Middle East/ North Africa Tax Justice Briefing

by

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PSI
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The Public Services International Research Unit (PSIRU) investigates the impact of privatisation and liberalisation on public services, with a specific focus on water, energy, waste management, health and social care sectors. Other research topics include the function and structure of public services, the strategies of multinational companies and influence of international finance institutions on public services. PSIRU is based in the Business Faculty, University of Greenwich, London, UK. Researchers: Prof. Steve Thomas, Jane Lethbridge (Director), Emanuele Lobina, David Hall, Dr. Jeff Powell, Sandra Van Niekerk, Dr. Yuliya Yurchenko

Contents

Middle East and North Africa Region Briefing on Tax Justice

This briefing paper on tax justice issues in the Middle East and North Africa (MENA) aims to raise awareness of tax justice priorities amongst PSI affiliates, affiliates of other Global Union Federations and civil society partners. This will inform regional and country based campaign planning activities. This briefing provides an overview of:

- Why is taxation important?
- Tax havens and offshore finance;
- Tax base erosion & profit shifting (BEPS);
- Addressing tax evasion.

1.0 Why is taxation important?

Taxation is an essential part of a good government. It has four main goals:

1. To raise **revenues** for public spending, which can be used to meet the basic needs of population – food, healthcare, shelter, provide quality public services, for example, health, education, economic development stimulus, maintain institutions and governance structures. [1]
2. **Redistribution of income** between high and low income groups.
3. **Representation** – an effective taxation system enables citizens to feel that they contribute and own public policies. An ineffective taxation system can lead to social exclusion and increasing levels of inequalities.
4. **Changing behaviour** of individuals and companies – through taxes that shape or inhibit behaviours, e.g. taxes on alcohol & tobacco, taxes on environmental pollution.

Taxation plays an essential part in supporting the financing of quality public services. Without an effective taxation system, quality public services (QPS) will be inadequately funded and will struggle to meet the needs of the population. There are several issues that need to be addressed through an improved system of taxation: rising inequality and the underfunding of QPS, such as health and social services. The essentials of a good taxation system depend on a progressive taxation system where higher income groups pay more tax than lower income groups. The existence of an effective government tax authority, which is competent to collect taxes, is also important. This depends on well- paid tax inspectors, a lack of corruption and transparency of personal and corporate financial information. Cuts in government services often affect the ability of national tax authorities to collect taxes.

Table 1: Tax revenue as percentage of Gross Domestic Product (GDP) 2010-2013

	2010	2011	2012	2013
Middle East/ North Africa	%	%	%	%
Algeria		34.4	37.4	
Egypt	14.1	14.0	13.2	
Israel	22.8	23.1	22.1	
Jordan	15.9	15.0	15.3	
Lebanon	17.0	16.3	15.5	
Morocco	23.4	23.8	24.5	
Oman	2.5	2.2	2.5	
Qatar	14.7	n/a	n/a	
Tunisia		20.0	21.1	21.0
Turkey	20.5	20.1	20.4	
Australia		20.6	20.5	21.4
Sweden		21.3	21.9	20.7
UK	26.7	27.4	25.3	
US	9.2	10.1	10.2	10.6

Source: http://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS

In 2012, Algeria had the highest rate of tax revenue as a percentage of GDP (37.4%). In Oman, tax revenue only contributed 2.5% of its GDP. Israel, Morocco, Tunisia and Turkey had rates of between 20.0% and 24.5%, which are comparable to Australia and Sweden. In 2012, Egypt, Jordan, Lebanon had lower rates of between 13.2% and 15.5%, with all three countries showing a slight decline in the period 2010-2012.

There are several different types of taxes:

- Personal taxes – paid on income earned, or earned interest;
- Property taxes – paid on property owned – annually or on buying/ selling;
- Service taxes (VAT) – paid on goods and services e.g. consumer durable goods;
- Commercial/ business taxes – companies pay taxes on profits;
- Import/export taxes – paid on goods being imported and/ or exported.

