

PRESS RELEASE

CSOs support the G77 and China proposal on UN intergovernmental tax body and the Africa Group's on a UN Tax Convention

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This week, the [Group of 77 \(G77\) and China](#) and the [Africa Group](#) at the UN have once again tabled resolution drafts, which would bring reform of international tax rules to its rightful institution and enshrine international cooperation in tax matters on the basis of equality and fairness. The **Global Alliance for Tax Justice (GATJ)** joins other members of the **Civil Society Financing for Development (CS FfD) Group** in its support for the draft resolutions.

On this occasion, to reinforce its support, GATJ launched a [statement endorsing the call of the African Ministers of Finance for a UN Tax Convention](#). An initiative of the **Tax Justice Network Africa (TJNA)**, in collaboration with the **Red de Justicia Fiscal de América Latina y el Caribe (RJFALC)** and **Tax and Fiscal Justice Asia (TAFJA)** – members of GATJ – the statement was signed by 228 civil society organisations worldwide. “The statement reflects the wide support the call for a UN-based and Member States-led intergovernmental process has, as the only inclusive and democratic alternative to reform international tax rules. We are ready to mobilise and raise the pressure on UN Member States to overcome the blockage of OECD countries and work collaboratively to pass these resolutions”, said **Dereje Alemayehu**, Executive Coordinator of GATJ.

In support of the resolutions, **Luis Moreno**, member of RJFALC and Chair of the GATJ's Coordination Committee said:

“OECD countries have been pursuing a two-pronged approach regarding reform of international tax rules. They have been trying to impose binding reforms that serve mainly their interest at the cost of developing countries, as well as to lock them into agreements that will perpetuate the denial of their international taxing rights. In their first approach, the OECD-led process is failing to reach any conclusion. However, they have so far succeeded in their second approach: blocking the start of an intergovernmental process at the UN. The resolution drafts of the G77 and China and the Africa Group at the UN are first steps to end this blockage. We call on all developing countries, and in particular those in Latin America and the Caribbean, to firmly support these resolutions.”

Alvin Mosioma, Executive Director of TJNA, also reiterated:

“Illicit financial flows and other forms of tax abuse by multinational corporations and wealthy individuals are draining an increasing amount of resources much needed for recovery and development. Developing countries, where the need for resources is greater, are deprived of them. This outflow of resources is multiple times higher than inflows in the form of official development assistance (ODA) and foreign direct investment (FDI).”

“Unless the failures of the international tax system are urgently addressed, developing countries will continue to lose billions of dollars due to illicit financial flows and other forms of tax abuse. This situation has to be brought to an end. The G77 and China and the Africa Group at the UN are leading the way. Developing countries should unite to stop the blockers from thwarting a member state led process.”

Jeannie Manipon, member of the Coordination Committee of TAFJA and GATJ said:

“Besides usurping the role of reforming international tax rules, the G7 has not moved an inch in curbing illicit financial flows (IFF) and reducing tax abuses. There is thus no improvement to expect if tax rule making is left with the G20. Many OECD countries have a big share of the responsibility in tax abuses of all forms because they are the destination of IFF and host of enabler institutions. That is why they are not taking measures to close down tax havens and to sanction enablers of tax dodging and IFF. On the other they are blocking the reform of the global tax system through an inclusive intergovernmental process at the UN to address these challenges.”

“The resolution drafts forwarded by the G77 and the Africa Group at the UN should be endorsed and translated into action urgently. The OECD countries must stop blocking a UN-based inclusive and transparent intergovernmental process to democratise global tax governance in which all countries participate on an equal footing.”

“We call on all G77 countries to withstand the bullying and divide and rule tactics of OECD countries and actively collaborate in their fight for a Member States-led elaboration of a UN Tax Convention, for an improved and equitable international tax cooperation.”

NOTES TO THE EDITORS

- The G77 and China resolution published this week: <https://undocs.org/A/C.2/77/L.8>
 - Africa Group resolution published this week: <https://undocs.org/A/C.2/77/L.11>
 - Statement by TJNA, RJFALC, TAFJA and GATJ in support of the call by African Ministers of Finance, Planning and Economic Development for a UN Tax Convention: <https://globaltaxjustice.org/libraries/statement-support-for-the-call-by-african-ministers-of-finance-for-a-un-tax-convention/>
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- The G77 and China and its members have been calling for a UN intergovernmental tax body for over two decades. This database developed by the CS FfD Group tracks statements by governments supporting this call: <https://csoforffd.org/2021/10/27/database-governments-supporting-an-intergovernmental-un-tax-body-and-or-un-tax-convention/>
- Building on the call by G77 and China, in 2019 a call to develop a UN Tax Convention was first put forward by the Africa Group at the United Nations. The following year, it was included in a ‘Menu of Options’ produced as part of a UN process to consider how the international community could respond to the COVID-19 crisis. In February 2021, the FACTI Panel – which had been set up by the President of the UN General Assembly (at the time Nigeria) and the President of the UN Economic and Social Council (at the time Norway) – also included the proposal for a UN Tax Convention as a key recommendation in its final report. In May 2022, the African Ministers of Finance, Planning and Economic Development reiterated the call at their 54th session in Dakar.
- The Global Alliance for Tax Justice (GATJ) and the European Network on Debt and Development (Eurodad) launched in March 2022 a civil society proposal for a UN Tax Convention, which responds to these calls and a number of other concerns that have been raised regarding the existing international tax system: <https://globaltaxjustice.org/news/ground-breaking-civil-society-proposal-for-a-un-convention-on-tax-is-published/>

Over the past several years, [#GlobalSouth](#) countries have repeatedly called for the establishment of an intergovernmental [@GlobalTaxBody](#) under the auspices of the [@UN](#)

Sign our statement for a

[#UNTaxConvention](#): <https://t.co/AjX6MBAemi#TaxJustice> pic.twitter.com/vAtPIEICXV

— Global Alliance for Tax Justice (@GA4TJ) [July 18, 2022](#)

ABOUT THE GLOBAL ALLIANCE FOR TAX JUSTICE

The Global Alliance for Tax Justice (GATJ) is a South-led global coalition in the tax justice movement. Together we work for a world where progressive and redistributive tax policies counteract inequalities within and between countries, and generate the public funding needed to ensure essential services and human rights.

Created in 2013, GATJ comprises regional tax justice networks in Asia (Tax & Fiscal Justice Asia), Africa (Tax Justice Network Africa), Latin America (Red de Justicia Fiscal de América Latina y el Caribe), Europe (Tax Justice-Europe) and North America (Canadians for Tax Fairness & FACT Coalition), collectively representing hundreds of organisations.

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