



CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT
Mechanism

The FfD Chronicle

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.

THE PREAMBLE & PRINCIPLES: A PLACE FOR HUMAN RIGHTS

If there is one set of binding norms that calls on states to cooperate internationally in tax matters, it is international human rights law. The Universal Declaration of Human Rights guarantees everyone a social and international order favorable to realizing their rights.

Virtually all States have already signed up to binding human rights treaties that contain an obligation to **cooperate to fulfill human rights within and beyond borders**, among other tax related duties.

In clarifying how States' human rights obligations apply to international taxation issues, the UN human rights mechanisms have noted that States must:

- Ensure that they **do not obstruct another State from complying with its obligations to mobilize resources for rights** by imposing unfair conditions in tax treaties.
- Ensure that **business actors they can regulate or influence do not undermine the efforts of the States** in which they operate to fully realize rights — for instance by resorting to tax evasion or tax avoidance strategies in the countries concerned.
- Create an **enabling international environment for allowing other States, particularly developing countries, to mobilize resources** to fulfill rights, including through diplomatic and foreign relations measures.
- **Combat harmful transfer pricing** practices and deepen international tax cooperation and explore the possibility to tax multinational groups of companies as single firms.
- **Curb harmful tax competition.**

When monitoring the implementation of these obligations, **human rights mechanisms have often strengthened the accountability of the biggest enablers of illicit financial flows.** For example:

- In 2016, the United Kingdom and its overseas territories and dependencies were scrutinized by the CESCR because of the impact that financial secrecy legislation and permissive rules on corporate tax have on the ability of developing countries to mobilize resources to fulfill human rights.
- In 2017, Switzerland was called upon for restricting the ability of developing countries to mobilize resources to protect women's rights by the CEDAW Committee.
- In 2022, the CRC urged Ireland to ensure that its tax policies do not contribute to tax abuse by companies registered there but operating in other countries, leading to a negative impact on the availability of resources for the realization of children's rights in those countries.

To ensure policy coherence and consistency, we need a commitment to international human rights in the principles and the preamble. While the preamble sets the parameters, embedding human rights in the principles provides concrete guidance which ensures the Convention aligns with the most relevant human rights standards for taxation. Treaties like the ICESCR, the CRC and the CRPD are central in this regard. International human rights law provides support and opens new pathways to achieve fairer tax systems.

Member States, we call on you to include human rights in the principle and preamble to achieve effective international tax cooperation.

GENDER EQUALITY CHAMPIONS AMONG MEMBER STATES, WHERE ARE YOU?

Our regressive tax systems are currently deepening gender inequality. **Member States, particularly those of you who claim to champion gender equality, we need YOU to step up.**

Last week, experts from civil society and academia pointed out how the deeply flawed international tax system is failing women and girls, making the internationally agreed targets on gender equality under Agenda 2030 even more difficult to achieve. Yesterday, during the deliberations on the Preambular text, we proposed a concrete recommendation to include the Beijing Declaration in the list of UN resolutions and international commitments that frame the Framework Convention. The Beijing Declaration and the Platform for Action, adopted unanimously by 189 countries at the Fourth World Conference on Women held in Beijing, China in September 1995, is an agenda for women's empowerment and considered the key global policy document on gender equality. It sets strategic objectives and actions for the advancement of women and the achievement of gender equality in 12 critical areas of concern, including "women and the economy." Para 19. emphasizes that "It is essential to design, implement, and monitor with the full participation of women, effective, efficient and mutually reinforcing gender-sensitive policies and programmes, including development policies and programmes, at all levels that will foster the empowerment and advancement of women".

We call on all governments to champion gender equality, and take action on our recommendations to include the Beijing Declaration and Platform for Action in the Preamble, as well as to add the commitments to gender equality, "substantive equality" and "non-discrimination" to the principles.

Tax is a gender issue. Women and girls bear the costs of deeply flawed international and national tax systems and regressive tax policies. If we are serious about terms such as "universality", "inclusivity" and a "holistic approach", gender equality and women's human rights must be made visible in the substantive text of the ToR.

Proposed Language

Civil society's full suggestions on language can be [found here](#).



Gender

Principles

9. c. be fully aligned with international human rights law and States' **existing gender equality commitments and human rights obligations** under human rights conventions to respect, protect and fulfil all human rights for all people in all countries;

d. take a holistic, sustainable development perspective that covers in a balanced and integrated manner economic, social and environmental policy aspects, **with consideration for any potential gender biases or gender inequality outcomes that may arise;**

CSO Participation

Resolution 78/230 (para 4) stressed that the work on developing a UN Framework Convention on International Tax Cooperation should be carried out with the contribution of international organizations and civil society. We call on all delegations to ensure that this wording is also included in the ToR.

16. The framework convention should be elaborated by a Member State-led negotiating committee. The intergovernmental negotiating committee would be convened in New York and initially in 2025 and 2026 meet for [number] sessions, of a duration of [number] working days each, and make all efforts to complete its work and submit the final text of the framework convention and of early protocols to the General Assembly for consideration [at its [81st] Session]. **The committee should carry out its work with the contribution of international organizations and civil society, in accordance with established practice.**

