From: The Youth for Tax Justice Network (YTJN)

For the Kind Attention Of: Mr. Ramy M. Youseff, Chair of the Intergovernmental Committee to draft a United Nations (UN) Framework Convention on International Tax Cooperation and Two Early Protocols (INC) and Mr. Daniel Nuer, Co-Lead of Workstream I on the Framework Convention

28th August 2026

Subject: Written Submission by the Youth for Tax Justice Network (YTJN) on Workstream 1 on the Co-Lead's Draft Framework Convention Template.

Dear Chair and Distinguished Co-Leads,

The Youth for Tax Justice Network (YTJN) welcomes the opportunity to provide input on the Co-Lead's Draft of the UN Framework Convention on International Tax Cooperation.

This submission is presented on behalf of the children and youth of Africa and beyond, and reflects the collective voices of young people who are committed to ensuring that global tax rules serve the next generation not lock them into inequality. We are a Pan-African youth-led and youth-driven organization advancing meaningful youth engagement and representation in influencing the mobilization, allocation, and utilization of public resources for the benefit of young people in Africa and beyond.

YTJN is a member of the African and Global Civil Society working group on the UN Framework Convention. We are also part of the Financing for Development Children and Youth Constituency of the Major Group for Children and Youth (MGCY), which serves as the official and formal space for young people's engagement within the United Nations Financing for Development process, coordinating inputs that reflect the priorities, lived experiences and policy expertise of youth across regions.

This submission consolidates key reflections from a youth perspective and builds upon ongoing youth engagement in the global economic governance process, with a focus on strengthening the Draft Framework Convention on International Tax Cooperation under Workstream I.

Abstract

The Youth for Tax Justice Network (YTJN) welcomes the Co-Lead's Zero Draft of the UN Framework Convention on International Tax Cooperation. As a global youth-led coalition representing young people from over 100 countries, we base our submission on the Fifth Session discussions and our core principle that tax rules must serve the next generation. We call on Member States to: (1) preserve Articles 1 and 2 as adopted from the Terms of Reference; (2) strengthen Article 5 on fair allocation of taxing rights by restoring "economic activity occurs" and replacing "and" with "or"; (3) strengthen Article 6 on high-net-worth individuals with binding commitments; (4) support Article 7 on illicit financial flows to tackle tax avoidance and evasion; (5) establish a robust Article 8 on harmful tax practices; (6) ensure inclusive governance under Articles 13–18 with explicit youth participation; (7) uphold Article 21 on aligning existing treaties; and (8) maintain Article 25's prohibition on reservations. We urge Member States to centre intergenerational equity and youth participation in the Convention, ensuring that tax systems serve the next generation not lock them into inequality.

1. ARTICLE 3: DEFINITIONS

Proposed Reframed Definition of "Tax-Related Illicit Financial Flow"

YTJN recommends that the definition of "*tax-related illicit financial flow*" in Article 3 of the Framework Convention be reframed to capture the full scope of practices that deprive states of revenue.

Current Draft Definition:

"tax-related illicit financial flow" means a financial flow that is illicit in origin, transfer or use, that reflects an exchange of value and that crosses country borders (an "illicit financial flow") where the principal purpose, or one of the principal purposes of such flow, is the avoidance or evasion of a legitimate government revenue claim. It does not include illicit financial flows that consist primarily of non-tax crimes (e.g., trafficking or smuggling) even if the crime would also give rise to a revenue claim.

Proposed Reframed Definition:

"tax-related illicit financial flow" *means a financial flow that is illicit in origin, transfer or use, that reflects an exchange of value and that crosses country borders (an "illicit financial flow") where such flow is unreported or unregulated, and where the principal purpose, or one of the principal purposes of such flow, is the avoidance or evasion of a legitimate government revenue claim, erosion of the revenue base of a State, facilitation of tax profit repatriation, or the proceeds of non-tax crimes (e.g., trafficking or smuggling) that also give rise to a revenue claim.*

Rationale for the Reframed Definition:

Element Added	Justification
"unreported or unregulated"	Captures financial flows that may not be strictly "illicit" in origin but are hidden from tax authorities, undermining transparency, accountability, and domestic resource mobilization.
"erosion of the revenue base of a State"	Focuses on the harmful impact of IFFs on domestic resource mobilization, a core concern for developing countries and young people who depend on public services.
"facilitation of tax profit repatriation"	Addresses the specific mechanism by which multinational enterprises shift profits out of source countries, often to low-tax jurisdictions, depriving countries of revenue.
Inclusion of non-tax crimes	Ensures that proceeds from non-tax crimes (e.g., trafficking, smuggling) that also give rise to revenue claims are not excluded from the definition. As Nigeria argued during the Fifth Session, income from illegal activities that goes untaxed constitutes a tax-related offense.

