

# Tax Justice for Women's Rights; A Global Campaign

## Executive Summary

This paper has been prepared for the North-South research center (CETRI) for their [Alternatives Sud series, published in French in March 2019](#). This is in the context of a Belgian flagship #TaxJustice campaign that will be run throughout 2019 by the Belgian NGO platform CNCD 11.11.11.

Tax has increasingly become a mainstream development issue underpinned by the 'no taxation without representation' bargain.<sup>1</sup> This attention can also be attributed to the scandals of corporate tax dodging revealed by the lux leaks<sup>2</sup>, panama papers<sup>3</sup> and paradise papers<sup>4</sup> accounts, rampant privatization of essential public services and austerity measures. Moreover, tax revenue is dwarfing aid as a source of development finance and is considered the most sustainable source of government revenue.

However, first, tax is considered technical and has led to the structural and systemic exclusion of the critical voices of women and feminist analyses in the international financial architecture debate compounded by gender neutral tax systems and policies. Literature indicates that taxation policies are likely to affect men and women differently, since they play different roles in society and also demonstrate different consumer behaviours. There have also been concerns worldwide that tax policy is biased against women because it tends to increase the incidence of taxation of the poorest women while failing to generate enough revenue to fund the programmes needed to improve these women's lives.<sup>5</sup>

Secondly, every country in the world loses when multinational companies abuse tax policies and use tax havens and secrecy jurisdictions to avoid paying their share of taxes through tax evasion and avoidance schemes. These harmful tax practices siphon off huge amounts of tax revenue and many wealthy elites and multinational corporations get away with not paying their fair share of tax leading to the phenomenon of Illicit financial flows (IFFs).

This hurts citizen of rich and poor countries alike and women are doubly impacted.

This paper seeks to highlight i) the gendered impacts of taxation, ii) the gendered effects of illicit financial flows, policy options and lastly iii) to share information about the Global Alliance for Tax Justice campaign on tax justice for Women's rights.

## Introduction

Taxation is one of the ways by which modern governments raise finances. In practice, according to Alex Cobham there are four common objectives of taxes as a tool for economic development and governance can be summarized as the four Rs of taxation.<sup>6</sup> Tax provides governments with **Revenue** (to pay for schools and police forces, for example). Tax policies should be structured in a manner to ensure effective generation of available resources. The financing of public services such

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<sup>1</sup>a phrase, generally attributed to James Otis about 1761, that reflected the resentment of American colonists at being taxed by a British Parliament to which they elected no representatives and became an anti-British slogan before the American Revolution; in full, "Taxation without representation is tyranny."

<sup>2</sup> "Lux Leaks," International Consortium of International Journalists (ICIJ)  
<https://www.icij.org/investigations/luxembourg-leaks/>

<sup>3</sup> "Panama Papers," International Consortium of International Journalists (ICIJ)  
<https://www.icij.org/investigations/panama-papers/>

<sup>4</sup> "Paradise Papers," International Consortium of International Journalists (ICIJ)  
<https://www.icij.org/investigations/paradise-papers/>

<sup>5</sup> Barnett K and Grown, C (2004) *Gender Impacts of Government Revenue Collection: The Case for Taxation*, London, Commonwealth Secretariat)

