

**Interfaith submission  
to the Co-Lead's Draft Framework Convention  
template 24. October 2025**

05.12.2025

For the kind attention of:

Mr. Ramy M. Youssef, Chair of the Intergovernmental Negotiating Committee (INC) to draft a United Nations Framework Convention on International Tax Cooperation and two early protocols and Mr. Daniel Nuer, Co-Lead of Workstream 1.

Subject: Interfaith submission regarding the Co-Lead's Draft Framework Convention template 24. October 2025 of the Intergovernmental Negotiating Committee on the UN Framework Convention on International Tax Cooperation

**Abstract**

Drawing on the Joint civil society and trade unions submission submitted by the Global Alliance for Tax Justice and a number of organizations and trade unions, and in support of their proposals, we, 22 faith-based organizations, representing more than half a billion members in more than 120 countries, urge Member States to seize this opportunity to meaningfully reform the global tax system in accordance with the Sacred Principles of justice, equity, stewardship of Creation, and human dignity.

We appreciate the work done by the Co-Lead to create this early draft, and the rich exchanges during the recent INC sessions. However, the text lacks the necessary ambition and substantive depth required to advance meaningful tax reforms. The text presents a general lack of multilateral solutions, omits key elements, and fails to reflect the different needs, priorities and capacities of countries, particularly developing and Least Developed Countries.

Key recommendations include:

- Fair allocation of taxing rights through unitary taxation of multinational enterprises and a global minimum corporate tax rate.

- Effective taxation of high-net-worth individuals with revenues channelled toward sustainable development so as to reverse the current imbalances in wealth concentration.
- Introduce transparency mechanisms such as a global asset register, public country-by-country reporting, automatic information exchange, and beneficial ownership register.
- Ensure policy coherence between tax systems, fiscal policies and sustainable development, including gender-responsive taxation and environmental taxation, and introduce reporting obligations.
- Introduce a specific provision for the taxation of extractive industries to address the challenges and impacts associated with such industries in developing countries.

We, 22 faith-based organizations, representing more than half a billion members in more than 120 countries, welcome the opportunity to provide written inputs to the draft for a United Nations Framework Convention on International Tax Cooperation.

Drawing on the Joint civil society and trade unions submission submitted by the Global Alliance for Tax Justice and a number of organizations and trade unions, and in support of their proposals, we urge the Member States to seize this opportunity to **meaningfully reform the global tax system in accordance with the Sacred principles of justice, equity, stewardship, and human dignity.**

Tax justice is not merely an economical or technical issue but a moral and spiritual imperative. The test of an effective convention on international tax cooperation will be the extent to which it advances tax justice within and between countries and allows states to raise revenue to pursue sustainable development and equity.

We appreciate the work done by the Co-Lead to create this early draft on selected articles of the Convention. However, in our view **the current draft fails to deliver on the mandate as outlined in the Terms of Reference (ToR) and lacks the necessary ambition** and substance to achieve true and inclusive tax justice. The draft text lacks comprehensive multilateral solutions, omits several essential elements, and does not adequately reflect the diverse needs, priorities, and capacities of all countries, particularly developing and Least Developed Countries. We therefore call for the **integration of special and differential treatment for developing and Least Developed Countries as a cross-cutting provision in the Convention**, in full alignment with ToR paragraph 9(a).

### **Theological rationale and moral imperative for just and fair tax cooperation**

Our diverse religious and Sacred traditions converge on two core mandates: the pursuit of justice and stewardship of Creation. From a theological perspective, the idea of global tax cooperation transcends economic policy and embodies a moral responsibility rooted in the Scriptures. **As faith actors, we believe that sustainable development and tax justice are inseparable.** The quality of public services directly determines the wellbeing of societies economically, socially, and environmentally.

Faith communities have long stood in solidarity with the most marginalised groups, affirming that wealth and the Creation are blessings for the common good. In African philosophy, justice is communal. The concept of *Ubuntu* reminds us that “I am because we are”. Tax systems that enrich the few while impoverishing and oppressing the many violate these principles that are sacred to us and the communities we serve.

Unjust global tax structures and rules are more than economic challenges, they represent a moral and spiritual crisis that negatively affect the whole of society. Tax dodging, tax

avoidance, and illicit financial flows drain essential resources from the very States entrusted to uphold the dignity of their people and to fulfil the promises of Agenda 2030. Public resources are not merely financial instruments but manifestations of our collective responsibility to protect creation, advance justice, and safeguard the most vulnerable. When funds meant for education, health, climate action, and social protection are diverted for private gain, poverty is deepened, inequality widened, and the dignity and collective well-being of entire communities undermined.