A recent OECD study (2012) examined different patterns of inequalities in OECD countries and assessed the causes of labour income inequality and the impact of taxes and cash transfers.[2] The study found that progressive personal taxes play a significant role in reducing inequalities. Social security contributions, consumption taxes and property taxes have a more regressive effect. In addition, policies and institutions also contribute to reducing inequalities. Education, anti-discrimination and labour market policies can make the biggest impact on inequalities and also help to boost economic growth.[3]

Table 2: Progressive and regressive taxation

Types of tax	Progressive taxation	Regressive taxation
Income tax	Income taxes – higher income groups pay more tax	Low or flat rates of tax so that lower income groups pay a disproportionate part of their income in tax. Income taxes have limited liabilities

Value Added Taxes (VAT) for good and services	Value Added Taxes operate with exemptions so that low income groups are not disproportionately affected	VAT is imposed without exemptions. Low income groups are more affected by VAT on good and services
Social security payments	Social security payments must not be capped so that high income groups pay more contributions	Social security contributions are capped so that higher income groups pay a smaller % of their income towards social security
Capital Gains tax	Capital gains taxes are part of a tax systems. There are no exemptions when compared to income taxes	Low rates of capital gains taxes and extensive exemptions from capital gains tax
Wealth / inheritance taxes	Wealth or inheritance taxes operate effectively	Many ways of avoiding paying inheritance or other forms of wealth taxes or no wealth taxes at all
Tariffs & trade taxes	Tariffs and trade taxes are used to protect new/ young industries or the exploitation of natural resources or subsidise cost effective charges on low income groups	Allowances and reliefs are only available to high income groups, e.g. tax relief on pension contributions or mortgage payments

There have been changes in the relative contribution of different types of taxes to overall tax revenues in several MENA countries. In Tunisia, the contribution of corporate and income taxes increased in the period 1987-2013, rising from 19.6% to 44.7%. In the same period, the tax revenue from customs duties fell from 20.9% in 1987 to 4.4% in 2013 as a result of Tunisia signing a free trade agreement with the European Union. [4]

The implications of this fall in revenue from customs duties and rise in revenue from corporate and income taxes is that the burden of taxation falls on employees who have tax deducted by their employer. Personal tax rates range from 35% in Algeria to 7-14% in Jordan. Some countries have social security taxes, which are paid by both the employer and employee. The percentage that an employee has to pay for social security taxes can be over 8% of salary in Algeria, 9% in Tunisia and 14% in Turkey.

Value Added Tax (VAT) or sales taxes, imposed on certain types of goods and services, are a regressive form of tax because low income groups have to spend a larger proportion of their income on basic items than higher income groups. The imposition of customs duties and excise taxes on household goods, alcohol, tobacco and petrol also disproportionally affects low income groups. The proportion of indirect taxes as a percentage of total revenues ranges from 68.5% (Lebanon), 56.4% (Morocco) and 40% (Egypt).[5] This contributes to growing income inequalities.

Another result of the decline in revenues from customs duties as a result of trade agreements was that countries, in the MENA region, started to borrow money to fund government spending. These loans were accompanied by high interest rates. Governments had to reduce public spending to pay the high interest rates, often reducing food and fuel subsidies for low income groups. Low income groups were affected both by increased direct and indirect taxes but did not see any of the benefits of increased taxation through increased public services. [6]

Table 3: Personal and other taxes

Country	Value Added Tax (VAT) – sales tax	Personal income tax	Social security taxes	Customs duties	Excise
Algeria	17%	35%	Employer 26% Employee 8%	5%,15% or 30% on imports	
Egypt	10%	25%	-	5-40%	None
Israel	18%	10-50%	-	Customs duties on some imports. Member of free trade agreements – US, Canada, Mexico, EU, European Free Trade Association	Excise taxes on fuel, tobacco
Jordan	16% with some exemptions e.g. air transport, education, public health, waste disposal, activities of religious and social organisations	7-14%	Social security rates 12.75% employer 6.75% employee	On some products	Excise duties on fuel, tobacco, alcohol, cars, cement and iron used in construction
Lebanon	10% Export of goods and services 0% Financial/insurance services 0%	2-20% payroll taxes	-	On some products	Excise duties on fuel, tobacco, alcohol, cars,
Morocco	20%	10-38% Professional tax on business premises but exemption for first 5 years of operation	Employer taxes – 20.05% (social, family, professional, mandatory health care) Employee Social security 4.29% and healthcare 2%	On some products	Fuel, alcohol
Tunisia	18% 6% and 12%		Employer 16.57% but 0.5% for wholly exporting companies Employee 9.18%	Import duties on products from outside EU	No excise duties
Turkey	18% but lower rates for some activities		Employers 24.5% Employee 14% Unemploy-ment income Employer 2% employee 1%		

