



## SECRETARIAT OF WATAF SECRÉTARIAT DU FAFOA SECRETARIADO DO FAFOA

### WATAF Comment on UN Framework Convention on International Tax Cooperation

The resolution adopted on **November 27, 2024**, by the United Nations General Assembly to establish a [Framework Convention on International Tax Cooperation](#) represents a significant step forward in addressing long-standing inequities in global tax governance. WATAF recognises this milestone as a critical opportunity to create an inclusive international tax system that prioritises fairness, transparency, and effectiveness.

WATAF commends the leadership of the **African Group** in championing this initiative and successfully tabling [Resolution 78/230](#), setting the stage for negotiations beginning in February 2025. This aligns with our ongoing advocacy for a multilateral approach that enables all nations, particularly developing countries, to participate equally in decisions shaping global tax rules.

We are delighted to learn that two early protocols will be negotiated together with the Convention, to cover: (i) the taxation of income derived from the provision of cross-border services in a context of digitalised economy; and (ii) a focus area to be determined in February 2025, which may address taxation of the digitalised economy; measures against tax-related illicit financial flows; prevention and resolution of tax disputes; or tax evasion and avoidance by high-net worth individuals. We believe that these focus areas are pivotal for improving domestic resource mobilisation and fostering sustainable development in West Africa.

#### Alignment with WATAF's Prior Comments


WATAF has consistently supported efforts to tackle global tax abuse and ensure equitable tax rulemaking. In its feedback on the [Zero Draft of the UN Framework Convention](#), WATAF emphasised the importance of protocols addressing: (i) **equitable reallocation of taxing rights**, particularly for resource-constrained economies; (ii) **enhanced source-country taxing rights** for multinational and digital services profits; (iii) **strengthened mechanisms to combat illicit financial flows**, which drain critical resources from African economies.

Additionally, WATAF's observations on the [Draft Terms of Reference](#) reinforced the need for inclusive negotiations under the UN platform, marking a departure from historically exclusive processes dominated by platforms like the OECD.

#### Implications for WATAF Member States


This landmark initiative holds enormous promise for WATAF's member countries. By participating actively in these negotiations, member states can: (i) **gain stronger taxing rights** over profits earned within their jurisdictions; (ii) **curtail revenue leakages** through more robust measures to address illicit financial flows; and **enhance fairness in global tax governance**, ensuring West African countries' concerns are adequately addressed in the negotiation outcomes.

WATAF pledges to continue supporting its member states in this historic process and looks forward to a framework that truly reflects the principles of equity and inclusivity, fostering sustainable development across West Africa and beyond.

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