Thank you Chair,

Distinguished delegates

The fiscal space for low and lower-middle income countries to finance sustainable development and invest in children in line with the 2030 Agenda and international child rights obligations is seriously constrained. As we heard in FfD Forum this week, levels of bilateral Official Development Assistance to the poorest and most vulnerable countries are insufficient to meet the needs, rates for borrowing have soared and more than half of all developing countries are now at high risk of, or are in, debt distress.

At the same time, over $483 billion dollars is lost annually due to cross-border tax abuse globally, including $312 billion as a result of corporate profit shifting.

This scenario has disproportionately impacted lower-income countries, hampering their ability to invest in public services that are essential for children’s lives, welfare and development, like health, education, child protection and social protection for children.

Given this situation, we urge immediate action from the global community to reform the global financial system, prioritizing the rights of children and families affected by poverty and inequality.

This requires a shift in power and finance to lower income countries, in line with the letter and spirit of Goal 17, the Addis Ababa Action Agenda, including the commitment to scale up international tax cooperation through universal approaches and taking fully into account the different needs and capacities of countries, particularly those in special situations.

Therefore, we welcome the establishment of this committee to negotiate the terms of reference for a UN Framework Convention on international tax cooperation and call on all Member States to engage constructively with the aim of creating a truly inclusive and fair framework for international tax cooperation in the UN where all countries can participate on an equal footing.

In this process, we strongly encourage States to uphold their obligation to proactively cooperate globally towards collectively realizing rights-based development priorities universally.

Finding inclusive and sustainable solutions to fix the broken international financial system will contribute to generating the necessary financing to invest in and accelerate sustainable development and SDG progress.
If coupled with transparency and accountability, ensuring that countries keep more of their due tax revenues provides a stronger foundation for them to invest in children, address inequalities, increase financing to address the climate crisis, as well as prepare for and recover from future crises.

This is in the interest of all countries and all populations – and, crucially, of children.

As we heard today and at FfD Forum, the current financing challenges have disproportionately impacted lower-income countries ability to invest in public services that are essential for children’s lives, welfare and development, like health, education, child protection and social protection for children.

Thank you