<sup>6</sup> Cobham, A. *Taxation Policy and Development*, Tax Justice Network

as health, education and infrastructure is dependent on the effectiveness of tax policies to tax economic activities. Tax can be a way to **Redistribute** wealth and income. Beyond revenue generation tax policies if well applied can mitigate the adverse impact of inequality. This requires that the tax system is both vertically and horizontally equitable. Horizontal equity means that people in the same income category should be taxed the same irrelevant of their source of income. Tax policies should not discriminate or be favorable to certain form of income against others. Vertical equity on the other side requires that those who earn more contribute a higher share of their income to tax as those earning less. This is particularly important for developing countries, which are characterized as highly unequal and with a growing gap between the poor majority and the wealthy few. According to a report released by Oxfam<sup>7</sup> in early 2017, just 8 male billionaires own the same wealth as the poorest half of all people on the planet. Tax can also be used for **Re-pricing** (for example, taxing tobacco and carbon-based fuels can be a way to change behaviour). Tax policy can be used as an instrument to steer or direct behavior or consumption. Governments can use taxation to discourage the consumption of goods considered harmful to society. Sin taxes as they are popularly referred to can be used to control the consumption of goods or services considered socially bad such as alcohol, smoking or gambling. The fourth “R” is **Representation**. American colonists rejecting British colonial rule in the eighteenth century knew all about it, famously demanding “no taxation without representation.” When citizens are taxed, they demand accountability in return for their hard-earned money, and this keeps governments on their toes. Tax is the glue that binds governments to their citizens. Taxation creates an accountability mechanism where citizens have the legal obligation to pay their right share of taxes government. In return the government is held accountable in ensuring effective utilization of these public funds. As the old English adage goes ‘he who pays the piper calls the tune’. Governments that rely either solely or largely on external funding or resources from extractive sector as more likely to be feel less obliged to be held accountable by their citizens.

### **Legal Framework underpinning resourcing women’s rights**

Increasing attention has been focused on how tax laws shape women’s lives, affect their access to property, incomes, and public services, and transmit gendered social expectations and stereotypes within societies and across borders.

World leaders have committed towards resourcing of women’s rights and taxing for gender equality through various instruments. There is a growing list of international human rights treaties that recognize not only state prerogatives to tax, but also state obligations to distribute tax burdens equally, take taxpayer ability to pay into consideration, and use revenues without discrimination. These include the:

- UN Universal Declaration of Human Rights,
- the International Covenant on Economic, Social and Cultural Rights,
- Convention on the Elimination of All Forms of Discrimination against Women (CEDAW),
- the Beijing Platform for Action,
- regional African, Asian, European, and American human rights covenants, and
- the Declaration of the Rights of Indigenous Peoples.
- 2030 Sustainable Development Goals. Goal 16 calls on countries to curb illicit financial flows in order to fund the SDGs.
- the Addis Ababa Action Agenda
- State constitutions and human rights laws also apply to fiscal issues, and both state courts and treaty bodies have legal authority to implement human rights guarantees in relation to tax, spending, and other laws

### **What are the Gendered Impacts of taxation?**

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<sup>7</sup> Oxfam (2017) *An economy for the 99%*

Tax has a dual impact on women; i) how tax is raised and ii) how much tax is raised.

## **1. How tax is raised**

### **a. Value Added Tax (VAT) and other consumption taxes**

A consideration is given to the explicit and implicit gender biases which make women contribute more than men, relative to their income (e.g. through flat or regressive taxes like the VAT and other consumption taxes). Explicit gender biases result from specific provisions of the law, regulations or proceedings that deliberately treat men and women differently. Implicit biases are less obvious and related to differences in the way the tax system (or any tax policy measure) affects men's and women's well-being. The Value Added Tax (VAT) can exert a gender bias because of women's different consumption patterns. Women in developing countries tend to purchase more goods and services that promote health, education and nutrition compared to men. This creates the potential for women to bear a larger VAT burden if the VAT system does not provide for exemptions, reduced rates or zero-rating. The same applies to ensuring a sufficiently high tax-free allowance for small entrepreneurs. More generally, because of women's lower income, a tax policy that solely focuses on increasing indirect taxes such as the VAT instead of also increasing direct taxes (income taxes) can potentially be more burdensome for women.

A largely accepted notion about consumption taxes is that they are considered to be highly regressive. It is argued that the burden is higher for low-income individuals because they spend a higher percentage of their income on consumption than do high-income individuals. Countries that maintain progressive tax systems therefore take several measures to remove the regressivity of the VAT. These measures include (1) exempting food and social necessities and (2) taxing luxuries at higher rates and necessities at lower rates.