Why This Matters for Youth:

Illicit financial flows drain billions from public services that young people depend on. Each year, developing countries lose an estimated $1 trillion to illicit financial flows, money that could fund education, healthcare, infrastructure, and climate action. By adopting this reframed definition, the Convention will capture hidden wealth, protect the revenue base, address profit shifting, and ensure that proceeds from non-tax crimes that give rise to revenue claims are not excluded.

2. **On the Structure and Nature of the Convention: A Binding Instrument, Not an Aspirational Document**

YTJN welcomes the Co-Lead's Zero Draft of the Framework Convention as a historic step. However, as we noted in our March 2026 submission, the current text must be legally binding and operationally effective, not a declaration of intent.

We call on Member States to:

- Ensure that **Article 1 (Objectives)** and **Article 2 (Principles)** are not weakened in the final text. These provisions, drawn from the Terms of Reference, are the interpretive anchor for the entire Convention. We support the Africa Group, India, Brazil, and others who argued during the Fifth Session that these articles must remain intact.
- Reject attempts to move the objectives and principles to a preamble. As India argued, these are "interpretative anchors for the articles that follow," not merely introductory text.

3. **On Article 4 – Sustainable Development: Anchoring the Convention in Intergenerational Justice**

YTJN supports the inclusion of a dedicated article on sustainable development. However, the current text is too general. As many delegates noted during the Fifth Session, the article must do more than state an aspiration.

We call for:

- Explicit references to climate justice, gender equality, and the rights of indigenous peoples.
- Recognition of the principle of "**common but differentiated responsibilities**".
- A **mechanism for periodic review** by the Conference of the Parties of the Convention's contribution to the three dimensions of sustainable development.
- An express link between tax cooperation and the realisation of economic and social rights, as proposed by Human Rights Watch and others.

4. **On Article 5 – Fair Allocation of Taxing Rights: Delivering Real Economic Contribution**

YTJN reiterates its longstanding call for nexus rules that capture digital service giants and ensure that taxing rights reflect where value is created, markets are located, and users and data are situated.

During the Fifth Session, the Africa Group rightly noted that the current Article 5 text has been "weakened" compared to earlier drafts, with key elements such as "economic activity occurs" removed. We urge Member States to:

- Restore references to "**economic activity occurs**" in Article 5(1).
- Replace the conjunction "**and**" with "**or**" in the list of nexus factors to avoid creating a cumulative condition that makes it harder for countries to claim taxing rights.
- Strengthen paragraph 2 beyond "explore and pursue" to include **concrete commitments** to implement fair allocation rules, including through protocols and domestic measures.

We endorse the Africa Group's proposed three-paragraph text for Article 5 and call for its adoption as the basis for further negotiation.

5. On Article 6 – High-Net-Worth Individuals: Binding Commitments, Not Optional Cooperation

YTJN strongly supports the inclusion of Article 6 on high-net-worth individuals. However, the current text has been "watered down" from earlier drafts.

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We call for:

- Restoration of the original language: "**shall develop and implement measures**" (not "cooperate to enhance").
- Deletion of the word "**general**" before "information" in paragraph 2.
- Replacement of "**explore**" with "**adopt**" in paragraph 3.
- A clear, **internationally agreed definition** of "high-net-worth individual" to ensure consistent implementation.

As the DMUN Foundation argued during the Fifth Session, imprecise language "creates opportunity to further expand existing loopholes while creating new ones." Without precision, Article 6 will fail to deliver.

6. On Article 7 – Illicit Financial Flows, Tax Avoidance, and Tax Evasion: Addressing the Root Causes

Illicit financial flows drain billions from public services that young people depend on. YTJN supports a robust Article 7 that tackles both tax evasion and aggressive tax avoidance.

