

26th Session of the Human Right Council
Debate on Special Rapporteur on Extreme Poverty and Human Rights report on
fiscal policy A/HRC/26/28

*Statement presented by Nicole Bidegain, DAWN on behalf of the Righting Finance at
the 26th Session of the Human Right Council*

I am Nicole Bidegain from Development Alternatives with Women for a New era (DAWN) and I am speaking on behalf of the Righting Finance Initiative¹. We welcome the report on taxation and HR as it establishes the connection between achieving human rights and the need to maximize collection of resources from all possible sources.

We appreciate the balanced approach of the report in recognizing that collecting adequate tax revenue is not left to domestic policy alone, but requires an enabling environment in compliance with obligations for international cooperation on human rights.

Applying the principle of equality and non-discrimination to taxation implies to shift the tax burden from consumption taxes paid by women, people living in poverty and other groups facing structural discrimination such as gays, lesbian and trans people who are in the bottom of the income distribution, to progressive taxation systems including profitable sectors and economic actors who are currently undertaxed.

In this line, we support the recommendations to:

- Ensure the public revenue raised from the financial sector is commensurate to the sector's profitability and the risks it generates; including but not limiting to the implementation of a financial transaction tax (para 79, n).
- Ensure that extractive industries are subject to appropriate tax rates and export duties and that the human rights of affected communities are protected (para 79, l)

Secondly, governments need to revert “the race to the bottom” and moving from tax competition to tax cooperation. We call governments to implement the following recommendations of the report to:

¹ The Steering Committee of Righting Finance is composed by AWID, CIVICUS, CESR, Center for Women's Global Leadership, Center of Concern, DAWN, ESCR-Net, IBASE, Norwegian Center for Human Rights and Social Watch. For more information: <http://www.rightingfinance.org/>

- “institute fully transparent public oversight over the granting and monitoring of tax incentives, and conduct periodic assessments of (...) human rights compliance, informed by broad public participation, especially by individuals who will be most affected;” (para 79 j)
- “adopt country-by-country reporting standards for all transnational corporations” (Para 81 f)), “full disclosure of beneficial ownership of registered companies through national public registries;” (Para 81 g)) and developing “a multilateral, global system of automatic tax information exchange” (Para 81 d)).

Third, we recommend that as part of the mandate of the new special rapporteur, governments receive support to implement the specific recommendations of the report and that next reports further develop the links between financial regulation, taxation and human rights of people living in poverty.

To conclude, we endorse the proposal to “include a commitment to align fiscal policy with human rights obligations as part of the post-2015 development framework”.

Thank you very much.