

YTJN Nairobi Tax Talks RoundUp: Third Session of the Intergovernmental Negotiating Committee to Develop a UN Framework Convention on International Tax Cooperation

The third intergovernmental session on the UN Tax Convention, hosted in Nairobi, Kenya, has three main objectives: to review the draft text of the Framework Convention negotiations to reach a common understanding on the articles and protocols and develop a more coherent text in the coming months; to provide updates on progress made during the intersessional period on Protocol 1, concerning the taxation of income from cross-border services, with a view to presenting potential options and approaches for the committee's consideration during the 4th session in February 2026; and to turn to Protocol 2, where the workstream has begun developing preliminary approaches outlined in the concept note.

A Glimpse into Day One of the UN Tax Convention Negotiations (Monday 10th November 2025)



Photo of the UN Flag | Photo by IISD/ENB | Danny Skilton

Opening Remarks: Framing Sovereignty, Tax, and the Future

The first day of the third intergovernmental session on the UN Tax Convention began with the robust acknowledgement of the centrality of taxation to state sovereignty and sustainable development. Delegates reflected on the historical context of global tax governance, tracing modern international tax cooperation back to the League of Nations. While the principles of fairness, revenue allocation, and protection against double taxation have been debated for decades, new economic realities have brought these questions and deliberations into sharper focus.

One of the significant themes emphasized by youth representatives, including the Youth for Tax Justice Network (YTJN) amid other key delegates, was the intergenerational impact of tax policy. Delegates highlighted gaps in tax

collection today, particularly from multinational corporations and digital platforms, which directly affect critical elements in education, healthcare, social protection, climate resilience, and digital infrastructure, which shape the lives of critical populations such as youth, women and girls, among others. They framed taxation not just as a technical fiscal policy tool but as a social contract essential for long-term equity and societal trust in governance.



Wide Panel Photo during the UN Tax Convention Talks in Nairobi | Photo by IISD/ENB | Danny Skilton

Shari Spiegel (UN DESA) and Chair Ramy Youssef (Egypt) opened the session by linking these enduring tax challenges to recent global developments, including the 4th International Conference on Financing for Development (Seville) commitments. They emphasized the importance of broad participation, noting that civil society, youth organizations, and international bodies are essential to ensuring inclusive and accountable tax frameworks.

Framework Convention Discussions

Part One of Discussions: Article 4 – Fair Allocation of Taxing Rights

Delegates spent significant time through the morning and afternoon reviewing Article 4 of the draft Framework Convention, which addresses the fair allocation of taxing rights among states. Key questions included:

- How should value creation, market location, and revenue generation inform taxation?
- Should the residence of taxpayers also be considered?
- How can the framework complement or harmonize with existing bilateral and multilateral tax agreements?

For youth participants, we see a distinct perspective, emphasizing that the current tax system often leaves Global South countries underfunded, limiting investments in youth employment, education, and digital access. We continue to highlight that failing to adapt taxation to modern digital economies risks perpetuating inequalities: large digital corporations operating in developing countries can avoid paying fair shares, while young entrepreneurs face

regulatory burdens that stifle innovation. Civil society representatives reinforced these points, calling for tax rules that account for historical disparities between wealthy and developing nations. Discussions reflected a tension between protecting traditional national revenue sources and reforming systems to ensure equitable contributions from globalized business models.

Part Two of Discussions: Article 5 – High Net-Worth Individuals (HNWIs)

The afternoon focused on Article 5, which addresses the taxation of HNWIs and mechanisms to curb tax avoidance and evasion. Key discussion points included:

- Whether to define HNWIs explicitly or address wealth taxation through broader mechanisms.
- How States can exchange information on tax avoidance strategies while respecting domestic jurisdictions.
- Balancing national sovereignty with the need for cross-border cooperation.

From a youth perspective, these debates should be looked at in terms of social justice and intergenerational responsibility. We can argue that unchecked tax avoidance by wealthy individuals exacerbates inequality, reducing funds available for public services that benefit young people, such as schools, healthcare, and entrepreneurship support. Delegates also explored how technology could enhance transparency and accountability, noting that digital tools can track wealth flows more efficiently than traditional methods.

Some States emphasized domestic regulation as the primary mechanism for HNWI taxation, while others pushed for stronger multilateral frameworks to prevent revenue leakage. Other participants advocated for ambitious frameworks that consider both wealth concentration and historical inequities, positioning taxation as a tool to close generational and regional gaps.

Day 2 continues with discussions on Article 5 and subsequent Articles within Workstream 1 on the Framework Convention.

Stay tuned for more updates as we continue to negotiate