Pope Francis reminded us, “*The environment is a collective good, the patrimony of all humanity*”. When corporations evade taxes that should fund climate action, they deepen climate injustice and exacerbate the climate and broader ecological crisis. Communities on the frontlines of the climate crisis are suffering the profound consequences of our inaction, while urgently needed adaptation efforts remain chronically underfunded. This is not only a policy failure but a moral one. Without adequate financial support, vulnerable nations are left to shoulder burdens they did not create. Bridging the finance gap for loss and damage and adaptation is therefore integral to tax justice.

Please find below our detailed comments.

#### Article 4

Ensuring fair allocation of taxing rights is pivotal for achieving tax justice and sustainable development. We stress that fair allocation of taxing rights should not only apply to multinational enterprises (MNEs), but also to taxation of high-net-worth individuals as well as all types of taxes with transboundary effects.

While the Article introduces a taxing right for source countries, it does not allocate those rights. We ask for the article to introduce a basic source country **taxing right on economic activities**.

In addition, and with reference to paragraph 10(a) of the ToR, we ask for specific mentioning of **the equitable taxation of MNEs**. The transfer pricing system has failed to deliver equitable and effective taxation of MNEs. To ensure this, as well as to combat tax-related illicit financial flows and harmful tax practices, we ask the Parties to transition to unitary taxation of MNEs with formulary apportionment, supplemented by an ambitious minimum effective corporate tax rate. This would allow MNEs and their subsidiaries and related entities to be taxed as a single entity based on their global profit, including on digital and cross-border services.

#### Article 5

Tax avoidance and tax evasion by high-net-worth individuals (HNWIs) undermine the integrity, fairness, and progressivity of national and international tax systems, exacerbate inequalities, and impede the mobilization of resources necessary for achieving sustainable

development. The draft lacks operationalization and multilateral solutions to ensure effective taxation of HNWIs.

We ask for **the establishment of a global asset register** (see below our comments on Article 6) that contains all necessary information to prevent tax evasion or avoidance by HNWIs. This should include expanding information exchange of “additional types of assets and instruments” and sharing of information regarding “structures and techniques by taxpayers, advisors and intermediaries” as already included in the draft.

Furthermore, we ask for the article to include a process to **identify HNWIs** within countries and at a global level, **operationalize “effective taxation”**, including approaches to be coordinated between countries as well as international components such as a global minimum tax, a commitment to progressive taxation of HNWIs with revenues channelled toward sustainable development, and measures to ensure compliance.

We stress that none of the existing wealth stocks of HNWIs originated solely from their country of residence, and that **taxing rights to such wealth must include an international component**.

## Article 6

The proposed article fails to deliver solutions for transparency and effective information exchange. In line with para 10(d) from the ToR, we ask for the introduction of key transparency mechanisms based on commonly agreed standards and multilateral solutions. We are concerned that Article 6.3 explicitly rules out public transparency for all information related to Articles 5 and 6. To achieve justice and ensure accountability it is important that transparency measures include information that is made available to the public.

Thus, we ask for a comprehensive **Global Asset Registry**. The register should serve to increase the public availability and accessibility of information concerning all types of assets (physical and financial), companies, and other legal vehicles used to own assets, and link these to their beneficial owners. The register should include a public and a confidential information component.

We ask for **public country-by-country reporting** as it is a key instrument for detecting large-scale corporate tax avoidance. Today, country-by-country reporting is a part of the OECD’s BEPS rules, but the information is not public. Many countries, and in particular developing countries, have limited, if any, access to such reports. Furthermore, we believe the UN Tax Convention is the key place to deliver on the promise from the 4th Financing for Development Conference (Compromiso de Sevilla, paragraph 28(f)) and establish a central public database for CBC-reports.

We ask for an **automatic information exchange system** that will grant all Parties access to information in an equal and non-discriminatory way, in line with necessary data protection requirements. We ask that developed countries commit to technology transfers to ensure that

developing countries have full access to the technology and tools needed to comply with the requirements. We also ask for a transition period within which countries, and in particular least developed countries, that currently lack the capacity to collect and provide information to other countries can receive information on a non-reciprocal basis.

