

ECOSOC Special Meeting on International Cooperation in Tax Matters

Panel I: Taxation and Inequality

Statement by Civil Society FfD Group (including the Women's Working Group on FfD)

Delivered by Aida Jean Manipon, the Asian Peoples' Movement on Debt and Development and the Tax and Gender Working Group of the Global Alliance for Tax Justice (GATJ)

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1. For many women in the world, every day is a fight for survival. Our tax and fiscal systems, deeply regressive and laden with gender biases, are not helping ease the situation, but in fact deepening inequalities and worsening poverty. Tax systems heavily reliant on indirect taxes such as value added tax hurt women and the poor the most. *(Optional) The FACTI Report summed it up: "Women are disadvantaged the most by existing frameworks to address tax abuse and corruption,* due to gender-based inequality in the ownership of wealth, enterprises, and offshore capital income, as well as unequal burdens of unpaid work when public services are insufficient."*
2. On the other hand the interests of multinational corporations are privileged and accorded priority in current tax and fiscal policies, even at this time when precious revenues are most needed for public services essential to people's survival – **health, water, food and livelihood support*. What the world loses in illicit financial flows (IFFs) could and should have been used to expand and upgrade public services, make them available, accessible, and responsive to the needs of all.
(Optional, if time allows): The 2020 State of Tax Justice Report said that "Globally the equivalent of nearly 34 million nurses' annual salaries is lost to tax havens each year... Asia was found to have lost over \$73.3 to multinational tax abuse and private tax evasion every year. The tax lost is equivalent to 6.48 percent of the region's combined health spending or paying the yearly salaries of 11,371,221 nurses."
3. We need to urgently stop illicit financial flows, and correct the gender biases and regressive character of our tax and fiscal systems. Taxation must be used as a tool to address inequalities. We need progressive and gender-responsive *tax and fiscal policies* that : a) Reduce the unfair tax burdens on women and the poor; b) Contribute to ending discrimination against women; c) Serve to recognize, reduce, redistribute, and reward unpaid care work; d) increase the allocation of tax revenues for public services; and e) Fairly, effectively, and sharply tax the wealth and income of multinational corporations and the elite.
4. Finally, *on the issue of rule- making and who sets the rules*. Women know the importance of the fundamental issue of inequality in decision-making and what it means to be denied a seat at the table. We are witness to deep imbalances in decision-making around global tax rules – *this will not do if we are to 'walk the talk' in stopping IFFs, and if we are to 'walk the talk' in addressing inequalities.*

We need global norms and structures that are truly inclusive, transparent, democratic and transformative, where developing countries sit as equals at the table, and where the voices of those who are most affected by tax policies – women, the poor – are heard. We reiterate our call for the establishment of an inclusive and democratic inter-governmental tax body under the auspices of the United Nations, and urge that international action towards this end be stepped up .

5. *(Optional):* Illicit financial flows is a systemic problem – solutions require bold, ambitious, decisive and prompt action. In the face of the multiple crises where for millions of people the clock is ticking in the race to survival, there is simply no time to lose.