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Asian Peoples’ Movement on Debt and Development
Philippines

As peoples and organizations committed to the transparent, accountable, and just restructuring of tax systems, we call on governments to take urgent measures to make tax and fiscal policies more responsive to the needs of people and the planet and reject policies and initiatives that will exacerbate inequalities within countries and across countries such as the OECD-G7-G20 Tax Deal.

The COVID-19 pandemic and its impacts on our citizens present a historic opportunity to transform tax systems. Given the urgency of providing solutions to these pressing needs, it is lamentable that proposals by the world’s richest nations fail to address fundamental inequities in our global tax architecture.

Despite official statements on strengthening domestic resource mobilization, the Two-Pillar “solution” of the OECD Inclusive Framework on Base Erosion and Profit-Shifting (BEPS) opens numerous loopholes for multinational corporations (MNCs), especially those operating in developing countries, to continue abusive tax practices detrimental to revenue generation. These false solutions yield an unjust share of revenues to headquarter countries of MNCs and accelerate a global race to the minimum corporate tax rate of 15%, further eroding our revenue bases. The Inclusive Framework represents no more than a “tax deal of the rich,” favoring a few countries that have long benefitted from our flawed global tax system.

These high-income countries and legislative lobbies for MNCs are expediting the adoption of the agreement globally to forestall demands by developing countries and civil society. This underlines the essential responsibility of governments in disadvantaged countries to assert equal rights to decide on global tax rules in an intergovernmental platform where all countries sit at the table as equals.

The Asian Peoples’ Movement on Debt and Development (APMDD) strongly urges governments in Asia to reject the OECD-G7-G20’s “tax deal of the rich” and heed civil society demands for democratic, inclusive, and transformative global tax architecture. Under the banner of the 2021 Nobel Peace Prize Nominee – the Global Alliance for Tax Justice (GATJ) – civil society reiterates the call for the establishment of a universal, intergovernmental UN tax commission and negotiating a UN tax Convention to comprehensively address tax havens, tax abuse by multinational corporations and other illicit financial flows.

Make taxes work for people!

Yours in tax justice,

Lidy Nacpil
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