



To the kind attention of:

Permanent Representatives and Permanent Observers to the United Nations in New York
United Nations Secretariat, Agencies and Programmes

21 November 2022

Subject: Adoption of Africa Group's revised resolution on international tax cooperation at the UN General Assembly

Your Excellencies distinguished representatives of UN Member States,

We are writing to you in the context of the upcoming adoption of the revised Africa Group [resolution](#) at the United Nations General Assembly on “Promotion of inclusive and effective international tax cooperation at the United Nations” (A/C.2/77/L.11/REV.1).

We express our strongest support for this resolution, as [previously noted](#) in our letter supporting Africa Group and G77 and China's proposals on establishing an intergovernmental tax negotiation process at the UN. In particular, we strongly support the following proposal:

2. *Decides to begin intergovernmental discussions in New York at United Nations Headquarters on ways to strengthen the inclusiveness and effectiveness of international tax cooperation through the evaluation of additional options including the possibility of developing an international tax cooperation framework or instrument that is developed and agreed upon through a United Nations intergovernmental process, taking into full consideration existing international and multilateral arrangements (A/C.2/77/L.11/REV.1)*

We call on all UN member states to support this resolution and stress that such an intergovernmental process should lead to negotiating a legally binding instrument i.e UN Tax Convention as initially [proposed](#) by Africa Group (A/C.2/77/L.11). CSOs have also [published](#) a draft proposal highlighting what such a UN tax convention could look like.

Addressing international tax dodging and ensuring a coherent and fair international tax system is in the interest of all countries, particularly in the context of the multiple crises exacerbating inequalities within and between countries. Agreeing a UN Tax Convention would ensure:

- implementation of the [long-standing call](#) by G77 and China who have for over two decades called for an intergovernmental tax body at the UN.
- implementation of the commitment in [Addis Ababa Action Agenda](#) of the 3rd FfD conference which stressed that ‘*efforts in international tax cooperation should be universal in approach and scope and should fully take into account the different needs and capacities of all countries*’ (para 28, AAAA).

- establishment of a UN convention that addresses tax-related illicit financial flows, which are currently not covered under the UN Convention Against Corruption (UNCAC), and the UN convention against Transnational Organised Crime (UNTOC) that addresses corruption and crime related illicit flows.
- alignment with the Beijing Declaration and Platform for Action (1995) that commits all countries to eradicate all forms of discrimination, including that which is driven by illicit financial flows, tax laws and policies. International tax dodging by multinational corporations and wealthy elites obstructs redistribution and drains resources that are crucial to challenging inequalities, particularly gender inequality.

This is particularly urgent in a context where the OECD’s tax reform project has stalled with its ‘two pillar solution’ now looking unlikely to be implemented even in OECD countries, as reported [here](#) by the Financial Times. In addition, the OECD tax deal has been criticised for being unfair and that developing countries stand to lose out, as noted for instance by UN DESA’s [2022 World Economic Situation and Prospects](#) (WESP) . CSOs from around the world have also [rejected](#) this OECD tax ‘deal of the rich’ noting that the “solutions” do not address the root causes of the current practices and rules that incentivise profit shifting and facilitate tax dodging with impunity.

The multiple crises should be taken as an opportunity to take decisive steps in transforming the global economic and financial system. Addressing an outdated international tax system from the 1920s that is bleeding hundreds of billions of dollars annually in public revenue is one of the lowest hanging fruits for intergovernmental action for UN member states constantly trying to find resources for fulfilling commitments on SDGs, climate emergency and human rights. Further, the UN Secretary General in his [report](#) on ‘external debt sustainability and development’ called for the “*establishment of a United Nations Tax Convention with universal participation*” noting that “*developing countries should be allowed to mobilize, rather than borrow, their way to development.*” (para 44)

In conclusion, we urge you and your government to support this resolution at the UN General Assembly and work towards the development of a UN Tax Convention which would provide a future framework for global tax cooperation and a reformed international tax system designed to combat illicit financial flows, reduce inequalities and support the achievement of the SDGs.

We remain at your disposal if you would like to receive more information or would like to discuss this issue further.

Yours sincerely,

Civil Society Financing for Development Group (including the Women’s Working Group on FfD)

The Civil Society Financing for Development (FfD) Group (including the Women’s Working on FfD), is a broad platform of several hundreds of civil society organizations, networks and federations from around the world, that follow closely the FfD process since its origins, facilitated civil society’s contribution to the Third International Conference on Financing for Development, and continues to provide a facilitation mechanism for the collective expression of civil society in the FfD Follow-up process. More information can be found on the Civil Society FfD Group’s website: <https://csoforffd.org>