



**CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT**
Mechanism

First Intersessional: Response by the Civil Society FfD Mechanism

25th April 2025

II. A. Domestic public resources

Overall comments			
Issue	Para	State of play	Suggested action
International tax cooperation and the UN Framework Convention.	23(a)	<p>The text relating to the UN Tax Convention is looking highly problematic, and inputs to the paragraph indicate that some UN Member States are suggesting to take steps backwards compared to the agreements reached in recent years. This includes the decision of the General Assembly in 2022 to initiate an inclusive intergovernmental tax negotiation at the UN (General Assembly resolution A/77/244 on “<i>Promotion of inclusive and effective international tax cooperation at the United Nations</i>”).</p> <p>FfD4 should be a moment to move forward. The UN Member States that have failed to do so must demonstrate their commitment to international tax cooperation by endorsing the adopted Terms of Reference for the UN Framework Convention on International Tax Cooperation, which was negotiated through a fully inclusive UN intergovernmental negotiation in 2024, and which reflect the inputs of Member States from all regions and groups.</p>	<p>Add text endorsing the adopted Terms of Reference for the UN Framework Convention on International Tax Cooperation.</p>
Relations to other fora.	23(a.bis) 23(b)	<p>A highly contradictory discussion on “decision-making” has also been introduced into the text. On the one hand, suggested edits to para 23(a) suggests that decisions on international tax must be made by “consensus”. On the other hand, edits have been introduced through 23(a.bis) and 23(b) which suggest endorsement of the OECD/G20 Inclusive Framework and the OECD two-pillar solution. It is important to note that the Inclusive Framework is far from inclusive, since about a third of the UN Member States not being members. Furthermore, the decisions in the Framework have not been adopted by consensus.</p> <p>The relation between the UN Tax Convention and other fora was addressed and negotiated in the context of the ToR for the UN Framework Convention on International Tax Cooperation, and the adopted text should not be reopened.</p>	<p>Avoid reopening old discussions about relations to other fora.</p>

Gender equality	21, 22(g)	Important text on ensuring gender considerations and gender-responsive tax systems have been suggested for deletion.	Keep text on gender equality, gender considerations, and gender-responsive tax systems.
Progressivity	21, 22(e)	Important text on ensuring progressivity of tax systems has been suggested for deletion.	Keep text on progressive tax systems – both at the domestic and international level.
Transparency	22(a-b), 22(f.alt), 23(e), 23(f)	Generally, the paragraphs relating to transparency are being watered down. Key elements such as public country by country reporting (23(e)); reporting obligations of high-net worth individuals (23(e)) and a global beneficial ownership register (23(f)) have been suggested for deletion. Rather than a focus on reforming problematic standards that fail to take into account the needs and concerns of developing countries, there are now many edits focused on getting developing countries to further implement such standards. This is not least the case in relation to information exchange (23(e)).	Reinforce the paragraphs related to transparency and focus on improving the status quo, including by supporting public CBCR, a global BO register and improving transparency standards that are not working – especially not for developing countries.
Taxation of high-net worth individuals	22(e)	Important text on ensuring effective taxation of high-net worth individuals has been suggested for deletion.	Keep text on ensuring effective taxation of high-net worth individuals.
Tax and environment	22(h) 23(i)	Important text about the links between tax and environment, as well as on additional sources of finance, including global solidarity levies, has been suggested for deletion. References to common but differentiated responsibilities (CBDR) are still missing in the text.	Keep text on global solidarity levies. Add text on CBDR
The purpose of domestic public resources	21	Some of the new edits to para 21 convert the role of public resources away from financing development and towards catering to private investors.	Address the problems related to text referring to “investment”.
Supporting the role of civil society and the media	24(b)	Some of the edits to para 24(b) water down the paragraph substantially and changes the meaning away from the core point, which is recognition and support for the role of civil society and the media in relation to the fight against illicit financial flows.	Keep the text on recognition and support for the role of civil society and the media.