Source: PWC (2014) Worldwide tax summaries http://www.pwc.com/gx/en/tax/corporate-tax/worldwide-tax-summaries/assets/pwc-worldwide-tax-summaries-corporate-2014-15.pdf

Tax evasion is a common problem in many Middle East/ North African countries. High income groups and companies are most likely to avoid paying taxes either through the use of loopholes in the tax system or through deliberate avoidance. In Lebanon, companies divide themselves into smaller companies so that they are liable for less tax. Others companies/ individuals hide income through the use of property investment incentives. In Morocco, a form of accelerated depreciation is used by companies to hide income. [7] Table 4 shows the size of tax evasion in some Middle Eastern countries.

Table 4: Size of tax evasion in Middle East countries

Country	Size of evasion
Egypt	LE350billion ($50billion)
Jordan	JD800 million
Lebanon	70% of total tax
Morocco	5-6 billion Dirhams
Palestine	50% of total tax
Tunisia	50% of total tax

Source: Jaber F. & al Riyahi I. (2014) Comparative Study: Tax systems in Six Arab Countries Arab NGO Network for Development, p.18

2.0 Tax havens/ off-shore finance

Illicit outflow of funds pose further threats to national taxation systems. The MENA region has 10.8% of the world total of illicit financial flows. In the period 2003-2012, it experienced the largest percentage increase (24.2%) in illicit outflows, of any region. It is estimated that 3.7% of the region's GDP was lost. This represents 607% of Overseas Development Assistance (ODA) and 126% of Foreign Direct Investment. For the MENA region, 75.3% of illicit outflows occur because of "large errors and omissions due to the incorrect or incomplete accounting of sovereign wealth fund transactions in the balance of payments"[8] [9]

Table 5: Illicit outflows Middle East and North Africa (MENA) (US$m)

Region	2003	2004	2005	2006	2007	2008	2009	2010	2012	2013	Cumulative
Illicit outflows	6	22.7	57.8	51.5	42.6	131.8	118.6	74.2	109.2	113.4	727.4
Outflows to GDP	0.7%	2.1%	4.3%	3.2%	2.3%	5.7%	5.8%	3.1%	3.8%	3.6%	

Source: Kar & Spanjers (2014) p.8

These leakages in the balance of payments occur in a group of countries which are set out below. Although Saudi Arabia had by far the largest outflow of funds, ranging from US$ 15,629 million (2007) to US$ 60,754 million (2009), other countries, such as Algeria, Egypt and Lebanon, are also subject to loss of financial funds but on a smaller scale.

Table 5 : Leakages in the balances of payments by country (US$ million)

Region	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Cumulative
MENA	2,984	2,841	46,104	39,400	32,101	112,461	98,018	53,078	83,052	80,778	550,818
Algeria	-	-	189	1,962	1,301	3,378	2,131	1,406	187	2,620	1,647
Egypt	0	45	2,427	0	0	2,896	0	2,145	2,857	2,160	12,530
Lebanon	0	734	608	2,818	5,997	1,746	3,0423	0	2,038	4,008	20,990
Morocco	297	282	407	521	0	412	521	160	243	229	3,072
Oman	565	396	851	9	0	0	1,141	0.	555	733	4,251
Saudi Arabia	0	0	34,459	20,560	15,629	30,026	60,754	34,380	48,178	42,335	286,321
Tunisia	47	128	28	37	37	0	0	0	0	0	277
Turkey	0	0	0	228	0	0	0	0	0	0	228

Source: Kar & Spanjers (2014) p.38-41

Corporate reporting is often opaque and lacking in transparency but many countries do not have legal requirements to make financial and company details public. This is an additional problem that has to be addressed in the search for tax justice. Table 6 shows the results of a secrecy audit for several Middle Eastern countries.