We ask for **beneficial ownership registers** of legal vehicles at a national level and **public access** to these through the Global Asset Register. Anonymous companies, trusts and similar structures are a key obstacle in achieving tax justice. The convention must provide transparency around the real (beneficial) owners of such structures. Data allowing for the identification of the beneficial owners should be made public, while sensitive data should be kept confidential, but accessible to all relevant competent authorities.

### Article 7

The article lacks operational elements, we ask for multilateral solutions that can provide effective solutions to IFFs (see article 4, 5 and 6)

### Article 8

We are positive to the introduction of measures against harmful tax practices, including the option of minimum taxes on MNEs, but urge the Parties to further define and operationalise this Article to achieve an end to harmful tax practices.

The Convention should include a comprehensive definition and identification process of harmful tax practices and emphasize the extraterritorial responsibilities and duty of all countries to prevent harm to the effectiveness and fairness of the tax systems of other countries.

Furthermore, the Convention should include a commitment to removing harmful tax practices (not limited to multinational corporations), and provisions for responding to non-cooperative jurisdictions and related sanctions. Lastly, a minimum effective corporate tax rate should be introduced together with unitary taxation with formulary apportionment.

### Article 9

The current draft fails to deliver tax cooperation approaches that will contribute to sustainable development. We ask the Parties to ensure **policy coherence between tax system, fiscal policies and sustainable development**, and **establish related reporting obligations**.

We urge the Parties to:

Include a commitment to ensure that fiscal systems are fully in line with UN Member States' obligations to progressively realize human rights to the maximum of their available resources, reduce inequality, and achieve sustainable development, including relevant UN goals and commitments.

Specifically mention the goals of reducing inequality within and among countries; environmental protection, including action to mitigate, adapt, and respond to loss and damage from climate change; gender equality; and financing quality universal public services for all, such as education, health care, and social security.

Uphold a rights-based approach to taxation that operationalizes gender-responsive taxation, including the collection and analysis of gender-disaggregated tax data.

Create an obligation for each Party to report regularly on its performance in relation to commitments under the Article, in accordance with the different needs, priorities, and capacities of Parties as per ToR Paragraph 9(a) and to include a specific section on potential negative spillover effects of the Party's tax system on the capabilities of other Parties to deliver sustainable development, either through domestic resource mobilization or harmful incentives.

### **Tax and environmental challenges**

Progressive environmental taxation is missing from Article 9. At the same time, the world needs to raise trillions in climate finance to tackle the climate crisis. We ask the Parties to include a sub-commitment on progressive environmental taxation, in line with the polluter pays principle and Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), with a particular focus on industries and high-net-worth individuals with excessive ecological footprints.

To this end, we ask for an **internationally applied polluter pays tax on the global profits of polluting and environmentally damaging industries**, including but not limited to international oil and gas corporations, and that the revenues should be allocated to promoting sustainable development, including the costs of loss and damage, adaptation and a just socio-ecological transition in developing countries.

### **Taxation of extractive industries**

We task for mechanisms to ensure the effective taxation of extractive industries in source countries. The Africa Group has put forward a proposal to add a specific commitment on taxation of extractives, but this is not currently reflected in the draft. Taxation of extractive industries is particularly important for many developing countries due to its economic

importance, high risk of IFFs, difficulties related to valuation, and unique impacts. Extractive industries lead to a permanent loss of countries' non-renewable resources, unavoidable environmental degradation, and tend to crowd out other economic sectors.

**List of signatories:**

ACT Alliance  
African Presbyterian Bafolisi Church of SA  
All Africa Conference of Churches  
Anglican Church South Africa  
Botswana Council of Churches  
Christian Aid  
Christian Council of Lesotho  
Comissão Episcopal de Justiça e paz e integridade da criação da CEAST  
Council of Churches in Zambia  
Economic Justice Network of Fellowship of Christian Councils in Southern Africa  
(FOCCISA)  
Evangelical Association of Malawi  
Interfaith Standing Committee on Economic Justice and Integrity of Creation (ISCEJIC).  
A coalition of the Tanzania Episcopal Conference (TEC), The Muslim Council of  
Tanzania (BAKWATA) and the Christian Council of Tanzania (CCT).  
Jesuit Centre for Theological Reflection  
Lutheran World Federation  
Norwegian Church Aid  
South Africa Council of Churches  
The Christian Council of Mozambique  
The Methodist Church of Southern Africa  
World Communion of Reformed Churches  
World Council of Churches  
World YWCA  
Zimbabwe Council of Churches