

To the kind attention of:

Permanent Representatives and Permanent Observers to the United Nations in New York  
United Nations Secretariat, Agencies and Programmes

1<sup>st</sup> November 2021

**Subject: UNGA Second Committee resolution on illicit financial flows and the need for an intergovernmental UN tax body**

Your Excellencies distinguished representatives of UN Member States,

We, the undersigned over 100 civil society organisations and trade unions, are writing to you in the context of the ongoing discussions at the Second Committee of the United Nations General Assembly about a draft resolution put forward by the Group of 77 (G77) and China on illicit financial flows, and specifically the proposal to upgrade the current UN expert committee on tax to an intergovernmental body (draft resolution on the promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development, document A/C.2/76/L.28, paragraph 19).

We would like to express our strongest support for the idea of establishing an intergovernmental UN tax body, and stress that this has never been more urgent.

The Covid-19 crisis has caused a critical lack of public funding, and is exacerbating inequalities both within and between countries. International tax cooperation and reform of the global tax system is vitally important for addressing these global challenges and for the achievement of the Sustainable Development Goals (SDGs). In this context, an intergovernmental UN tax body is essential for ensuring that all countries can participate on a truly equal footing in the decision-making on global tax matters, as well as for scaling up the fight against international tax abuse, both by multinational corporations and wealthy elites.

For almost two decades, the UN Member States have discussed the idea of establishing an intergovernmental UN tax body. In 2019, this proposal was supplemented by a proposal to develop a new global UN Tax Convention, as first suggested by the Africa Group.<sup>1</sup> Both of these proposals have since been included in the 2020 Menu of Options for Financing for Development in the Era of Covid-19 and Beyond.<sup>2</sup> In February 2021, they were also endorsed by the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (the FACTI Panel), which had been set up by the Presidents of the UN General Assembly (at the time Nigeria) and the President of the UN Economic and Social Council (at the time Norway).<sup>3</sup>

The recent international tax scandal known as the “Pandora Papers” has provided a stark reminder of the fact that the problem of international tax dodging is still far from resolved. At the same time, the OECD-led international negotiations on taxation and the digitalized economy have once again illustrated that the only international forum where all countries can participate on a truly equal footing is the United Nations.

Now is the time to move from discussions to action, and the ongoing negotiation in the Second Committee about the draft resolution on illicit financial flows provides an opportunity to take an important first step.

In order to ensure that all countries are able to participate on a truly equal footing in the global decision-making on tax matters, we believe that the intergovernmental UN tax body should have universal participation. Furthermore, we believe that a key task for the new body should be the development of a draft UN Convention on Tax, which should provide a future framework for global tax cooperation and a reformed international tax system designed to combat illicit financial flows, reduce inequalities and support the achievement of the SDGs.

In conclusion, we urge you and your government to:

- Support the adoption of a UNGA resolution on illicit financial flows that includes the establishment of an intergovernmental UN tax body with universal membership;
- Support that the new body initiates a negotiation of a new UN Convention on Tax;
- Speak out publicly in support of these proposals and work actively for intergovernmental action through the UN General Assembly.

We remain at your disposal if you would like to receive more information or would like to meet to discuss this issue further.

Yours sincerely,

Civil Society Financing for Development Group ([www.csforffd.org](http://www.csforffd.org))

### **Signatories**

ActionAid Denmark	Denmark
ActionAid International	International
ActionAid Nederland	Netherlands
ActionAid Nigeria	Nigeria
Africa Development Interchange Network (ADIN)	Cameroon
Alianza-ActionAid Spain	Spain
Alliance Sud	Switzerland
All-Party Parliamentary Group on Anti-Corruption & Responsible Tax	United Kingdom
APIT	Portugal
Arab NGO Network for Development, ANND	Arab Region
Asian Peoples' Movement on Debt and Development (APMDD)	Asia
Asociacion Mujeres Emprendedoras de Alta Verapaz	Guatemala
Association For Promotion Sustainable Development	India
Attac Finland	Finland
Both ENDS	The Netherlands
Canadians for Tax Fairness	Canada
Candid Concepts Development	Bahamas
CCFD-Terre Solidaire	France
Cedetrabajo	Colombia
Center for Economic and Social Rights	United States

