

The FfD Chronicle

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A TRULY HISTORIC DAY FOR DEMOCRATIC, INCLUSIVE GLOBAL TAX GOVERNANCE



AS CIVIL SOCIETY ORGANIZATIONS, IT IS OFTEN our role to challenge governments to increase ambition, change positions, stop blocking and speed up. But celebrating progress when it actually happens is also an important – and very heart-warming – part of our duties. On this historic day, we would therefore like to open The FfD Chronicle by saying that we are absolutely delighted to see you all here – at the opening of the new intergovernmental UN Tax Process. If only we had a (tax) dollar for every time we were told that this day would never come.

But after decades of intense debates, discussions, delays, disruptions and deeply distressing disappointments, it is finally happening. We once again express our heartfelt appreciation and immense admiration for the leadership, determination and tireless efforts that the Africa Group has put into making this historic breakthrough happen.

This baby has already had many names: the Global Tax Body, IGBOT (Inter-Governmental Body on Tax,) the UN Tax Commission, or simply “the UN Tax Thing”. With the UN’s usual flair for creating tongue-bending titles, this process has finally seen the light of day under the headline “Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation” (AHCNTRUNFCITC???) While this name is perhaps not the easiest to pronounce, it carries an important reminder that this process was created with a very important mission, namely to draft the Terms of Reference for a new UN Framework Convention on Tax. In this context, we want to express our appreciation and thanks

to the 125 governments – an overwhelming majority of the un Member States – who pressed the green button when this important issue came up for a vote in the 2nd committee of the un General Assembly last November.

And to those governments who tried to block progress and delete the word “Convention”, we want to issue a strong reminder of the words from the Addis Ababa Action Agenda, which you all signed up to in 2015. You said: “We commit to scaling up international tax cooperation” and “We stress that efforts in international tax cooperation should be universal in approach and scope”. With its near-universal membership, the UN is the only forum where you can – at long last - deliver on that promise. Furthermore, we note with great concern that the governments which wanted to delete the word “Convention” from the UN text last November are at the same time advocating for tax conventions to be negotiated in other – much less democratic and inclusive – fora.

Now is the moment for all governments to stop blocking progress and engage constructively in the negotiation of the new UN Framework Convention on Tax. We are finally seeing the end of the era where “global” tax standards were negotiated behind closed doors in non-inclusive forums that did not allow countries to participate as equals. With the proposal to negotiate a UN Framework Convention on International Tax Cooperation, the Africa Group has stretched out a hand and invited the world’s governments to sit down, build bridges and find common solutions to the problems that undermine the effectiveness and fairness of tax systems all around the world.

