

DOHA 2008: THE TIME IS RIPE!

To achieve the MDGs: CTT (Currency Transaction Tax) for FfD (Financing for Development)

Time & Place

24 Sept
12noon - 2pm
Baha'i International Community
866 United Nations Plaza
(entrance on 48th Street
between 1st Ave and East River)*

Main Organisers

UBUNTU Forum
NGO WG on CTT for FfD
Millennium Campaign

Participants

Federico Mayor (tbc)

Former Director-General of UNESCO

Salil Shetty

Millennium Campaign Director

Oscar de Rojas

Financing for Development Office Director

Saskia Sassen

Committee on Global Thought, Columbia University

Brazil

State representative (tbc)

Josep Xercavins

UBUNTU Forum Secretariat

* To access building go to 2nd Avenue with 49th Street, head East to 1st Avenue, cross 1st Avenue and head back South to 48th Street.

0.7% ODA + 0.005% CTT

CTT for FfD Campaign:

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The Doha Review Conference and the PROPOSAL FOR AN INTERNATIONAL POLITICAL AGREEMENT TO IMPLEMENT A CURRENCY TRANSACTION TAX (CTT), which is intended as a source of FfD in that the revenues would go to existing UN multilateral funds, with the aim of achieving the MDGs by 2015

0.7% ODA + 0.005% CTT

From paragraph 44 of the Secretary General's Note for to the Special High-Level Meeting of the ECOSOC held in New York (14 April 2008) on the Monterrey Consensus (2002) :

I.6. There is renewed international interest in a possible currency-transaction "development levy" of 0.005 percent, a minuscule tax that is not expected to materially affect market operations while having the potential to generate billions of dollars that can be allocated for development. OECD countries are already raising substantial amounts of revenue on various types of financial transactions taxes with no apparent negative impact on financial markets. The international financial system already has clearing and settlement mechanisms that can manage the collection of this levy at low cost for any one country unilaterally. The difference is that, by its nature, currency transactions taxes involve more than one country, being levied on exchanging the currency of one country for another. Thus, these are taxes that are best implemented in a cooperative manner among countries.

The universe of taxes on financial transactions has many dimensions. The *CTT for FfD Campaign* has a specific collective goal: to significantly increase the funds allocated to finance development, which should be additional, predictable, stable and sustainable. The money collected must be managed under the principles of transparency and accountability, with the real and active participation of all the multistakeholders. However, the promoters of the Campaign consider that other international taxes on financial transactions with a regulatory aim are essential, and will continue to be so.

This document was produced by the Secretariat of the World Forum of Civil Society Networks – UBUNTU and the World Campaign for in-depth Reform of the System of International Institutions in the context of the "NGO Working Group on CTT for FfD".

SOME NUMBERS

	\$
United Nations (administrative budget) ¹	2,100,000,000
World Bank (administrative budget) ²	2,119,000,000
International Monetary Fund (administrative budget) ³	922,000,000
Bank losses generated by financial crisis ⁴	565,000,000,000
Aggregate potential losses because of financial crisis ⁵	945,000,000,000
World military spending ⁶	1,158,000,000,000
Costs of climate change adaptation in developing countries ⁷	50,000,000,000
European investments needed for climate change mitigation ⁸	106,000,000,000
UNITAID ⁹	351,000,000
IFFIm expected disbursements 2008 ¹⁰	300,000,000
Investments climate change mitigation through emissions trading-Germany ¹¹	120,000,000
Illicit capital flows ¹²	1,600,000,000,000
Emigrants' remittances ¹³	240,000,000,000
Official Development Assistance ¹⁴	103,700,000,000
Assistance needed to achieve Millennium Development Goals ¹⁵	189,000,000,000
FOREX (daily average turnover) ¹⁶	3,210,000,000,000
FOREX (total annual turnover) ¹⁷	865,532,000,000,000
Currency Transaction Tax revenue (at a rate of 0.005%) (estimated) ¹⁸	43,270,000,000

SOURCES:

- ¹ <http://daccessdds.un.org/doc/UNDOC/GEN/No6/646/48/PDF/No664648.pdf?OpenElement> "o" <http://www.un.org/News/Press/docs/2007/ga10684.doc.htm>, 2008
- ² <http://siteresources.worldbank.org/EXTANNREP2K7/Resources/English.pdf>, 2007
- ³ <http://www.imf.org/external/spanish/np/sec/pr/2008/pr0874s.htm>, 2008
- ⁴ <http://www.imf.org/external/spanish/pubs/ft/gfsr/2008/01/pdf/sums.pdf>, 2008
- ⁵ <http://www.imf.org/external/spanish/pubs/ft/gfsr/2008/01/pdf/sums.pdf>, 2008
- ⁶ http://www.sipri.org/contents/milap/milex/mex_wnr_table.html, 2006
- ⁷ http://www.oxfam.org/en/files/bp104_climate_change_0705.pdf/download, 2007
- ⁸ <http://blogs.wsj.com/environmentalcapital/2007/03/29/europes-costly-emissions-goal/>, 2007
- ⁹ UNITAID, 2008*
- ¹⁰ Gavi Alliance - Banco Mundial, 2008*
- ¹¹ Presentación Alemania, 2008*
- ¹² Presentación Noruega, 2007*
- ¹³ http://www.oecd.org/document/8/0,3343,en_2649_37413_40166472_1_1_1_37413,00.html, 2007
- ¹⁴ http://www.oecd.org/document/8/0,3343,en_2649_34447_40381960_1_1_1_1,00.html, 2007
- ¹⁵ <http://www.unmillenniumproject.org/documents/overviewEng55-65LowRes.pdf>, 2015
- ¹⁶ <http://www.bis.org/publ/rpfxfo7t.htm>, 2007
- ¹⁷ <http://www.bis.org/publ/rpfxfo7t.htm>, 2007
- ¹⁸ UBUNTU, 2007