency, with around 90 countries exchanging financial account information automatically. Therefore, I thought now might be a good time to look back to see what has been achieved, and think about what still needs to be done.

Today, I am honored to discuss this important topic with G20 colleagues and distinguished guests from around the world. I hope this symposium will contribute to strengthening multilateral efforts in the fight against tax avoidance and evasion. Thank you.