We align with the Africa Group's position that:

- The language should move from "cooperate" to "**develop and implement**" measures.
- The definition of "tax-related illicit financial flows" should **not exclude non-tax crimes** that give rise to revenue claims, such as smuggling and trafficking.
- The **jurisdiction whose tax base has been reduced** should have the right to tax the income or profits connected to the illicit flow.

7. **On Article 8 – Harmful Tax Practices: A Fresh Start, Not a Replication of Flawed Frameworks**

YTJN supports the Africa Group's position that the Convention must establish its own standards for identifying and eliminating harmful tax practices, rather than simply building on the work of the OECD's Forum on Harmful Tax Practices.

We call for:

- A clear definition of "**harmful tax practices**" in the Convention, based on objective and transparent criteria.
- A mandate for the **Conference of Parties to carry out assessments** and adopt measures to address harmful practices.
- Provisions that extend **beyond corporate taxation** to include preferential regimes designed to attract the wealth of high-net-worth individuals.

8. **On Institutional Arrangements (Articles 13–18): Governance That Includes Youth**

YTJN supports the establishment of a Conference of the Parties as the supreme decision-making body of the Convention.

We call for:

- **Explicit provisions for multi-stakeholder participation**, including civil society, youth organisations, indigenous peoples, and other right-holders, in the COP and its subsidiary bodies.
- **Clear rules of procedure** that ensure transparency, accountability, and meaningful participation.
- A **financial mechanism** that provides adequate, predictable, and sustainable resources for the Convention's implementation, including capacity building for developing countries and support for youth participation.

9. **On Article 21 – Relationship with Other Agreements: No Subordination to Unjust Treaties**

YTJN supports the Africa Group and India's position that Article 21 must ensure that the commitments made under the Convention are implemented, including through the renegotiation of existing treaties where necessary.

We oppose the deletion of paragraphs 3 and 4 of Article 21. As India warned, deleting these provisions would "make all review to be done under this framework convention a dead letter." Tax treaties negotiated on an unequal footing have long undermined the domestic resource mobilisation of developing countries. The Convention must not preserve a status quo that has failed young people.

10. **On Article 25 – Reservations: No Opt-Outs from the Core**

*YTJN supports Article 25 as drafted: "**No reservations may be made to this Convention.**" Allowing reservations would create a fragmented system where countries have different obligations, undermining the very purpose of a multilateral framework. As the African Union stated, participation cannot be pursued at the "expense of the integrity and the effectiveness of the convention itself."*

Cross-Cutting Priorities

Youth Participation in Governance

YTJN calls for explicit provisions for youth participation in the Conference of Parties and all subsidiary bodies of the Convention. We propose:

- **Youth seats** in national delegations to the COP and subsidiary bodies.
- **Structured consultation mechanisms** with youth-led organisations.
- **Funding for youth participation**, including travel support and technical assistance.

Intergenerational Equity

Tax rules affect the fiscal space available for education, healthcare, climate action, and other public services that young people depend on. YTJN calls for the Convention to:

- **Require impact assessments** of tax policies on young people and future generations.
- **Promote progressive taxation** that reduces inequality and funds public services.
- **Address the climate crisis** through fair taxation of carbon-intensive industries and the redirection of fossil fuel subsidies to green jobs for youth.

Transparency and Accountability

YTJN supports the Africa Group's call for public country-by-country reporting for multinational enterprises. The simple act of requiring public disclosure has been shown to raise effective tax rates and generate billions in additional revenue. This data is essential for young people to hold governments and corporations accountable.

Conclusion

The Fifth Session has demonstrated that while significant progress has been made, fundamental disagreements remain. YTJN urges Member States to deliver a legally binding Framework Convention that establishes fair, inclusive, and effective international tax cooperation and to centre intergenerational equity and youth participation in all aspects of the Convention.

SIGNATORIES

No.	Organization/Individual Name	Country
1	Youth for Tax Justice Network (YTJN)	Uganda, Kenya & Botswana
2.	Initiative for Social and Economic Rights (ISER)	Uganda
3	African Youth Development Link	Uganda
4	POLIFA	Kenya and Finland
5	Policy Forum	Tanzania