In Solidarity with the
Global Days of Action
on Tax Justice
in the Extractive Industry
25-26 November 2021

Stop tax dodging and plundering!
Stop undermining human rights!

The extraction of natural resources in many countries in Asia has long served as a foundation for the concentration of wealth and power in the hands of a few -- at the expense of communities, marginalized sectors, and the environment. Our shared experiences of large-scale mineral extraction under colonial occupation and the neoliberal drive of governments to attract foreign investments in extractives are deeply intertwined with a long history of peoples’ struggles for lands, livelihoods, and human rights in mining-affected communities across the region. These are also part of a continuing history of labor exploitation and sustained and systematic transfers of wealth, natural resources, indigenous knowledge, and other assets from the Global South to the Global North. A situation that has produced immense, profoundly immeasurable social and ecological debts owed to the peoples of the Global South. Multinational corporations in the extractive industry and their shareholders from local elites have enjoyed long standing guarantees of profit accumulation from ownership and control of vast mineral, oil and gas reserves, boosted by generous fiscal and non-fiscal incentives. Where the collusion of corporate and elite interests dominate politics and policymaking, the capacities and political will of governments to fulfill their human rights obligations, climate commitments, and sustainable development goals are severely undermined and eroded.

The multiple crises of health, economic recession and climate emergency present us with the urgent challenge and unique opportunity to chart a different path and reject economic policies and development paradigms that harm people and the planet. It is thus alarming when governments and international actors look uncritically at the extractive industry as part of the ‘solution’ to economic development challenges without regard for its links to illicit financial flows, human rights abuses and the climate crisis. Environmental abuses and other unjust practices of the extractive industry must be stopped; the flaws and loopholes in national and international tax systems that enable mining, oil and gas companies to shift profits, practice systematic tax avoidance, and enjoy generous tax incentives, must be corrected.
On November 26, 2021, The Asian Peoples’ Movement on Debt and Development (APMDD) joins advocates and allies on the Global Day of Action on Tax and Extractives to demand accountability for human rights and environmental abuses, to advance tax justice by transforming mining fiscal regimes, and to call on governments to make taxes work for people and the planet.

I. Stop the plunder and exploitation of labor and natural resources, environmental destruction, and other unjust practices by mining companies!

The multiple crises experienced by mining-affected communities amidst the global pandemic exposed the continuing crimes of mining corporations against peoples of Asia. In India, hazardous working conditions and underpayment of wages are persistently reported by workers in coal mines, whose toxic fumes were also proven to weaken respiratory health and increase vulnerability to COVID-19 of surrounding communities. In Indonesia, the government introduced several reforms to the Mining Law that granted automatic permit extensions and expanded the scope of tax incentives enjoyed by the mining sector despite reports on the heightened vulnerability of over a hundred mining-affected communities to natural disasters. In the Philippines, the government lifted the nine-year restriction on mining licenses, thus allowing the continuation of human rights and environmental destruction without consequence.

These incidents illustrate a very bleak picture of mining’s impacts on communities in Asia. Women in mining-affected communities are likewise facing additional threats to their livelihood and obstacles in accessing necessities such as water and food due to displacement of communities and degradation of natural resources. Mining corporations and state forces have also taken advantage of lockdown restrictions to violently bear down on the resistance of indigenous tribes and other marginalized sectors, deepening the accumulation by dispossession of lands and suppression of their rights to defend their communities from encroachment. Despite the risks and impacts faced by workers, women, and indigenous peoples, profits gained by mining corporations have skyrocketed in 2021 to higher than pre-pandemic levels.

II. Make mining corporations pay their just share of taxes! Stop corporate tax abuses and other illicit financial flows in the extractives industry!

Amidst widespread exploitation and abuses on human rights and the environment, governments have reinforced the regulatory stranglehold of the mining industry through tax and fiscal regimes that grant a range of incentives, treaties, and agreements exclusively offered to mining corporations, usually lasting more than a decade. Embedded in fundamental Mining and Investment codes of many Asian countries are several loopholes for mining companies to pay meager revenues far below baseline corporate tax rates. Massive discrepancies between profits generated by the mining industry and their paltry tax contributions reveal the magnitude of foregone revenues. This staggering revenue loss sharply undermines domestic resource mobilization in countries that direly need to rebuild essential public services that have been crippled by decades of privatization and urgency of pandemic-related social demands.

On top of fiscal incentives and legalized instruments enabling tax avoidance, mining corporations deliberately take advantage of several gaps in the broken global tax architecture, financial secrecy through tax havens, and corporate restructuring to engage in aggressive tax planning and reduce
tax obligations to national governments. Legislative lobby groups of mining corporations actively plan around tax competition in Asia and globally, especially in levies specific to the mining sector such as royalties, processing and export taxes. These underline the importance of the voices and demands of resource-rich developing countries in pushing for an inclusive, democratic, and transparent intergovernmental body on global tax rules under the auspices of the United Nations.

III. Make taxes work for people and the planet! Advance a transformative agenda for realizing social, economic, and environmental justice!

Our demands for accountability from mining corporations and governments to address peoples’ urgent needs are nevertheless rooted in the recognition that reforms in tax regimes and stricter regulations on labor and human rights are still fundamentally inadequate to address the destructive intergenerational impacts of large-scale mining on the environment and local communities. Threats to biodiversity and livelihoods, displacement, and climate impacts will continue to encroach upon peoples’ welfare and further threaten the planet’s future as long as economies remain heavily reliant on natural resource extraction for production and commodity exports. Because of these impacts inherent in the continuation of large-scale mining activities, governments in Asia must profoundly rethink industrial policies that regard extractivism as a pillar of development. We must progressively shift away from economic systems that prioritize profits of mining corporations and embedded interests of political elites over the urgent demands of mining-affected communities, workers, women, and other mining-affected sectors, and the people’s demands for just, sustainable, equitable and democratic economies.

We demand governments in Asia to:

1. **Tax the Rich, not the Poor!** Address the biases of tax systems that favor elite interests and impose unjust tax burdens on the people. Stop corporate tax abuses and all forms of illicit financial flows! Strengthen and enforce financial transparency mechanisms. Work for a truly inclusive, democratic, transparent and accountable intergovernmental mechanism for governance on international tax matters under the auspices of the United Nations.

2. **Advance tax justice in the extractive industry!** Make mining companies and MNCs pay their fair share of taxes. Probe and sanction tax abuses of mining corporations.

3. **Stop the exploitation and abuse of workers in the mining and extractives industry.** Uphold the rights and promote the welfare of all marginalized sectors and communities affected by the mining industry.

4. **Stop environmental destruction and other abuses of mining companies!** Make mining companies pay for reparations and ecological restoration.

5. **Put an end to economic dependence on natural resource extraction by working towards system change and transforming our deeply extractivist economies towards a peoples’ vision of sustainable, just, equitable and democratic economies that prioritize people and planet over corporate greed and profit-driven elite interests.**