



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.

Friday 6th March, 2026

Subject: Written Submission by the Youth for Tax Justice Network (YTJN) on Workstream 1 on the Co-Lead's Draft Framework Convention Template, published on 22nd January 2026 and Discussed during the 4th Intergovernmental Negotiations of the UNTC in New York, USA in February 2026.

Kindly find below written submissions by the Youth for Tax Justice Network (YTJN), presented on behalf of the children and youth of Africa.

The [Youth for Tax Justice Network \(YTJN\)](#) is 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 member of the CSOs working group on the UN Tax Convention coordinated by GATJ, which is a South-led global coalition of civil society organizations, trade unions and experts working to ensure a fair, inclusive and ambitious UN Framework Convention on International Tax Cooperation. We are also part of the [FfD Children and Youth Constituency](#) of the [Major Group for Children and Youth \(MGCY\)](#). The constituency 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](#).

In Solidarity,

Allan M. Murangia,
Team Lead, YTJN

Jon Kafuko
Programmes Manager, YTJN

Lurit Yugusuk
Policy Advocacy Officer, YTJN

Address: Block 193 Plot 844, Mbogo Road – Najjera 1, P.O. Box 1558 Kampala, Uganda

Website: www.ytjn.org | **Email:** info@ytjn.org



Abstract

The Youth for Tax Justice Network (YTJN) submits this input on behalf of 1.8 billion young people, who are the largest generation in history. Global tax abuse costs an estimated \$480 billion annually, with Africa losing approximately \$89 billion each year, resources urgently needed to finance quality education, accessible healthcare, decent work, and climate adaptation for present and future generations.

While the [January 2026](#) draft shows improvement compared to the October 2025 version, attempts by some developed countries to dilute key provisions must be firmly rejected. This submission provides an article-by-article analysis, accompanied by concrete textual amendments to strengthen the framework.

Our Key demands can be summarized as follows;

<p>Article 4 must include binding commitments on environmental taxation and gender-responsive fiscal policies.</p>	<p><u>Additions:</u></p>
<p>Article 5 must operationalize source-based taxation, including a clear pathway for treaty renegotiation.</p>	<p>A new Article on Corporate Taxation must mandate</p>
<p>Article 6 must replace the term “explore” with binding language that commits states to coordinated measures, including the establishment of a Global Asset Registry</p>	<p>unitary taxation, a robust global minimum effective tax rate, public</p>
<p>Article 7 must require mandatory public Country-by-Country Reporting.</p>	<p>Country-by-Country Reporting (CbCR),</p>
<p>Article 8 must clearly define harmful tax practices and establish a meaningful global minimum tax floor.</p>	<p>and specific rules for the extractive industries.</p>
<p>Article 9 must create a multilateral mechanism for effective information exchange.</p>	
<p>Article 10 must mandate automatic exchange of information without reservations or carve-outs.</p>	
<p>Article 12 must frame capacity building within the principles of reparative justice and equitable redistribution of taxing rights.</p>	
<p>Article 15 must ensure that this instrument overrides inconsistent bilateral or regional tax treaties.</p>	
<p>Article 16 must empower the Conference of the Parties (COP) as a transparent, democratic, and inclusive global governance body.</p>	

We rebut arguments preserving an unjust status quo. Tax justice is intergenerational justice. Youth can wait no longer.



Introduction: A Youth Perspective

YTJN represents 1.8 billion young people, out of which 90% are in developing countries. Global tax abuse costs \$480 billion annually: \$311 billion from corporate profit-shifting, \$169 billion from offshore wealth hiding. Africa loses \$89 billion annually, schools not built, clinics not staffed, climate adaptation unfunded. The January 2026 draft represents progress, but weakening proposals from developed countries threaten this momentum. Our analysis and recommendations to strengthen the Draft are as follows;

Article 4: Sustainable Development

Our Analysis: The current text remains purely aspirational; although six Parties requested greater specificity, including one explicit call to incorporate the Polluter Pays Principle, the January draft introduced no substantive revisions, and binding commitments on gender equality, consistent with Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), remain absent.

Proposed Article 4:

1. States Parties shall implement progressive environmental taxation in line with the polluter pays principle, including taxes on carbon emissions, fossil fuels, pollution, aviation and maritime shipping. Revenues shall fund climate adaptation in developing countries.
2. States Parties shall align fiscal systems with CEDAW by removing discriminatory provisions, assessing gendered impacts, and financing gender-responsive public services.
3. State Parties shall collect gender-disaggregated data and report regularly to the COP.

Article 5: Fair Allocation of Taxing Rights

Our Analysis: The January draft introduces important improvements, including the obligation that States “shall take necessary actions” and explicit reference to treaty renegotiation. These are significant steps forward. However, the continued use of the phrase “a portion” of income implies an artificial limitation on taxing rights and risks preserving the very inequities the Convention seeks to address.

The Africa Group proposal strengthens the provision by incorporating the concept of **real economic contribution**, recognizing users and data as a nexus for taxation, and prohibiting denial of taxing rights solely on the basis of physical presence. Opponents argue that the Article should remain framed in broad principles to avoid triggering treaty renegotiations. This position effectively prioritizes administrative convenience over fiscal justice.