Table 6: Secrecy in Middle East/ North Africa

Country	Secrecy score	% market for global offshore services	Is there banking secrecy?	Is ownership of public companies on public record?	Are public company accounts on public record	Are records of company ownership maintained by relevant authority
Bahrain	72	Less than 1%	Yes	No	No	No
Lebanon	79	Less than 1%	Yes	No	No	No
Saudi Arabia	75	Less than 1%	Yes	No	No	NO
United Arab Emirates (Dubai)	79	Less than 1%	Yes	No	No	No

Source: Secrecy Jurisdictions http://www.secrecyjurisdictions.com

Tax havens offer individuals and companies the opportunities to pay little or no tax. They also enable both individuals and companies to hide details of how wealth is being accumulated, whether through company, property and other income generating activities, often as a result of corrupt and criminal practices. They provide individuals, companies, organisations a way to avoid adhering to rules, laws and regulations of different countries, 'using secrecy as their prime tool' and are often referred to as 'secrecy jurisdiction'. [10] In the MENA region, the United Arab Emirates and Lebanon are two countries with the highest levels of secrecy, which both operate as financial and trading centres.

United Arab Emirates (UAE)

The United Arab Emirates (UAE), consisting of seven emirates, has smaller supplies of oil than many other Middle Eastern countries so it focused on developing as an entrepot and trading centre. In 1979, traders from Iran and from Afghanistan moved to the UAE, bringing trade and money. With no income or sales tax, the UAE became a centre where money could be hidden from taxation authorities. In 2004, the Dubai International Financial Centre was set up as the first financial free zone in the UAE, helped by the City of London. It offers:

- Zero percent tax rate on income and profits, guaranteed for 50 years.
- A network of double tax treaties, available to UAE incorporated entities
- 100 percent foreign ownership
- No exchange controls; free capital convertibility
- A variety of legal vehicles that can be established with "capital structuring flexibility

All these 'services' can be typically found in tax havens.

The UAE state has been taken over by both commercial and financial interests, unlike other tax havens which have been taken over solely by financial interests. In 2009, following the global financial crisis, UAE was bailed out by Abu Dhabi. [11]

Lebanon

Lebanon developed as a trading centre throughout the twentieth century, with many Lebanese migrating to Africa and Latin America and creating a strong trading network. After the creation of Israel, in 1948, Beirut took over from Haifa, as the trading centre for the Middle East. In 1957, Lebanon created a banking secrecy law. In 1970s, it benefited from the money accumulated by the OPEC oil embargo. Remittances from the extensive Lebanese diaspora are estimated to be $7.6 billion annually with many individuals benefitting from the banking secrecy legislation. High income depositors are found in many countries of the Middle East. Money laundering and financing of terrorist activities are thought to be just some of the activities which are hidden in the Lebanese banking system.[12]

3.0 Tax base erosion and profit shifting (BEPS)

The cross border mobility of goods, services, capital and jobs has made it more difficult for national governments to tax individuals or companies. Competition between government authorities in attempts to attract foreign direct investment (FDI) has resulted in governments lowering tax rates for global companies. A country's tax base is eroded when multinational companies reduce the taxes that they pay in the country where their income is generated.

MNCs use cross-border payments to move profits to low or zero tax centres. These include:

- Royalties;
- Interests;
- Payments for good purchased for re-sale;
- Fees for technical and other services;
- Payments for supplies and other equipment.

The transactions involved in these types of payments allow companies to move the profits from the types of activity listed above to be moved from one country to another. As a result, companies do not contribute to paying tax in exchange for the company's use of public services and local labour force. Even if illegal activities are identified, it is extremely difficult for a national government to enforce their tax legislation. [13]

Tax base erosion on a country results in a government being unable to raise enough revenue to be able to provide for the needs of the population and to invest, build infrastructure and strengthen institutions. The government is unable to redistribute income from high to low income groups and the country has increasing polarisation between rich and poor. A lack of tax compliance weakens government institutions and tax legislation.

If companies avoid the payment of tax, other people have to pay and this increases inequalities. Local companies that only operate in national markets find it difficult to compete with MNCs because MNCs move their profits across borders to avoid tax.

