



CIVIL SOCIETY
FINANCING FOR
DEVELOPMENT
Mechanism



GLOBAL
ALLIANCE
FOR TAX
JUSTICE

Second Session: Ad Hoc Committee to Draft Terms of Reference for a United Nations Framework Convention on International Tax Cooperation

Intervention by Markus Trilling Eurodad

Thank you, chair.

This is the European Network on Debt and Development.

Distinguished chair, delegates,

We are highly concerned about earlier interventions suggesting that sustainable development and environmental protection would not have a place in the framework convention.

We welcome the considerations and support to include commitments on ensuring that tax measures contribute to addressing environmental challenges. This should be covered by an early protocol.

Our planet earth is in dire straits. **Environmental degradation and the climate catastrophe** are putting people's health and wellbeing at risk already today, causing trillions of dollars in damage.

But the worst can still be avoided if we take urgent action. **Taxation and tax policy must play its part.**

While it is the vulnerable communities and countries which **suffer most** from the impacts of the climate crisis and ecological devastation, these have historically **contributed little** to the rise in greenhouse gas emissions and to ecosystem degradation.

This is why any tax measures aiming to address environmental challenges should adhere to **Environmental and Carbon Tax Justice principles.**

These are the principle on **Common But Differentiated Responsibilities and Respective Capabilities** (CBDR – RC) and the **polluter pays principle**.

Common But Differentiated Responsibilities and Respective Capabilities (CBDR – RC) establishes the **common responsibility of the states to cooperate**, including on the protection of the environment. It is acknowledging **the different capabilities and differing responsibilities of individual countries** in addressing environmental challenges. It is taking into account each country's specific circumstances, their role in causing a particular environmental issue and their overall ability to address the environmental harm.

The polluter-pays principle recognizes that the **costs of pollution and environmental damage should be borne by those causing it** – including those who are historically responsible.

To conclude, ensuring Carbon and Environmental Tax Justice is key to the **pursuit of environmental objectives while aiming – at the same time - to reduce inequalities** within and between countries.

Thank you!