

The FfD Chronicle



**CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT**
Mechanism

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.

AND THAT'S WHY WE SHOULDN'T HAND OUT VETO RIGHTS!

As we said in yesterday's FfD Chronicle: *"We are here to create a UN Convention that promotes "an inclusive, fair, transparent, efficient, equitable and effective international tax system for sustainable development". If your government is fundamentally opposed to that exercise, you don't get to spoil it for everybody else."*

Yesterday, the U.S. delegation offered a very clear illustration of why consensus-rules would be deeply inappropriate in the UN Tax Convention negotiations. While all countries will get to decide for themselves whether or not they wish to sign the Convention, one uncooperative government does not get to ban other countries from moving forward with strengthening international tax cooperation.

And yesterday's opening plenary was a welcome reminder that an overwhelming majority of the world's governments are keen to move forward and engage constructively in the UN Tax Convention negotiations.

We still have a busy agenda ahead of us this week. Following the US display, we sincerely hope that we can now finally move forward in the decision-making discussions with refreshed clarity of why consensus rules are not an option.

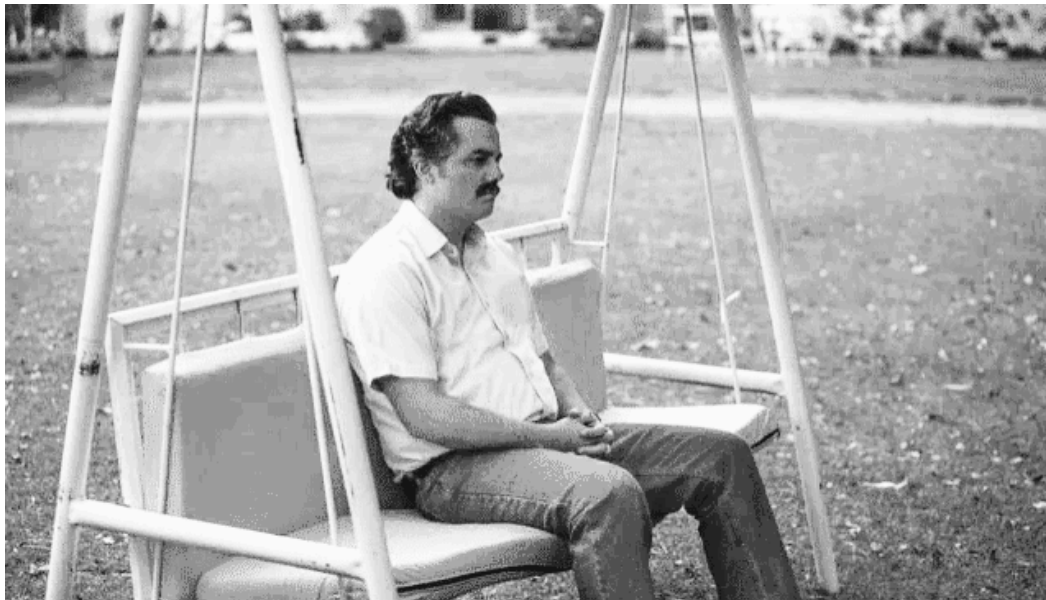
THE UNCOOPERATIVE US BEHAVIOR – A REMINDER OF WHY WE NEED TAX COOPERATION

Yesterday's US departure is just another step on the path away from global cooperation. Since coming into office, the new US administration has already left the UN climate negotiations, the World Health Organization, and the OECD tax negotiations. Simultaneously with withdrawing from the UN Tax Convention negotiations yesterday, the US also announced its intention to withdraw from the UN Human Rights Council.

Furthermore, the US administration has issued a decree that signals an intention to claim all taxing rights over multinational corporations for the US alone – even when these corporations are making their profits in other countries. The same decree also opens the door to "protective measures" against any country that refuses to take tax orders from Washington.

This "Wild West" politics is a reminder of why the rest of the world needs to come together and promote a fair, stable and transparent global tax system for sustainable development, and put an end to harmful tax behavior, international tax abuse and tax havens. Ironically, the US stands to benefit substantially from such a system – like the rest of the world's countries.

Current tax abuse hampers the abilities of governments to raise the revenues needed to finance quality public services and development, deliver on human rights obligations, and deliver rapid and urgent climate action to meet the scale of need.



That awkward moment when...
You take the floor and issue an emotional call for other countries to join you in walking out, and the UK and Canada just take the floor to ask whether the draft modalities for civil society participation will be circulated in writing on e-delegate...