Transfer pricing

"Transfer prices are significant for both taxpayers and tax administrations because they determine in large part the income and expenses, and therefore taxable profits, of associated enterprises in different tax jurisdictions." [14] They play an important part in estimating a company's profit or loss before taxation. As some countries have lower tax rates than others, the aim of a company is to allocate more profits to subsidiary companies operating in low tax countries than in high tax countries.

One of the underlying problems, exacerbated by increasingly rapid Information and Communications Technologies (ICT) systems which can move capital around the world, is that the current international legislation on transfer pricing is unable to deal with the rapid movement of capital or systems used by transnational companies to obscure internal company systems. The current arrangements for transfer pricing are based on the 'arms-length principle', which means that companies are independent and operate on an equal footing. Usually companies can set prices and national tax authorities can intervene if they feel that prices are unrealistic but this requires expertise and capacity within tax authorities, which can be undermined by the legal power of transnational companies.

In MENA region Table 7 shows eight country corporate tax profiles. All countries, except for Lebanon, work with the OECD arm's length principles but it is unclear how extensive tax authorities are in checking adherence to these principles. In Tunisia, tax authorities will tax any transactions that do not follow transfer pricing principles but the burden of proof is on the tax department.[15] In Lebanon, there are no clear transfer pricing rules.

Some Middle East countries have very limited taxation systems. Bahrain does not have any corporate taxes, sales taxes, capital gains taxes or estates taxes, except for companies operating in the oil and gas industry where tax is 46% of net profits whatever the country of origin of the company.[16] More generally, corporate tax rates in the main MENA countries are between 15% and 30% but the existence of special tax regimes in all countries means that parts of the corporate sector play lower rates of tax. In Algeria, corporate tax is 25% with an additional 2% on business activities measured by invoiced turnover. In Egypt, corporate tax is 25% except for oil exploitation companies which are taxed at 40.55%. In Jordan, there is a tiered corporate tax rate with 30% for banks, 24% for telecoms, insurance and financing and 14% for other companies. Morocco has a higher rate for leasing companies and credit institutions at 37%. Tunisia has a low rate of 10% for craft, agriculture and fishing and a higher rate for financial, insurance, telecoms and oil and gas companies.

All countries have a provision for losses to be carried forward for at least four years after the loss making period. In Jordan, losses can be carried forward indefinitely. The nature of special tax regimes provides opportunities for companies to locate within countries and reduce their corporate taxes. Although part of government economic development strategies, these tax exemptions reduce the tax revenue available for government spending. In Algeria, there is a temporary tax exemption for companies creating more than 100 jobs and companies are no

Table 7: Corporate tax profiles

Country	Corporate tax	Losses offset	Transfer pricing	Special tax regimes
Algeria	25% corporate tax And 2% tax on business activities – invoiced turnover	Carry forward losses allowed to the 4th year following the loss		Recent developments: Temporary tax exemption for companies creating more than 100 jobs 5 year reduction of corporate tax for companies introduced to stock exchange Suppression of obligation to submit Foreign Direct Investments to National Economic Council
Egypt	25% Except oil exploitation which is taxed at 40.55%	Carry forward operating losses for 5 years unless there is a change of ownership of more than 50%, the company is a joint stock companies or company limited by shares not listed on the Egypt Stock Exchange or if the companies changes activities	Arms length principle – any transaction should be at market value. No penalties but Egypt Tax Authorities may adjust pricing of transactions if purpose is to move tax burden to tax exempt or non-taxable entities 29 November 2010 Transfer Pricing Guidelines launched	
Israel	26.5%	Losses offset against income from any source in one year. Losses can be offset for any time period against income from any trade or business or capital gains arising from the business but not against income from any other source.	Arms length principle and follow OECD Principles	Approved Enterprise status allows for cash and tax benefits for companies that increase the productive capacity of the economy, improve balance of payments or provide new employment opportunities. Tax rates for enterprise income increased to 9% Area A and 16% for rest of country
Jordan	30% banks 24% telecoms, insurance, financing 14% other companies	Losses can be carried forward indefinitely	Arms length principle	Some tax credits for activities in development zones
Lebanon	15%		No clear transfer pricing rules	Offshore companies exempt from corporate tax but subject to a lump sum annual tax of LBP 1 million ($633). Holding

