



## **Petition to Member States and Submission to the Bureau of Ad Hoc Committee to include Education Financing in the Terms of Reference of the UN Framework Convention on International Tax Cooperation**

We, the education and tax justice movements, campaigning collectively for the right to education and tax justice urge Member States and the Bureau of Ad Hoc Committee to include education financing in the Terms of Reference of the UN Framework Convention on International Tax Cooperation (FCITC).

In Article 13 of the International Covenant on Economic, Social and Cultural Rights, State Parties recognized the right of everyone to education, and that education shall be directed to the full development of the human personality and sense of its dignity, and shall strengthen the respect for human rights and fundamental freedoms.

However, the economic consequences of the pandemic, conflicts and climate emergencies have hurt countries' abilities to raise domestic resources and tax revenues have fallen. The [Education Finance Watch 2022](#) reported that "approximately 41 percent of lower income countries reduced their spending on education after the onset of the COVID-19 pandemic, with an average decline in spending of 13.5 percent." Further, it noted that in "lower income countries, the education share fell in 2020, rebounded slightly in 2021 but fell again in 2022 below 2019 levels."

Lower-income countries, even those that spend a significant share of their national budgets on education are unable to fulfil their SDG4 commitments due to insufficient revenues to fund quality public education. Thus, countries need to broaden their tax base in progressive and sustainable ways.<sup>1</sup> Over 97% of finance comes from domestic resources and shifting attention to domestic financing is part of decolonizing education financing, moving beyond the North-South transfer of resources to look at universal, sustainable and systemic solutions.<sup>2</sup>

The State of Tax Justice 2023 reported that more than US\$480 billion is lost globally in public revenues every year. This tax abuse hits lower-income countries the hardest, eroding a large share of their overall tax revenues, with serious implications on their ability to invest in public services such as education, health and social protection.

Education and tax justice movements support the current deliberations on the UN FCITC. By ensuring fair and equitable tax systems, countries can mobilize the public resources needed to invest in public education and other essential public services. The change in the global tax rules will enable countries to broaden their tax base in progressive and sustainable ways.<sup>3</sup>

The Transforming Education Summit (TES) in September 2022 forged a new social contract for education based on the principles of the right to education and education as a public endeavor and public good. The Transforming education financing pillar calls for "integrating education financing in the UN's broader work on SDG financing" and the "advocacy for the inclusion of education in the investment on the agenda of global finance dialogues... for increased fiscal space and increased funds for education and social protection."

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<sup>1</sup>Lifted from the Board Paper 18c reference is <https://actionaid.org/publications/2022/taxed-alliance#:~:text=The%20TaxEd%20Alliance%20brings%20together,domestic%20financing%20of%20public%20education>

<sup>2</sup> <https://actionaid.org/opinions/2022/transforming-financing-education>

<sup>3</sup>Lifted from the Board Paper 18c reference is <https://actionaid.org/publications/2022/taxed-alliance#:~:text=The%20TaxEd%20Alliance%20brings%20together,domestic%20financing%20of%20public%20education>

Building on the agreements of Member States in the TES, as education and tax justice advocates and movements, we urge the Ad Hoc Committee as well as the representatives of Member States who will deliberate the Terms of Reference (TOR) of the UN Framework Convention on International Tax Cooperation to:

1. Include as part of the principles the linkage between tax policies and mobilising financing for quality public services and in particular, quality education for all which is foundational to achieving the Sustainable Development Goals.
2. Integrate education financing in the terms of reference of the UN FCITC to ensure public, adequate and predictable financing for public education at all levels.
3. Work towards decolonising financing and integrate guidelines in the TOR that will support domestic resource mobilisation for education and public services to counter contracting loans and austerity measures that imperil the education sector and social services.
4. Institute mechanisms for broad and meaningful participation of civil society organizations and education movements in the deliberations of the UN FCITC at the country and international levels.

By including education financing in its deliberations and in the TOR, the UN Framework Convention on International Tax Cooperation will be able to contribute significantly to the realisation of the right to education that will enable people to build a gender-just, equitable, democratic, and sustainable world for all.

**SIGNATORIES:**

Name of Organization

Campaña Latinoamericana por el Derecho a la Educación (CLADE)

TaxEd Alliance

ActionAid International