



Subject: Call for Substantive Inputs to the Work of the Committee

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Dear Chair of the Ad Hoc Committee,

Through this letter, we are keen to contribute to the scoping of the draft Terms of Reference ("ToRs") and matters to be comprehensively addressed within the draft ToRs. In alignment with the guiding question, we wish to center our contribution on the critical issue of gender equality within current international tax structures. This includes a focus on both procedural equality, advocating for equal participation and representation of women in the formation and implementation of these policies, and substantive equality, ensuring international tax policies do not disproportionately affect women.

Integrating gender equality into the scope of the draft ToRs is not only a matter of human rights but also a crucial step towards achieving "fully" inclusive and effective tax cooperation. By addressing the gender disparities caused by current international tax structures, the Framework Convention has the potential to become a tool for promoting gender equality, economic empowerment of women, and sustainable economic growth.

1. Normative Framework for Gender Equality in International Tax Practices

First, we would like to recall international human rights and gender equality standards that can underscore the importance of integrating gender considerations into the UN framework convention on international tax cooperation.

Universal Declaration of Human Rights (UDHR)

Articles 2 and 23 of the UDHR emphasize non-discrimination and equality, the right to work, just and favorable conditions of work, and protection against unemployment. These principles advocate for tax policies that ensure equitable economic opportunities and treatment for all genders.

United Nations Charter

Articles 8 and 101 reflect the UN's commitment to promoting and encouraging respect for gender equality, efficiency, competence, and integrity in the appointments to the UN's principal and subsidiary organs.

Convention on the Elimination of All Forms of Discrimination Against Women ("CEDAW")

Article 7 of CEDAW explicitly calls for eliminating discrimination against women in the political and public life of countries, which extends to ensuring women's equal rights and opportunities in economic and financial matters. That could also be extended to international tax policy development and implementation.

United Nations Beijing Platform for Action

Beijing Platform for Action stresses women's empowerment through equal access to full participation in power structures and decision-making and the need for women's equal access to economic resources. This objective is directly relevant to the formulation of international tax policies that are equitable and support the economic empowerment of women.

2. Gender Equality in International Tax Structures

Achieving substantive gender equality in international tax cooperation necessitates a foundational commitment to procedural gender equality, specifically concerning the

participation and representation of women in the UN policy and rule-making processes. Emphasizing women's participation and increased visibility in the formation of international tax rules is pivotal. It marks the initial move towards dismantling gender inequalities within the tax sphere, setting the stage for a more inclusive and equitable approach to international tax cooperation.

2.1.Procedural Equality

The persistent underrepresentation of women in the UN processes, especially in taxation, is a crucial issue that underscores a broader failure by member states and the UN itself.¹ Member states often nominate male representatives over female ones for pivotal positions in shaping international tax policies and practices. This trend reflects a more profound issue within domestic spheres, where women are markedly less visible in tax-related issues, leading to their underrepresentation in executive positions of tax administrations globally and more acutely in low-income developing countries' tax administration staff positions. This systemic underrepresentation cannot, and should not, be excused by the lack of visible female professionals in the domestic tax sphere. It is incumbent upon member states to actively dismantle the barriers that preclude women from participating in tax-related matters at both national and international levels.

Moreover, the UN bears a significant share of responsibility in addressing the underrepresentation of women. By overlooking the practices of member states regarding representative nominations, the UN inadvertently perpetuates this gender disparity. Therefore, a more proactive stance in ensuring women's equal participation should be adopted at every level of international tax law and policy-making processes. This involves actively advocating for and facilitating the inclusion of women in tax-related discussions and decision-making processes. Therefore, both member states and the UN must work together to address this imbalance, leveraging affirmative actions and policy reforms to secure women's rightful place in the substantive scope formation of the UN Framework Convention.

¹ A. Kathleen Lahey & Miranda Stewart, “No One Left Behind”? *Gender equality in taxation and the UN 2030 Global Agenda*, in INTERNATIONAL WOMEN’S RIGHTS LAW AND GENDER EQUALITY 128–148 (Ramona Vijeyarasa ed., 2021).

2.2.Substantive Equality

The purpose of a fully inclusive and effective UN Framework Convention on international tax cooperation necessitates a holistic approach that incorporates a gender-sensitive lens in formulating and implementing international tax policies. The current international tax structure and practices often exacerbate gender inequalities. The allocation of taxing rights, profit-shifting, and tax avoidance strategies employed by multinational corporations significantly reduce domestic resource mobilization, affecting the availability of funds for public services crucial to fulfilling economic, social, and cultural rights. Given the gendered nature of poverty and economic access, women are disproportionately affected by the shortfall in public resources, which compromises their access to healthcare, education, and social protection systems. Moreover, tax policies that do not consider gender-specific impacts can further entrench these inequalities, leaving women in a perpetually disadvantaged position.

Considering this, we want to propose the following recommendations to be considered during the preparation of the UN Framework Convention:

- *Gender Impact Assessments:* The current international tax structures should be assessed to identify and mitigate their adverse effect on women.² Additionally, these gender impacts should be considered during the preparations for the UN Framework Convention. This assessment process should be standardized across the UN member states to ensure that international tax structures and practices contribute positively to gender equality.
- *Feminist Agenda in the UN Tax Processes:* An agenda that explicitly addresses the unique challenges faced by women in the international tax system should be incorporated into the substantive norm discussions. This includes preventing the adverse effects of international tax practices and promoting tax policy strategies to reverse the current social, economic, and cultural disparities that women systematically face.
- *Capacity Building for Women:* Efforts should be intensified to address women's under-participation in domestic and international tax spheres through dedicated capacity-building initiatives. These initiatives should include training and education programs

² Kathleen Lahey, *Missing Women : Gender-Impact Analysis and International Taxation*, in GLOBALIZATION AND ITS TAX DISCONTENTS: TAX POLICY AND INTERNATIONAL INVESTMENTS 153–170 (Arthur J. Cockfield ed., 2010); KATHLEEN BARNETT & CAREN GROWN, GENDER IMPACTS OF GOVERNMENT REVENUE COLLECTION: THE CASE OF TAXATION (2004).

for women tax professionals, policy-makers, and women in tax administrations. The member states should commit to those capacity-building processes as a key component of a fully inclusive tax cooperation framework.

3. Conclusions and Recommendations

To conclude, we want to underscore the need for embedding gender equality in the UN Framework Convention on International Tax Cooperation, which is essential for fostering a just and equitable global tax system. The integration of gender considerations addresses not only a fundamental human rights issue but also enhances the effectiveness and inclusivity of international tax cooperation. To achieve this, we propose taking into consideration (1) ensuring women's participation and representation in the tax law and policy-making processes to shape a gender-inclusive tax framework, (2) requiring gender impact assessments for all member states, (3) incorporating the feminist agenda to address the unique challenges faced by women, (4) supporting the capacity building programs to enhance women's involvement in the law and decision-making processes.

Yours sincerely,

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