### **b. Personal Income Taxation (PIT)**

Explicit biases – for example, the provision of tax deductions granted to a male taxpayer but not so for a female taxpayer. While implicit biases shape their role in economy or society for instance in countries that allow a joint filing in personal income tax systems with a progressive rate structure, for instance, the low-income earner is effectively taxed at a higher marginal tax rate. This often affects women more than men because women's income is usually lower than their husband's income. This income difference is partly due to discrimination against women in the labour market and partly due to former discrimination in education. Even though joint filing results in a financial gain for the household in total – because the combined income is in a lower tax bracket than compared to individual filing – it is not necessarily the case that women have a say in how this financial gain is used. The higher taxation of women's income may influence their labour market participation, child bearing behaviour and their economic welfare in case of a divorce. The proven policy solution will therefore be working on making the overall tax system more progressive and removing any explicit and implicit gender biases.

### **c. Corporate Income Tax (CIT) and informal sector Taxation**

Corporate taxation affects women's economic status and opportunities. Women are not represented equally in the corporate sector as owners, managers, or employees, even though global corporate income tax rate cuts over the last several decades have increased the tax benefits of incorporating businesses and tax subsidies uniquely available to corporations.<sup>8</sup>

The economic realities of women's lives discourage women from forming incorporated businesses. Fewer women than men benefit from falling corporate tax rates, own VAT registered businesses, or are able to incorporate businesses to benefit from CIT rates. The tax effects of fiscal austerity programmes cut government support for services crucially relied upon by women and at the same time, tend to overtax women's businesses in 'reformed' VAT, PIT, and simplified or presumptive

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<sup>8</sup> Lahey, K. (2018), *Gender, Taxation and Equality in Developing Countries*, UN Women

business tax regimes that are designed to raise new revenues from ‘hard to tax’ informal and unincorporated businesses.<sup>9</sup> The trend to lower CIT rates have a negative impact on women in lower income countries is more direct and harmful. **Shrinking CIT revenues are often replaced with consumption tax revenues**, which do not usually take gender differences in ability to pay those taxes into consideration. At the same time tax injustice and tax leakages through, i) transnational corporate profit shifting in tax havens, (tax evasion and tax avoidance leading to the phenomenon of IFFs) ii) the growing use of generous tax holidays and incentives to attract foreign direct investment in developing countries, and iii) the offer of special tax regimes for extractive operations and special tax-free economic zones in developing countries have all further reduced average CIT rates

## 2. How much of tax is raised

This approach looks at how much money is available in the public budget for public services and social protection that women rely on more heavily than men. Why do women rely more heavily on public services and social protections? i) Because of unequal distribution of unpaid care work, access to nurseries, preschools and elderly care is particularly important for women; ii) Because of reproductive health needs, women rely more on public healthcare and sanitary infrastructure in schools; iii) Because of the violence against women and girls’, public services, e.g. safe public transport or streetlights, are particularly important for women. iv) Because they are overrepresented among the poor, women often cannot afford access to private services.

Of course, the link between the revenue raised and spending is not automatic – we also need appropriate, gender-sensitive budgeting. This leads us to working on the amount of revenue raised, so tax leakages and revenue lost to corporate tax incentives, treaties and avoidance as well as other progressive potential sources of tax revenue such as property tax or international trade taxes.

### The cost of harmful tax practises

According to the Global Financial Integrity (GFI), Illicit financial flows (IFFs) are illegal movements of money or capital from one country to another. GFI classifies this movement as an illicit flow when the funds are illegally earned, transferred, and/or utilized. Some examples of illicit financial flows might include: money laundering, trade mis-invoicing to evade customs duties, VAT, or income taxes; use of anonymous shell company etc.

GFI 2015 report estimates that in 2013, US\$1.1 trillion left developing countries in illicit financial outflows.<sup>10</sup> This estimate is regarded as highly conservative, as it does not pick up movements of bulk cash, the mispricing of services, or many types of money laundering.<sup>11</sup> Estimating the exact amount of money lost through IFFs is a difficult task due to the inherent secrecy involved in their movement. The Tax Justice Network also estimates that world governments are losing \$500 billion a year in tax revenues due to tax avoidance by large companies.<sup>12</sup> In 2015, the Mbeki led High Level Panel also estimated that USD 50 Billion leaves Africa every year due to the problem of illicit financial flows (IFFs).<sup>13</sup> The Mbeki panel on IFFs also defines “IFFs as the movements of money or capital from one country to another that are illegally earned, transferred, and/or utilized.”

