

CSBAG at the 2025 World Bank/IMF Spring Meetings: **Double down on tax cooperation?**



Discussions at the 2025 World Bank/IMF Spring Meetings. Photo: IMF

“Civil society organizations are being called upon to play a vital role in mobilizing public support for tax justice. They are also urged to pressure governments and international institutions like the IMF and World Bank to incorporate progressive taxation into their policy frameworks.”

The Civil Society Policy Forum recently convened to discuss "International Tax Cooperation: Giving Up or Doubling Down?", focusing on pressing challenges and opportunities in global tax governance.

Against the backdrop of geopolitical shifts and increasing inequality, panelists stressed the need for fair tax reforms, effective countermeasures against tax evasion, and strengthened multilateral

cooperation. Key discussion points included taxation of ultra-high-net-worth individuals, regional collaboration, and the crucial role civil society plays in promoting accountability in tax governance.

International tax cooperation: Giving up or doubling down?

The global tax landscape is facing significant challenges following the United States' withdrawal from key multilateral tax agreements, including the OECD Pillars and the proposed UN Tax Convention. This move undermines efforts to combat tax evasion and illicit financial flows, further complicated by a lack of transparency surrounding cryptocurrency deregulation.

Panelists at a recent forum emphasized the urgent need to tax the super-rich, citing growing wealth inequality as a destabilizing force in democracies. They advocated for progressive wealth taxes, global asset registries, and closing tax loopholes exploited by billionaires. Brazil's leadership in the G20, which supported a historic declaration on taxing high-net-worth individuals, was highlighted as a positive example.

Regionally, opportunities for reform are emerging. The African Union is prioritizing efforts to retain more value from natural resources, including better taxation of mineral exports, and addressing the estimated \$89 billion lost annually to illicit financial flows. In Latin America, Brazil's upcoming presidency of the Permanent Technical Committee on Tax Cooperation is expected to drive regional wealth tax initiatives forward.

Upcoming Milestones

Two significant events are on the horizon, set to influence the global tax landscape. The Financing for Development Conference (FFD4), slated for June 2025 in Seville, will provide a crucial platform to advocate for equitable tax reforms and their connection to financing the Sustainable Development Goals (SDGs). Later, in August 2025, negotiations on the UN Tax Convention will take center stage, focusing on key issues such as digital services taxation and closing cross-border tax loopholes.

Relevance to Uganda

Uganda's tax and revenue challenges are closely linked to ongoing global discussions on tax governance. With a public debt standing at 49.4% of GDP and heavy reliance on external loans, Uganda is particularly vulnerable to inequities in the global tax system.

Illicit financial flows and undervaluation of natural resource exports are further draining critical revenues from essential public services. The Civil Society Budget Advocacy Group (CSBAG) is addressing these concerns through its public finance management (PFM) advocacy, calling for audits of tax incentives, efforts to combat transfer mispricing, and greater transparency in Uganda's extractive industries.

Local issues, such as delayed local government fund transfers and poor donor fund tracking, reflect the global risks posed by mismanagement and weak accountability systems. CSBAG's work aims to address these challenges and promote a more equitable tax system.

Strategic Actions for CSBAG

In light of current trends, the Civil Society Budget Advocacy Group (CSBAG) is poised to advocate for progressive tax policies to address Uganda's revenue challenges. Key recommendations include pushing Parliament to pass wealth tax legislation and reviewing tax exemptions for multinational corporations.

Collaboration with the Uganda Revenue Authority (URA) could facilitate audits of high-net-worth individuals and their offshore holdings. CSBAG is also encouraged to engage more actively with regional and global platforms, aligning with the African Union's tax justice agenda and representing Uganda's interests at key events.

Strategic partnerships with regional civil society organizations, such as the Tax Justice Network Africa, would enable data sharing on illicit financial flows and amplify Uganda's voice. Public engagement remains critical, with CSBAG planning to host national dialogues on tax justice and publish policy briefs on Uganda's fiscal losses due to tax evasion and unfair resource contracts.

Upcoming events, including the Financing for Development Conference (FFD4) and the G20 Summit in South Africa, offer opportunities for CSBAG to push for Uganda's inclusion in global tax reforms and spotlight the country's priorities within African Union-led tax equity campaigns.

Global tax justice is a cornerstone of equitable development. The Civil Society Budget Advocacy Group (CSBAG) must seize this pivotal moment to align national advocacy with international reforms. By doing so, CSBAG can ensure that Uganda's resources benefit its people, rather than global elites. Stakeholders are invited to join the Tax Justice Working Group by contacting the designated coordinator. Collective action is crucial in promoting tax justice and equitable development in Uganda.