



The FfD Chronicle

The CS FfD Mechanism is an open civil society platform including several hundreds of organizations and networks from diverse regions and constituencies around the world. CS FfD Mechanism's core principle is ensuring that civil society can speak with one collective voice.

FFD4 SHOULD FULLY ENDORSE THE TERMS OF REFERENCE FOR THE UN FRAMEWORK CONVENTION ON INTERNATIONAL TAX COOPERATION

During the last two years, there has been a truly historic breakthrough on international tax cooperation. Last week, the Terms of Reference for a new UN Framework Convention on International Tax Cooperation and two early protocols were adopted. We commend the Africa Group for the immense leadership it has shown in championing this issue and broader G77 solidarity in supporting this process. The UN Tax Convention provides a beacon of hope and a vital opportunity to win the fight against illicit financial flows and international tax abuse, as well as replace harmful tax practices with fair, transparent and inclusive international tax cooperation.

In the past, global tax policies were negotiated behind closed doors in forums where all countries, and in particular developing countries, were not able to participate on an equal footing. The negotiation of the UN Tax Convention constitutes a watershed moment - for the first time, all countries are negotiating as equals.

Though the Terms of Reference was adopted by a very broad majority of UN Member States, it is deeply concerning that some countries have failed to support these efforts. While all UN Member States claim to support the UN Tax Convention process, there is a small but very loud minority that first voted against starting the UN Tax Convention process, and then failed to support the Terms of Reference

As we head towards the 4th UN Conference on Financing for Development, we call on all countries to express their full support and unconditional endorsement of the Terms of Reference.

We also expect all UN Member States to engage in a constructive manner and negotiate in good faith. The Terms of Reference make it clear that the UN Tax Convention and its protocols will include commitments on a broad range of issues, including: Fairness in the allocation of taxing rights between countries, illicit financial flows, corporate tax and the digitalized economy, taxation of high-net worth individuals, as well as transparency.

We want to underline the obvious fact that issues which have been covered by the Terms of Reference should not be renegotiated here in the FfD4 process. **The role of FfD4 must be to help the UN Tax Convention process forward – not pull it backwards.**

Progressive tax systems

It is also vital that FfD4 reinforces its existing commitment to progressive tax systems, which was a key part of the Addis Ababa Action Agenda. Without progressive tax systems, inequalities within and between countries cannot be reduced, and thus not be able to achieve the Sustainable Development Goals, including SDG10 on inequalities.

Tax and gender

The FfD Process has underlined the importance of gender equality, including in relation to economic and financial policies. We call on all governments to commit to ensuring that all fiscal policies are gender responsive and gender just. The empowerment of women and girls is possible only through the realization of their rights and full effective economic empowerment.

Very committed to inclusive international tax cooperation...



Stress our commitment to the UN Tax Convention...



Promise to continue engaging constructively...



And refusing to vote yes to the Terms of Reference!



SIDE EVENT

Raising the FfD4 Ambition: Towards a UN Convention on International Development Cooperation and UN-Member States led MDBs Reform

Date: Dec 5
Time: 1:15 - 2:30pm
venue: CR-C

The event aims to create space to discuss the proposals for a UN Convention on International Development Cooperation and a UN Member States led reform of the development finance ecosystem.

- UN Convention on International Development Cooperation: FfD4 offers an opportunity to establish a new normative framework putting international public finance at the heart of a new International Financial Architecture. Such a framework, firmly grounded in the Right to Development, will need to address governance, norms and rule creation; democratise global decision-making spaces; and re-define the purpose, impact and effectiveness of development cooperation.