The Mbeki panel report reveals that IFFs comprise of 5% - corruption (including theft of public assets and bribery), this figure may be higher in Africa; 35% - Criminal activities, including money laundering, drug trafficking, racketeering, counterfeits, contrabands and terrorist financing; and 60%

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<sup>9</sup> Lahey, K. (2018), *Gender, Taxation and Equality in Developing Countries*, UN Women

<sup>10</sup> Global Financial Integrity (2015), “*Illicit Financial Flows from Developing Countries: 2004-2013*”

<sup>11</sup> Analytical Methodologies Utilized by Global Financial Integrity

<https://www.gfintegrity.org/issues/illicit-financial-flows-analytical-methodologies-utilized-global-financial-integrity/>

<sup>12</sup> *The scale of the problem*: <https://bit.ly/2IXUhdg>

<sup>13</sup> UNECA (2015), *Illicit Financial Flows: why Africa needs to “Track It, Stop It, Get It”*, High Level Panel on Illicit Financial Flows from Africa

- Commercial tax abuse, Massive cross-border flows of trade and finance, along with technological advances, have allowed national and transnational corporations and high net-worth individuals to use tax havens and aggressive tax-planning schemes - tax evasion and aggressive tax avoidance to dramatically reduce their overall tax burden.

These harmful tax practices drive the illicit financial flows that are bleeding economies at all levels of development dry and women disproportionately bear the brunt when governments do not have enough resources to fund public services and social protection.

IFFs are to a large extent a result of flawed global financial systems that operates in an environment characterized by high level of opacity and poor or lack of clear global regulation. Tax havens stand at the heart of the IFFs phenomenon since they provide the secrecy and low taxation and allow unscrupulous companies to exploit the loophole to shift profits offshore. Lack of transparency in the global financial systems can be characterized as the root cause for IFF. The exploitation of weak legal and regulatory framework and capacity challenges existing in many African countries has led to the stifling of Africa's socio-economic progress through draining scarce foreign exchange resources, reducing government tax revenues, deepening corruption, aggravating foreign debt problems and increasing Africa's economic dependency. To address challenges related to IFFs will require concerted efforts at national regional and international level. At the national level, governments will be required to invest in efforts to increase their technical capacity to monitor the operations of MNCs. Regionally African countries will need to collaborate and share information more effectively. Globally the solutions lie in increasing transparency in the operations of MNCs through such measures as public country by country reporting, public registry of beneficial ownership of companies and mechanisms that support automatic exchange of tax information.<sup>14</sup>

### **What are the Gendered Effects of Illicit Financial Flows?**

Tax leakages and IFFs hit developing countries hardest, given their overall limited resources and greater reliance on corporate taxes as a share of their national revenue.

#### **1. Leakages erode the tax base**

This denies government budgets the key source of funding for:

- a) **Public services;** Loss of revenues to cross-border tax abuse contributes to the underfunding of essential services, institutions, and infrastructure on which women depend, from health care and education to public courts and transportation systems, accountable law enforcement...Tax leakages have hit Africa the worst because every dollar lost to tax havens is a dollar that could have been invested in public services - *to build hospitals, schools, affordable housing and public transportation systems, or to deliver clean water and sanitation* or for basic social services, such as access to quality health care, education.
- b) **Social Protections;** essential services and programs designed specifically to protect and promote women's rights are seen as unaffordable<sup>15</sup>. Inadequate spending on social services often takes a heavy toll on women in particular, as they typically bear the burden of care-giving and performing unpaid work when public institutions fall short. Institutions and programs designed to promote gender equality and support women's advancement often go unfunded or underfunded, and constantly face the risk of spending cuts. The CEDAW Committee has referred to this as the 'feminization of poverty'<sup>16</sup>.