Justification: Empirical evidence contradicts the concern that stronger source-based rules would undermine investment. Research by Beer and Loeprick (2020) finds that tax treaties with Mauritius reduced Sub-Saharan African corporate tax revenues by 15–25% without increasing foreign direct investment. The argument against renegotiation therefore defends a system that costs Africa an estimated \$50 billion annually.

Proposed Article 5

1. **On Recognition of Taxing Rights**, States Parties recognize that all jurisdictions where value is created, markets are located, revenues are generated, users or data are located, or economic activities are carried out have the right to tax income derived therefrom or attributable thereto.
2. **On Real Economic Contribution**, Allocation of taxing rights shall reflect real economic contribution. No State shall be denied taxing rights solely on the basis of the absence of physical presence.
3. **On Implementation Measures**, States Parties shall adopt appropriate measures to give effect to this Article, including:
 - (a) domestic legislative measures;
 - (b) simplified nexus rules, moving toward unitary taxation with formulary apportionment; and
 - (c) the renegotiation of existing tax treaties that are inconsistent with this Article.
4. **On, Transitional Measures** As a transitional measure, States Parties may apply gross-basis withholding taxes to protect source-based taxing rights.

Proposed New Article on the Equitable Taxation of Corporations

Our Analysis and Justification: ToR para 10(a) requires "*equitable taxation of multinational enterprises.*" The term appears nowhere. The OECD's side agreement exempting the world's largest economy from minimum tax proves existing frameworks fail. Most extractive production occurs in developing countries, yet they retain minimal fiscal benefit while bearing environmental costs.

Corporate tax abuse is estimated to cost approximately \$350 billion annually. Unitary taxation directly addresses the structural flaw of the arm's length principle, which treats multinational enterprises as if they were separate entities rather than integrated firms.

Public country-by-country reporting (CbCR) is essential for transparency and enforcement. A robust global minimum effective tax rate is necessary to halt the race to the bottom in corporate taxation. Extractive industries require specific, tailored provisions; without them, corporate tax planners can circumvent general anti-avoidance rules through sector-specific strategies.

Proposed Article X - Equitable Taxation of Corporations

1. States Parties recognize that multinational enterprises operate as integrated economic entities and shall be taxed accordingly, moving toward unitary taxation with formulary apportionment based on objective factors such as assets, employees, and sales.
States Parties shall adopt and implement a global minimum effective corporate tax rate set at a level sufficiently high to prevent harmful tax competition and a race to the bottom.
2. States Parties shall require public country-by-country reporting for multinational enterprises, disclosing revenues (distinguishing third-party and intra-group), profits, taxes paid, number of employees, tangible assets, and sales by final destination. This information shall be maintained in a centralized public database. Developed countries shall implement this requirement within two years of entry into force. Developing countries shall have immediate access to all reported data.
3. States Parties recognize that resource-rich countries hold primary taxing rights over income

derived from natural resource extraction within their territories. They shall ensure effective taxation at the place of extraction, reflecting the non-renewable nature of resources and the need to compensate for environmental and social costs.

4. States Parties shall adopt sector-specific anti-avoidance measures, including:
 - a. fair and transparent pricing of commodities;
 - b. limitations on excessive interest and other deductions;
 - c. prevention of abusive stabilization clauses; and
 - d. mandatory contract transparency.

Article 6: High-Net-Worth Individuals (HNWIs)

Our Analysis: Paragraph 3 of the current draft merely commits States to “exploring coordinated approaches” to the taxation of high-net-worth individuals (HNWIs). This language falls short of the mandate in the Terms of Reference, which calls for ensuring effective taxation. “Explore” represents hesitation where obligation is required. Global wealth concentration has reached unprecedented levels: a handful of billionaires hold more wealth than billions of people combined, and effective tax rates on billionaire wealth can be as low as 0.5%. In this context, incremental language is inadequate.

Justification: Research by Alstadsæter et al. (2019) documents the scale and persistence of offshore tax evasion among the wealthy. Without coordinated international measures, domestic tax powers are systematically undermined by capital mobility, secrecy jurisdictions, and opaque ownership structures. Effective taxation of HNWIs requires structural transparency and binding cooperation.

Proposed Article 6: High-Net-Worth Individuals

1. **Obligation to Act**

States Parties shall develop, implement, and enforce measures to detect, deter, and prevent tax avoidance and evasion by high-net-worth individuals.
2. **Coordinated International Measures**

States Parties shall adopt coordinated approaches, including:

 - (a) the establishment of a Global Asset Registry consolidating beneficial ownership and asset information across jurisdictions;
 - (b) automatic exchange of information on wealth holdings, with appropriate transparency safeguards; and
 - (c) the adoption of minimum effective tax rates applicable to high-net-worth individuals.

Article 7: Illicit Financial Flows (IFFs)

Our Analysis: The current text omits any reference to public country-by-country reporting (CbCR), despite it being one of the most effective tools for identifying and addressing tax-related illicit financial flows. Without public transparency, enforcement agencies, civil society, and affected communities lack the information necessary to detect profit shifting and abusive tax practices.

