**Statement**

Thank you Mr./Madam Chair

I am pleased to deliver this statement on behalf of Iceland.

We welcome the strong language on domestic resource mobilization, the strengthening of fiscal systems and fighting tax avoidance. On 29, e) we would like to highlight the importance that tax policies are not only progressive but also pro-poor and conducive to reducing inequality.

We welcome the mention in section k) of aiming to reach tax-to-GDP ratios of at least 15 per cent, which indicates a baseline which reflects an inflection point for striking a balance between spending needs and fiscal stability. Providing targeted support to countries seeking to increase their tax-to-GDP ratio is an important measure.

We also particularly welcome the section (l and m) on subnational finance and the emphasis to strengthen local authorities, including through municipal bond markets. We suggest to add a clearer link to capacity-building in this regard.

Finally, we emphasise the importance of the reference in section f) to gender-responsive budgeting and gender-responsive taxation without caveats.

Thank you.