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<sup>14</sup> *Fixing the International Tax System:* <https://bit.ly/2IXFSht>

<sup>15</sup> *Report of the Special Rapporteur on Extreme Poverty and Human Rights (2014)* <https://bit.ly/2L8ajhA> ,

<sup>16</sup> A series of phenomena within poverty affect men and women differently, resulting in poor women outnumbering poor men, women suffering more severe poverty than men, and female poverty displaying a more marked tendency to increase, largely because of the rise in the number of female-headed households. This set of phenomena has come to be termed the 'feminization of poverty'.

## **2. Disproportionate Tax Burden on women**

Loss of revenue to cross-border tax abuses often results in a disproportionate tax burden on women, particularly low-income women in developing countries. To make up for missing tax payments by companies and elites, governments often increase their reliance on more regressive forms of revenue generation, including consumption taxes like VAT. The mechanics of a VAT are easier to implement for a weak state, and so organizations like the IMF have pushed countries down this path, prioritizing the need for revenue over a concern for equity.

Women being over-represented among lower-income segments of society, they are particularly disadvantaged by taxes that impose a greater burden on the poor. Given entrenched gender roles in many countries, women frequently spend a greater share of their incomes on consumer goods, such as food and household products, so taxes on these forms of consumption hit women hardest.

Women living in poverty, whether as the result of geography, household, disability, age, class, religion, or other factors, are at greatest risk of economic and social marginalization. Women's life chances are systemically impaired compared with men because women have higher levels of unpaid, informal, and care work responsibilities than men. Women have lower incomes and less access to capital and productive assets than men, and do not enjoy equal rights to social protection, education, health care and other public services that they are typically more reliant on as a result of their gendered roles in society. These have a particularly negative effect on informal workers and people living in poverty – the majority of whom are women – as they spend a large part of their income on taxes for the essential goods and services they consume to sustain livelihoods, perpetuating the cycle of poverty and aid dependence.<sup>17</sup>

## **3. Resourcing for women's rights and gender justice**

One of the biggest challenges facing the implementation of long agreed commitments on human rights, women's rights and gender equality and related goals, like those contained in Agenda 2030 and CEDAW is ensuring that resources are sufficiently allocated. States have an obligation to mobilize the maximum available resources for the realization of human rights. For instance, obligations under Article 2 of CEDAW, read in conjunction with its duties as a State party to other international human rights treaties, including the International Covenant on Economic, Social and Cultural Rights (ICESCR), to realize women's rights both within and outside its territory. These obligations include STATE duties: to refrain from making laws and policies which directly or indirectly result in the denial of women's equal enjoyment of their rights, extraterritorially as well as within its jurisdiction

Progressive taxation plays a key role in mobilizing public resources and is a key tool for addressing economic inequality, including gender inequality. The hidden resources of illicit financial flows must be unlocked and returned to bolster domestic resourcing of development goals and gender equality.

## **4. Tax revenue losses fuel poverty and exacerbate inequality,**

As wealth concentrates in fewer hands -for instance according to Oxfam's data, 1% of the population own as much wealth as the rest of the world combined-, 63% of the biggest economic entities are corporations, not countries. *Extreme inequality is out of control in Kenya. Less than 0.1% of the population (8,300 people) own more wealth than the bottom 99.9% (more than 44 million people).*

Tax policies can play a crucial role in reducing inequality and redistributing resources in order to level the playing field as much as possible. The failure to prevent corruption and the fact that tax amnesties continue to be granted to large corporations, fuel the desire among common taxpayers to be part of those that outwit the state and its tax administration. Equitable and progressive tax

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<sup>17</sup> Warris, A. (2017) *Illicit Financial Flows Why We Should Claim These Resources for Gender, Economic And Social Justice*, Association for Women's Rights in Development (AWID)

policies, based on human rights, have the potential to reduce inequalities and redistribute resources to achieve development goals and end impoverishment. Yet the wealthy few access legal and financial advice and services to better exploit tax loopholes, or open undeclared foreign bank accounts in low-tax jurisdictions.