Proposed Article 7: Illicit Financial Flows

1. States Parties shall develop and implement measures to combat tax-related illicit financial flows, including mandatory public country-by-country reporting as specified in Article X (Equitable Taxation of Corporations).
2. States Parties shall establish a Global Asset Registry consolidating beneficial ownership and asset information to strengthen transparency and enforcement.
3. States Parties shall enable the wider and appropriate use of information exchanged for tax purposes to address related financial crimes, consistent with due process and data protection safeguards.

Article 8: Harmful Tax Practices

Our Analysis: The concept of “harmful tax practices” has often been applied selectively, with wealthy countries blacklisting Global South jurisdictions while overlooking harmful regimes within their own borders. This double standard undermines fairness and legitimacy. As affirmed in General Comment No. 24, States must refrain from adopting measures that erode other countries’ revenue capacity. Article 8 must therefore define harmful practices objectively and ensure equal application to all jurisdictions.

Proposed Article 8

1. States Parties shall cooperate to identify, deter, and eliminate harmful tax practices.
2. Harmful tax practices include those that undermine another jurisdiction's tax system, including preferential regimes lacking economic substance, artificial arrangements that erode tax bases, and practices that undermine the realization of human rights.
3. States Parties shall develop and implement tools including:
 - (a) enhanced transparency measures;
 - (b) mechanisms to monitor and address emerging harmful practices; and
 - (c) effective taxation of benefiting activities at a minimum rate agreed upon by States Parties.
4. States Parties recognize their extraterritorial obligations: no State may disregard the cross-border impacts of its tax policies and decisions.

Article 9: Mutual Administrative Assistance

Our Analysis: The inclusion of the phrase “*widest measure*” is essential to ensure robust and comprehensive cooperation. While India has raised concerns about potentially open-ended obligations, the Africa Group has proposed the development of clear implementation guidelines to provide structure and legal certainty without weakening the commitment.

Proposed Article 9:

1. States Parties shall afford one another the widest measure of mutual administrative assistance, including exchange of information, collection assistance, simultaneous examinations, and examination abroad.
2. States Parties shall establish a multilateral information exchange mechanism administered by the COP, whereby information from all Parties is collected centrally and any Party may request and receive relevant information.
3. States Parties shall identify and eliminate administrative barriers.
4. The COP shall develop guidelines and protocols for implementation.

Article 10: Exchange of Information

Our Analysis: The current text does not contain an explicit obligation to implement automatic exchange of information. In practice, developing countries have reported that the “*foreseeable relevance*” standard is frequently invoked to delay or deny access to critical tax information. Proposals allowing reservations would further weaken cooperation and risk entrenching asymmetries in access to data.

Proposed Article 10:

1. States Parties shall exchange information "may be relevant" for tax administration, including automatic exchange and exchange on request.
2. Information shall include financial accounts, crypto-assets, real estate, beneficial ownership, and transaction data.
3. No reservations may be made to this Article.
4. States Parties shall provide technology transfer and temporary non-reciprocal access for developing countries.
5. States Parties shall enable wider use of information for related financial crimes.

Article 12: Capacity Building

Our Analysis: Current text frames capacity building as technical assistance. This ignores that the same systems that extracted wealth now offer to “*build capacity*” within their own frameworks. Capacity building is reparative justice, not charity. It enables Global South countries to participate fully, independently, and on equal footing.

Proposed Article 12:

1. States Parties shall provide technology transfer including digital infrastructure and data analytics systems.
2. Technical assistance shall not export donor-country preferences.
3. The COP shall establish a capacity building fund financed by developed countries, with equal voice for developing countries in governance.

Article 15: Relation with Other Agreements

Our Analysis and Justification: Opponents argue that requiring treaty renegotiation would violate international law. However, as affirmed by the African Union, obligations undertaken between Parties do not create obligations for third parties. Where existing treaties are inconsistent with the Convention, Parties are required to bring them into alignment. Renegotiation in such cases is not a violation of international law, but a necessary step to ensure coherence and good faith implementation.

Proposed Article 15:

1. Where any provision of a bilateral or multilateral tax treaty between States Parties is inconsistent with this Convention, States Parties shall renegotiate or terminate such inconsistent provisions.
2. This Convention shall prevail where another agreement would undermine its object and purpose.

Article 16: Conference of the Parties

Analysis: References to future measures omit COP decisions. Some argue tax is too important for a COP to have decision-making power.

Justification: The OECD Inclusive Framework makes binding decisions without mandate or transparency. A UN COP would be a democratic upgrade. A third of UN Member States are not in the Inclusive Framework.

Proposed Article 16:

1. The COP shall review implementation, adopt decisions to operationalize commitments, establish subsidiary bodies, develop guidelines, and evaluate effectiveness.
2. Civil society and youth organizations shall be accredited as observers.

The Committee has a historic opportunity. The January 2026 draft provides a foundation. Weakening proposals from developed countries threaten it. We call on Member States to reject arguments preserving an unjust status quo and adopt the Africa Group's formulations with new articles on corporate taxation.