				companies exempt from corporate tax but subject to a tax on paid up capital and resources which is capped at LBP 5 million ($3,316)
Morocco	30% 37% leasing companies and credit institutions	Losses can be carried forward for 4 years after the loss making period.	Arms length principle	Smallscale agricultural companies tax exemptions from 2014 or if income increases subject to 17.5% for first 5 years. Medium and large companies subject to corporate tax after turnover reaches different levels but this subject to lower corporate tax for first 5 years Mining –exempt from corporate tax for 1st 5 years and then 17.5% Hotel companies exempt for 1st 5 years relating to foreign currency turnover and then 17.5% Export companies – 17.5% **Casablanca Finance City** 2010 – for financial and non-financial institutions offering financial, audit and human resources services – exempt from corporate taxes in first 5 years and then 8.75% in subsequent years Free trade zones – food processing, textile & leather, metallurgic, electronic and chemical industries and related services
Tunisia	25% 10% for craft, agriculture, fishing and for cooperatives 35% financial/ insurance, telecoms, oil/gas companies	Operating losses can be carried forward for 5 years after loss period Deferred depreciation can be carried forward indefinitely	Arms length principle but tax authorities will tax any transactions that don't adhere to transfer pricing but burden of proof is on the tax department	Tax credits available for wide range of activities – e.g. agriculture/ fishing, public works, manufacturing, tourism, education, culture, healthcare
Turkey	20%	Corporate losses carried forward for 5 years	OECD transfer pricing guidelines as a base	Free trade zones – manufacturing, storage, packing, general trading, banking, insurance and trade – outside customs territory. Right to operate in a free trade zones given through operating licence granted by Undersecretariat for foreign trade and subject to terms of Economic Affairs Coordination Council

Source: PWC (2014) Worldwide tax summaries http://www.pwc.com/gx/en/tax/corporate-tax/worldwide-tax-summaries/assets/pwc-worldwide-tax-summaries-corporate-2014-15.pdf longer required to submit foreign direct investments to the National Economic Council. Israel has an 'approved enterprise' status for companies willing to locate in certain parts of the countries and if they contribute to either the productive capacity of the economy, improve the balance of payments or provide new employment opportunities. Both Morocco and Tunisia provide tax exemptions or tax credits for agricultural companies. Morocco also provides exemptions for mining and hotel companies. In 2010, Morocco set up the Casablanca Finance City, aimed at financial and non-financial institutions, which offer financial, audit and human resource services. All companies will be exempt from corporate taxes for 5 years and then liable for a lower rate of 8.75%. Both Morocco and Turkey have free trade zones which cover a wide range of activities. These examples show how widespread corporate tax exemptions are for MENA countries. Economic development strategies depend on these initiatives but they also reduce tax income, with knock-on effects for public services.

Lost tax revenues and impact on government spending
Hollingshead (2010) estimated the tax revenue losses from transfer mispricing, using national corporate income tax rates. Overall, the loss in developing countries was between US$98 billion to US$106 billion annually from 2002-2006. Overall the Middle East/ North Africa region was estimated to have a smaller loss than the Asia region but this is attributed to the lack of trade data which results in an under-statement of illicit financial flows. More specific country information is set out in Table 8. Egypt is estimated to have lost 1.6% of tax revenue through mispricing. Morocco and Yemen both had losses of tax revenue of over 2%.

Table 8: Countries in Middle East and North Africa with largest tax revenue losses as % of government income Average 2002-2006 ($ millions)

Country	Average trade mispricing (non-standardised)	Average tax revenue loss (non-standardised)	Average government revenue (excluding grants)	Loss of tax revenue (as % of government revenue)
Algeria		50.82	34,058.55	0.1%
Egypt		354,.36	22,787.73	**1.6%**
Israel		151.21	49,554.85	0.3%
Lebanon		23.70	4,265.04	0.6%
Morocco		344.65	16,483.57	**2.1%**
Turkey		305.73	132,465.87	0.2%
Yemen		195.96	9,243.00	**2.1%**

Source: Hollingshead, 2010: 4 [17]

