ECOSOC Special Meeting on International Cooperation in Tax Matters

Panel 2: Taxation and Financing for Healthy Systems

Statement by Civil Society FfD Group (including the Women's Working Group on FfD)
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- One of the great barriers that countries have to obtain the financing of the 2030 agenda are closely related to the impacts generated by IFFs, especially for developing countries, in a context where the pandemic has found us with marked economic and social inequality, exacerbating the precariousness of health systems, social protection, the labor market, gender inequities and climate impacts.

- Given this, the need to find effective short-term solutions in the immediate and sustainable in the LP for the mobilization of domestic resources, are very necessary, especially in a context where the rich have also become richer and the poor poorer (as noted during the meeting). i.e We estimate that a wealth tax in LAC could help universal vaccination of the entire population of this region.

- We consider that the political and technical discussion where it is necessary to address in what terms the measures of the international tax regulation that are implemented, should not only lead to the benefit of some, but that to all the countries of the world on equal footing. As the FACTI Panel notes: "Developing countries are being systematically disadvantaged in the current international tax architecture."

- It is within this framework that we echo some of the proposals that developing countries have been asking for years, and that the FACTI Panel has recommended: "*The creation of an intergovernmental tax body, and also the design of a Fiscal Convention under the auspices of the United Nations, and the call for its members to urgently support and mobilize in this direction.*"

- However, in this framework of the decision-making process we have some concerns:

    - One limitation is that a large number of low-income countries still do not participate effectively in international forums where standards are set. And those who participate face a triple disadvantage in the negotiations: 1) they participate in a debate on a set of fiscal rules developed largely without their input and without the possibility of participating on equal terms in the discussion of the new tax rules; (2) because of the limited capacities of Developing countries to make the most of negotiation opportunities, and (3) because the governments of the G20 and the OECD continue to dominate the issues on the international agenda. *An "inclusive framework" does not become inclusive just by calling it that.*
        - From CSOs we have been clear in sharing our concerns that *"the central issue is to overcome the stubborn blockade by some OECD / G20 member states on the establishment of a United Nations process to negotiate international tax rules."*

Under this current scheme of the global tax architecture, it will be very difficult to achieve the objectives of the 2030 agenda without a political commitment: of course, on the part of the developing countries but above all on the part of the higher income countries in order to give rise to a truly inclusive framework within the UN.