Centre for Budget and Governance Accountability	India
Changemaker	Norway
Christian Aid	United Kingdom
Church Action for Tax Justice	United Kingdom
Church of Norway Council on Ecumenical and International Relations	Norway
CMAO Burundi	Burundi
CNCD-11.11.11	Belgique
Coalition nationale des organisations des volontaires pour le développement durable (CNOVD)	Congo-Kinshasa
Comisión Nacional de Enlace	Costa Rica
Comissão Nacional Justiça e Paz	Portugal
CRASH - Coalition for Reserch and Action for Social Justice and Human Dignity	Finland
CREATURA THINK & DO TANK RY	Finland
DemNet Hungary	Hungary
Education International	International
Ekvilib Institute	Slovenia
Equal Asia Foundation (Stichting EqualA Foundation)	Asia Regional
Equidad de Género: Ciudadanía, Trabajo y Familia	Mexico
European Network on Debt and Development (Eurodad)	Europe
Fair Tax Foundation	United Kingdom
FIAN International	Germany / International
Financial Accountability and Corporate Transparency (FACT) Coalition	North America
Financial Transparency Coalition	International
Finnish Development NGOs Fingo	Finland
Finnwatch ry	Finland
Forum for Women in Democracy	Uganda
FORUT	Norge
Fundación Constituyente XXI	Chile
Fundación SES	Argentina
Gender and Development Network	United Kingdom
German NGO Forum on Environment & Development	Germany
Gestos (soropositividade, comunicação, gênero)	Brazil
Global Alliance for Tax Justice (GATJ)	International
Global Call to Action Against Poverty (GCAP)	International
Global Campaign for Education	South Africa
Global Financial Integrity (GFI)	United States
Global Policy Forum	International
Institute for Economic Justice	South Africa
Inter Pares	Canada
Iustitia et pax Austria	Austria
Jubilee Caribbean	Grenada
Justice et Paix France	France
Karol Alejandra Arambula Carrillo	Mexico
KFUK-KFUM Global	Norway
Kopin - Malta (VO/0200)	Malta
Latin American Network for Economic and Social Justice (LATINDADD)	Perú
Latvian Platform for Development Cooperation	Latvia
MY World Mexico	Mexico

National Campaign for Sustainable Development Nepal	Nepal
Nawi - Afrifem Macroeconomics Collective	Africa
Netzwerk Steuergerechtigkeit	Germany
NGO Federation of Nepal	Nepal
Norwegian Church Aid (NCA)	Norway
Norwegian Council for Africa	Norway
Norwegian Forum for Development and Environment	Norway
Norwegian People's Aid	Norway
Norwegian Students and Academics International Assistance Fund (SAIH)	Norway
Patriotic Millionaires	International
Plateforme Paradis Fiscaux et Judiciaires	France
Public Services International	International
Red de Justicia Fiscal de América Latina y el Caribe	Latin America
Red Mexicana De Acción Frente Al Libre Comercio (RMALC)	México
Rede de Auditores Fiscais de Língua Portuguesa	CPLP
ReFocus Consulting	Canada
Regions Refocus	United States
Servicios Ecumenicos para Reconciliacion y Reconstruccion	United States
Sisters of Charity Federation	United States
Society for International Development (SID)	International
Spire	Norway
Tax & Fiscal Justice Asia	Asia
Tax Justice Europe (TJ-E)	Europe
Tax Justice Nederland	The Netherlands
Tax Justice Network - Norway	Norway
Tax Justice Network (TJN)	International
Tax Justice Network Africa	Kenya
Tax Justice UK	United Kingdom
Tax Reconciliations Oxford	United Kingdom
Temple of Understanding	United States
The Central Organisation of Finnish Trade Unions SAK	Finland
Third World Network (TWN)	Malaysia
Urgent Action Fund for Women's Human Rights	United States
Vienna Institute for International Dialogue and Cooperation (VIDC)	Austria
VIVAT International	International
Women's Working Group on Financing for Development	International
36x36	International

<sup>1</sup> Statement by Senegal, speaking on behalf of the African Group at the UN High-level meeting on International Cooperation to Combat Illicit Financial Flows and Strengthen Good Practices on Assets Return, 16 May 2019, New York.

<sup>2</sup> United Nations, 'Financing for Development in the Era of COVID-19 and Beyond. Menu of Options for the Consideration of Heads of State and Government Part II', September 2020, page 124,

[https://www.un.org/sites/un2.un.org/files/financing\\_for\\_development\\_covid19\\_part\\_ii\\_hosg.pdf](https://www.un.org/sites/un2.un.org/files/financing_for_development_covid19_part_ii_hosg.pdf)

<sup>3</sup> United Nations, 'Financial Integrity for Sustainable Development. Report of the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda', February 2021, [https://uploads-ssl.webflow.com/5e0bd9edab846816e263d633/602e91032a209d0601ed4a2c\\_FACTI\\_Panel\\_Report.pdf](https://uploads-ssl.webflow.com/5e0bd9edab846816e263d633/602e91032a209d0601ed4a2c_FACTI_Panel_Report.pdf)