4.0 Addressing tax evasion

Many argue that one way of dealing with tax evasion is to reform domestic tax authorities. Weaker and less transparent institutions make the tax situation worse and what is needed is the reform of domestic tax authorities to improve their technical expertise and collection capacity.[18]

In the Middle East and North Africa, groups are working towards tax justice and demanding the Fair Share Commitment

People around the world, from the south to the north, are raising their voices in a united demand:

- It's time for tax justice;
- Tax justice must be put into action to end poverty, inequality and climate change;
- MNCs, financiers and the very rich must pay their fair share of taxes;
- National and international systems that support tax avoidance and tax havens must be stopped;
- Governments must enforce fair, progressive, transparent and sufficiently resourced tax administrations;
- It's time for people of every country to receive out fair share in public services and social protection.

In signing this declaration, we call on world and community leaders, organisations and people to join together to take action. We demand that governments deliver tax justice now http://gatj.org/

Key players

Organisation for Economic Development & Cooperation (OECD) www.oecd.org
OECD - BEPS Action Plan http://www.oecd.org/ctp/BEPSActionPlan.pdf
Tax Inspectors without Borders http://www.governanceanddevelopment.com/2012/05/tax-inspectors-without-borders.html
The UN Committee of Experts on International Cooperation in Tax Matters is a subsidiary body of the UN Economic and Social Council and is responsible for keeping under review and update, as necessary, the United Nations Model Double Taxation Convention between Developed and Developing Countries and the Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries. http://www.un.org/esa/ffd/tax/

Resources

Jaber F. & al Riyahi I. (2014) Comparative Study: Tax systems in Six Arab Countries Arab NGO Network for Development http://www.annd.org/english/data/publications/pdf/35.pdf
Kar D. & Spanjers J. (2014) Illicit Financial Flows from Developing Countries 2002-2012 Global Financial Integrity Integrity http://www.gfintegrity.org/report/2014-global-report-illicit-financial-flows-from-developing-countries-2003-2012/
Tax Justice Network (2013) Narrative Report on United Arab Emirates (Dubai) Financial Secrecy Index http://www.financialsecrecyindex.com/PDF/UnitedArabEmirates_Dubai.pdf
Tax Justice Network (2014) Report on Lebanon Financial Secrecy Index http://www.financialsecrecyindex.com/PDF/Lebanon

Tax justice campaign websites

Global Alliance for Tax Justice http://www.globaltaxjustice.org/
Tax Justice Network www.taxjustice.net
Christian Aid www.christianaid.org.uk
ActionAid www.actionaid.org.uk
Global Financial Integrity http://www.gfintegrity.org/

Capacity for Research and Advocacy for Fair Taxation (CRAFT) is a project of Oxfam Novib and Tax Justice Network -Africa. In this project, Oxfam Novib (ON), Tax Justice Network-Africa (TJN-A) and its partners mobilize civil society forces in several countries in Africa, Middle East and Asia (Uganda, Mali, Senegal, Nigeria, **Egypt** and Bangladesh) on tax justice, with a view to achieve accountable, fair and pro-poor tax systems.

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[1] Cobham A. (2005) Taxation policy & development Oxford: The Oxford Council on Good Governance

[2] OECD (2012) 'Reducing income inequality while boosting economic growth: Can it be done?' Ch. 5 in OECD (2012) Economic Policy Reforms Going for Growth Paris,OECD p.197

[3] OECD (2012) 'Reducing income inequality while boosting economic growth: Can it be done?' Ch. 5 in OECD (2012) Economic Policy Reforms Going for Growth Paris,OECD

[4] Jaber F. & al Riyahi I. (2014) Comparative Study: Tax systems in Six Arab Countries Arab NGO Network for Development, p.19 http://www.annd.org/english/data/publications/pdf/35.pdf

[5] Jaber F. & al Riyahi I. (2014) Comparative Study: Tax systems in Six Arab Countries Arab NGO Network for Development, p.20 http://www.annd.org/english/data/publications/pdf/35.pdf

[6] Jaber F. & al Riyahi I. (2014) Comparative Study: Tax systems in Six Arab Countries Arab NGO Network for Development, p.11 http://www.annd.org/english/data/publications/pdf/35.pdf p

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