#### **5. Unemployment and under investment in the economy**

When monies are illicitly transferred out of developing countries, the loss of public resources impacts negatively the economic development of a country and ultimately job creation. Similarly, when profits are illicitly transferred out of developing countries, reinvestment and the concomitant economic expansion to create local jobs are not taking place in these countries.

Lack of public investment has consequently led to lack of employment creation and greater unemployment, hitting women particularly hard. According to 2016 ILO figures, in many regions in the world, in comparison to men, women are more likely to become and remain unemployed. They have fewer chances to participate in the labour force and – when they do – often have to accept lower quality jobs. Women are typically the first to lose their jobs and/or accept shorter hours and bad working conditions to keep jobs.

#### **6. Reliance on debt and development cooperation**

Hidden wealth also increases inequality between developed and developing countries. For instance, the African Tax Administration Forum estimates that up to one-third of Africa's wealth is being held abroad. This wealth and its associated income are beyond the reach of African tax authorities. It deprives countries of resources that could be used to mitigate inequality, and further enrich donor countries, where it is stored. This income could address the over-dependence on overseas development assistance (ODA), and shift the balance of power between donor and recipient countries; and enable self-determined development priorities and outcomes, rather than those imposed by ODA conditionality, including trade conditions.

#### **7. Threat to Women's Peace and security**

Lost resources through IFFs often cannot be used legitimately and end up fuelling criminal activity, including illegal arms trade, human trafficking – of which 49% of victims are women and 21% are girls – and other activities undermining peace and human rights. The data is patchy given the illegal nature of IFFs, but evidence gathered by many including Cobham, the Tax Justice Network and the report of the High-Level Panel on Illicit Financial Flows out of Africa, noted that “IFFs thrive on conflict and insecurity and also exacerbate both, undermining the financial and political prospects for effective states to deliver and support development progress.” Considering the well-documented impact that war and conflict has on women and girls, the issue of IFFs is of outmost importance to tackle the financial enablers behind conflict and militarization.

#### **What can Governments do?**

- Scrutinize all tax and related fiscal provisions and policy objectives are scrutinized carefully for **gender and inequality impacts**.
- **Practice Progressive taxation**, gender-just policies and practices, emphasizing direct taxation of income, wealth, and high net worth individuals, and ensuring multinational corporations pay their share
- Provide gender responsive public services and social protection (GRPS), crucial to the delivery of women's rights, because of the burden of unpaid care work, reproductive health needs are disproportionately born by women. Gender responsive public services are democratic and just public services based on four principles (Publicly funded, Publicly delivered and universal, Gender equitable and inclusive and Focused on quality, in line with

human rights frameworks) and four quality criteria (Available, Accessible, Acceptable and Adaptable)<sup>18</sup>

- **Enhance the collection, administration, transparency, efficiency and equality of revenue and budgetary laws and processes while broadening tax bases and integrating informal sectors fairly.** Gender mainstreaming and gender budgeting procedures called for by the Convention on the Elimination of All Forms of Discrimination against Women are necessary components for tax systems to promote gender equality.
- Put in place measures to **address harmful tax practices and illicit financial flows** including race-to-the-bottom tax competition and regressive reforms to the global tax system that facilitate tax avoidance and are biased towards wealthy countries, corporations, and the rich elite. It is imperative to curtail illicit financial flows and to fight corruption and the institution of tax havens, so as to ensure the efficient and effective use of resources and domestic long-term financing as a key delivery mechanism for sustainable development and gender equality.
- **Strengthen international tax cooperation** is vital for domestic resource mobilization and for meeting the SDGs. There are limits on what individual governments can accomplish on their own in the globalized economy. Ending tax evasion, tax avoidance and illicit flows of capital is a matter of international cooperation, and crucial for gender equality, as such practices siphon off huge amounts of revenue that therefore cannot be spent on equality-promoting measures. Governments can expand capacity to combat illicit financial flows through intergovernmental tax cooperation in the form of an inclusive and participatory mechanism where all countries have an equal seat and voice in deciding international tax issues.

