

The background of the slide is a photograph of the G20 Indonesia 2022 summit. It shows a large conference hall with many flags of G20 member states hanging in the background. In the foreground, there are rows of empty wooden chairs arranged in a semi-circle. On the right side, there is a large, ornate wooden structure, possibly a traditional Indonesian building. The text "ATI AND THE GLOBAL MOMENTUM FOR 'TAXING THE RICH'" is overlaid in large, white, bold, sans-serif capital letters across the center of the image. The text is split into four lines: "ATI AND THE GLOBAL", "MOMENTUM FOR", "'TAXING THE RICH'", and "G20 INDONESIA 2022".

ATI AND THE GLOBAL MOMENTUM FOR "TAXING THE RICH"

ATI General Assebly 2024
Martin Brehm Christensen
OxfamNovib

African Union in the G20: a geopolitical and economic leap for the continent

Created in 2002, the African Union (AU) represents 20% of the world's territory. The regional bloc debuts this year as a permanent member of the G20, offers new perspectives for the group and strengthens the agenda of the countries of the Global South.

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INEQUALITY

ATI Commitment 1: “...enhance DRM on the basis of equitable tax policies “



OXFAM
Novib

**THE COMBINED
WEALTH OF THE
WORLD'S 22
RICHEST MEN IS
MORE THAN THE
WEALTH OF ALL
THE WOMEN IN
AFRICA.**



22



**FIGHT INEQUALITY.
BEAT POVERTY.**



OXFAM
Novib

SINCE 2020,

THE RICHEST 1%

HAVE BAGGED

NEARLY TWICE AS

MUCH WEALTH AS

THE REST OF THE WORLD

PUT TOGETHER



OXFAM

INEQUALITY

Income:

Top1% = 19%

Bottom half = 8%

Wealth:

Top1% = 45%

Bottom half = 1%

Not limited to high-income countries but a global phenomenon



HIGHLY RELEVANT FOR DEVELOPING COUNTRIES: TAXING RICH INDIVIDUALS

Taxes from wealth (property, inheritance, net wealth taxes etc.)

- OECD: 2% of the GDP
- Low-income and lower-middle income: 0,1% of GDP

NET WEALTH TAX (NWT): The revenue-raising potential of a NWT in **India and Nigeria** – the two countries home to most people living in extreme poverty - **is twice that in the US and France** as a proportion of their tax revenues.



HIGHLY RELEVANT FOR DEVELOPING COUNTRIES: TAXING RICH INDIVIDUALS

INHERITANCE TAX:

While globally around 33% of countries tax inheritance (to direct descendants), none of the low-income countries we have reviewed tax inheritance, and only 26% of the lower-middle income countries we have reviewed.



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POPULAR AGENDA

In Africa, 69% of people polled across 34 countries agreed that it *“is fair to tax rich people at a higher rate than ordinary people in order to fund government programs to benefit the poor”*



Partnership commitments

With the endorsement of the ATI Declaration 2025, member countries of the Addis Tax Initiative (ATI) pledge to keep the following key commitments that promote fair, equitable and effective domestic revenue mobilisation (DRM).

- 1. ATI partner countries commit to enhance DRM on the basis of equitable tax policies as well as efficient, effective and transparent revenue administrations. ATI development partners commit to support such reforms.**
- 2. ATI development partners collectively commit to maintain or surpass the 2020 global target level (USD 441.1 million) of DRM cooperation for country-owned tax reforms.**
- 3. ATI members commit to apply coherent and coordinated policies that foster DRM and combat tax-related illicit financial flows.**
- 4. ATI members commit to enhance space and capacity for accountability stakeholders in partner countries to engage in tax and revenue matters.**

THE SOCIAL CONTRACT, FAIRNESS OF THE TAX SYSTEM, ACCOUNTABILITY AND TAX COMPLIANCE

Research from the World Bank based on interviews with 30,000 people across 8 developing countries shows that citizens are more willing to pay their taxes when they know that overall tax system is progressive.

Oxfam polls from 34 African countries show that 69% of people think that it is fair to tax the rich more to fund development.



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WHAT HAPPENS WHEN YOU TAX BREAD INSTEAD OF THE RICH

Updated Jun 18, 2024, 6:03pm GMT+2 AFRICA

Kenya's protest movement forces a U-turn on tax hikes



A group of people are silhouetted against a bright sunset over the ocean. They are holding a large, dark wooden beam horizontally across their shoulders and hands, as if they are collectively lifting or supporting it. The sun is low on the horizon, creating a strong glow and long shadows.

. MOMENTUM

- G20 agenda
- UN tax convention

- There is a real opportunity for ATI countries – especially in Africa through the AU and South Africa – to help shape the new emerging G20 agenda to tax the super-rich in a way that is adapted to the realities of tax administrations in developing countries.

A photograph of a slum area with a body of water and a city skyline in the background. In the foreground, there is a makeshift structure made of wood and metal, possibly a boat or a shack, with a corrugated metal roof. The structure is built on stilts over the water. In the background, a city skyline is visible across the water, with several tall buildings and a large industrial building. The sky is filled with clouds, and the sun is setting or rising, creating a warm, orange glow over the scene. The water reflects the light from the sky and the buildings.

Thank You

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