



**CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT**
Mechanism



**GLOBAL
ALLIANCE
FOR TAX
JUSTICE**

**Fourth Preparatory Committee (PrepCom) for the Fourth International Conference
on Financing for Development (FfD4), NY, April 30 - May 1, 2025**

Thursday, May 1, 2025

Everlyn Muendo, Tax Justice Network Africa and the Global Alliance for Tax Justice

Thank you Chair, my name is Everlyn Muendo. I represent the Tax Justice Network Africa which is a member of the Global Alliance of Tax Justice. We align with the statements of the African Group.

DRM is recognised as a central source of financing for development in the outcome document. In the spirit of turning words into actionable commitments, let us have a commitment towards a specific threshold for ODA rather than an indicative tax to GDP ratio that could potentially be used as a conditionality.

However, we cannot capacity-build ourselves out of a broken system. The FfD process provides us with an opportunity to address this and transform the international tax system. In this regard, we urge Member States to promote the already existing intergovernmental process that is underway to develop binding commitments through the UN Framework Convention on International Tax Cooperation (UNFCITC). Let us not water down or derail the hard-fought for positions that were secured through the adopted Terms of Reference for this or hijack the work of the ongoing current intergovernmental process. We therefore call for the explicit support of the TORs within the outcome document.

On the issue of addressing IFFs, effective tax transparency is key to this. The current tax transparency standards are not consistent with the realities of many African countries. In 2022, only 4 African countries were able to implement country-by-country reporting. Only 4 countries accounted for 84% of all exchange of information requests sent in 2023. Barriers to access to beneficial ownership information for tax administrations continue to limit the ability to address tax-related illicit financial flows (IFFs). Capacity building is touted as the panacea to these. The reality is that tax transparency standards must be revisited including by promoting public CbCR, public beneficial ownership registries amongst other measures. Ultimately, these are issues that can be negotiated and effectively delivered through the UN Framework Convention on International Tax Cooperation hence again, we call for the outright support of the TORs for the development of the UNFCITC.