### **Joining together for tax justice**

The south-led Global Alliance for Tax Justice acts as a uniting campaign front for the global tax movement – bringing together civil society groups in coalitions at the national, regional and international levels. This is done through collectively designed actions and promotion of equitable alternate tax solutions.

The Global Alliance for Tax Justice’s Tax & Gender working group provides a space for members of the GATJ regional networks, committed partners and allies to engage directly in the campaign and policy work on tax and gender. It also aims to strengthen the global integration of tax and gender justice organizations as well as broaden participation by working closely with GATJ regional networks, women’s rights organizations, global trade unions, INGOs and CSOs.

From 8-24 March 2017, hundreds of organizations from around the world joined together in the #TaxJustice for Women’s Rights<sup>19</sup> Global Days of Action. This new campaign was timed to be launched on International Women’s Day and to coincide with the UN Commission on the Status of Women annual meeting. Women’s rights, trade union and tax justice groups joined together in campaign actions in more than 35 countries.

Within the campaign, from New York to Nairobi to Manila, women, girls and our allies held rallies, speaker tours, feminist forums and marches, called on governments to fulfill their commitments to secure women’s rights and economic equality by taking action for tax justice. At the UN’s Commission on the Status of Women, GATJ and partners organized a side-event on tax justice for women’s rights and participated at a high-level official event hosted by Ecuador, the then leader of

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<sup>18</sup> Action Aid Gender Responsive Public Services Framework

<sup>19</sup> #TaxJustice for Women’s Rights <https://www.globaltaxjustice.org/en/latest/meet-women-around-world-taking-tax-dodgers>



the G77, to make the case for governments to establish a global UN tax commission that will ensure all countries sit at the table and have equal say in setting international tax rules.

The common demands made by diverse labour unions, women's rights, development and tax justice advocates sent a powerful united message. As a result, governments at the United Nations Commission on the Status of Women committed to making tax policy more progressive to support women's rights and public services.

Building on this campaign, the first ever Tax Justice for Women's Rights Global Convening<sup>20</sup> was held in June 2017 in Bogota, Colombia. A global declaration<sup>21</sup> was made on tax justice for women's rights and acts as the collective work on the foundational campaign and advocacy initiatives.

As a follow up to the Bogota convening, the GATJ Tax and Gender Working group held a southern-led strategy meeting of GATJ thought leaders and partner organizations with the aim of updating the terms of reference and outlining a 1-3-year joint advocacy strategy for the Tax & Gender working group, in November 2018. The strategy document maps out key advocacy targets and identifies relevant global policy processes by scoping of new and or alternative advocacy spaces that are the most likely to deliver impact for our shared objectives.

In March 2019, we will resume our Global Days of Action around the IWD and UNCSW...

### **Conclusion**

Beyond the positive results of this campaign, it is still true that as long as primarily northern nations represented by the G20, the rich countries club known as OECD, multinational corporations and the wealthy determine the international tax rules – the resources to fund women's rights and economic equality will be undermined. The world will not be able to achieve women's and girls' rights, gender equality or the Sustainable Development Goals without taking action for tax justice.

Tax leakages are a result of flawed and discriminatory national tax laws, tax havens, and tax cuts for the rich that protect capitalism and male privilege and intensify gender inequality. Growing use of the VAT and other regressive consumption taxes, in part to make up for the lowering of corporate and progressive tax rates, worsens gender inequality.

The rapidly growing tax justice movement is taking action to change the narrative. Tax justice and gender equality need to be lived realities, especially for women and girls from the global south.

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<sup>20</sup> Tax Justice for Women's Rights Global Convening (2017)  
<https://www.globaltaxjustice.org/en/latest/tax-justice-womens-rights-convening-bogota-colombia>

<sup>21</sup> *The Bogota Declaration (2017)* <https://bit.ly/2CsWM3h>