

A Post-2015 Fiscal Revolution

3 min. intervention for OWG 11

Never before has the world enjoyed such abundant resources to realize just and sustainable development for all people everywhere. Yet, never before have these resources, and the decision-making power over them, been so poorly distributed.

This is a key challenge that the SDGs will need to address, how to create the fiscal systems to deliver the goals. There are three key areas here, sufficiency of resources, equality in distribution of burdens and benefits of resourcing, and accountability over all levels of domestic and global policy making.

Together, these three interdependent dimensions, founded on existing human rights standards and coupled with meaningful international cooperation, could deliver a fiscal revolution, transforming the way resources are raised and spent for the dignity of all.

Christian Aid and Centre for Economic and Social Rights have developed six targets (and indicators) to be included across the focal areas as way of hard-wiring into the SDGs a way to raise sufficient resources to fund the Goals, ensure the funds are spent to combat inequalities of all kinds and make sure the funds are effective and efficient through open, accountable fiscal governance.

I'd like to go through these targets and highlight how these relate to the existing targets in the working document.

Targets to generate sufficient revenues for sustainable development

- 1. Raise sufficient public resources to finance high quality essential services for all**
Current target 15 (o) on domestic resource mobilization should be retained as a stand-alone national target, but the phrase “reducing tax evasion and avoidance, improving stolen asset recovery” should be placed under a separate global target (target 2 below) to emphasize the clear, time-bound commitments of all countries for this global phenomenon, especially those on the receiving end of cross-border tax abuses.
- 2. End cross-border tax evasion, return stolen assets, forgive odious debt and progressively combat tax abuses**
Rephrase current target 16(e) this way to highlight the imperative of international cooperation, especially by developed countries, as well as to make the target more policy-sensitive to the most acidic of illicit financial flows.

Targets to ensure equality in the burdens and benefits of sustainable development financing

- 3. Reduce economic inequality within countries, through enhanced use of progressive taxation on income and wealth**
*Rephrase either targets 1 (b) and/or FA 8(a) this way. A focus on the bottom 40% of the income bracket is laudable target to fight relative poverty, but will not provide the policy incentives to address economic inequality *per se*, let alone eradicate the type of extreme inequality we face today.*

4. Improve redistributive capacities to progressively reduce disparities in the enjoyment of human rights by all socio-economic groups, between women and men, in all regions

Include under FA 1. In addition to floors/baselines, this focus on disparities in outcome and government capacity provides a greater policy incentive to ensure that the generation and use of public resources effectively combats rather than perpetuates socio-economic inequalities.

Targets to foster accountable fiscal governance for sustainable development

5. Ensure the rights to information and participation of all people, without exclusion or discrimination, in the design, implementation, financing and monitoring of public policies

Current target 16 – Rule of Law (d) should be retained by all means, but reformulated to ensure that all public policies, not just public finance management, public procurement national development plans are subject to full transparency and the right to information. Current target 15n meanwhile is well-formulated to promote participation in decision-making at national and international levels, and we strongly advocate for its retention.

6. Guarantee public and judicial oversight over the generation and use of public resources.

Current target 16 – Rule of Law – (b) is essential and must be retained by all means. The human right to remedy is an immediate obligation however, not to be delayed until 2030. We would also advocate for including the phrases “human rights” and “fiscal policy” so the target would read “provide equal access to independent and responsive justice systems including related to **human rights**, property and tenure rights, employment, business, taxation, **fiscal policy**, trade and finance.”