

## **Social Justice in Global Development (SocDevJustice) Statement at the United Nations Social Forum 2012**

1. Upgrade the existing UN Committee of Experts on Tax Matters  
(by Verena Winkler/ SocDevJustice)

As we heard through the presentation by Francois Mercier, capital flight and tax evasion deprive poor countries of important resources and hinder the mobilization of domestic resources for development. Multinational companies, in particular in the extractive industry, make substantial use of secrecy jurisdictions and tax havens. Numerous sophisticated strategies allow company profits to be transferred out of producer countries to tax havens, often entirely legally and out of public sight. We also learned that transparency in corporate reporting, in particular a disclosure of profits and losses made in each country, would help to fight tax abuse.

The *United Nations Committee of Experts on International Cooperation in Tax Matters* as a subsidiary body of the Economic and Social Council so far provides a framework for dialogue for enhancing and promoting international tax cooperation and assesses how new and emerging issues could affect this cooperation. However as a mere group of experts, it still lacks political importance.

We therefore urge UN member states make a decision to upgrade this Committee of Experts to **become an intergovernmental body** with the capacity and decision-making power for action-oriented resolutions.

2. Establish a Working Group on a Debt Workout Mechanism within the UN system  
under the lead of UNCTAD (by Eva Hanfstaengl/ SocDevJustice)

Collins Magalasi spoke about sovereign debt problems, which are no longer the problem of only the South but also of high income countries due to the global economic crisis. However, to date, no international mechanism exists to deal comprehensively and effectively with sovereign debt problems. Therefore there is an urgent need to for the establishment of an effective and fair debt resolution mechanism.

As the G20 does not seem to us to be the appropriate level to decide on such a mechanism, we urge UN member states to establish a **governmental Working Group within the UN system** under the lead of UNCTAD and with the assistance of experts from the Finance Ministries to develop criteria and modalities for the establishment of an **independent, comprehensive, fair and transparent debt workout mechanism**.

3. The need for WTO impact assessments on human rights  
(by Verena Winkler/ SocDevJustice)

Mr. Hans-Peter Werner, Development Division of the WTO gave us an impressive overview of the importance of the WTO strategies and commitments for trade. However, we would like to ask how these WTO commitments are compatible with the human rights framework? How does the WTO **assess the impact of each single WTO strategy on existing human rights commitments** to make sure that WTO policies do not conflict with the promotion of people-centered development?