



**Tax, Anti-Money Laundering and Corruption
&
Responsible Business**

Recommendations to the G20

Tax, Anti-Money Laundering and Corruption

The global financial system is neither resilient nor sustainable. The financial sector must serve the needs of the people and the planet. Tax evasion and avoidance by multinational corporations and the rich, the race to the bottom through tax competition, and financial secrecy as revealed in the Panama Papers deprive countries of crucial revenue. National tax systems and global cooperation on tax matters need reform.

C20 Recommendations:

- **Support the establishment of a UN intergovernmental tax body** to achieve an unbiased, democratic and inclusive venue for shaping international norms of taxation and promoting international tax cooperation
- **Require multinational companies to publicly disclose Country-by-Country Reporting information** which also is a cost-effective and efficient process for countries to have timely access
- **Establish public registries of beneficial ownership** of companies, foundations, trusts and other legal entities
- **Provide automatic exchange of information to developing countries on a temporary, non-reciprocal basis** so they can benefit from the information before bearing the costs of compliance
- **Complete the work of the BEPS project** on profit attribution – including for the digital economy – by establishing clear rules allocating profit to where real economic activities take place
- **Implement effective oversight of professional enablers** of illicit financial flows
- **Publish a comprehensive list of tax havens**, based on transparency and effective minimum tax rates

Responsible Business

Investment flows and finance, both private and public, must be coherent with sustainable economies and business conduct. Investment towards public infrastructure must be coherent with sustainable development and guarantee that private returns are not prioritized over the public interest. Sustainable supply chains can help to further economic growth and development, eradicate poverty and inequality, and realize the SDGs.

C20 Recommendations:

- **Implement the UN Guiding Principles on Business and Human Rights** and develop substantive National Action Plans on the implementation of these principles
- **Accede to the OECD Guidelines on Multinational Enterprises**, ensure that their National Contact Point (NCP) system is capable of delivering effective remedy, and commit to NCP peer review
- **Require mandatory due diligence throughout supply chains** to identify, prevent, mitigate, track and communicate possible human rights or labor rights violations, corruption, and adverse environmental impacts
- **Mainstream responsible investment** by broadening the legal concepts of fiduciary duty and due diligence applied to pension funds, sovereign wealth funds, and other institutional investors to take account of any potential ESG risk in their investment activities
- **Incentivize companies to operate above minimum ESG standards** through fair and sustainable government procurement policies, tax policies, and subsidies, that reflect the true ESG costs of given products and services for example by granting procurement contracts to companies who provide employees a living wage as opposed to the minimum wage

Civil20 is the G20 engagement group of the international civil society. It represents organisations and individuals from all continents, giving civil society a loud voice in the G20. Find out more at www.civil-20.org.

Transparency International is the global civil society organisation leading the fight against corruption. It brings people together in a powerful worldwide coalition to end the devastating impact of corruption on men, women and children around the world. Transparency's mission is to create change towards a world free of corruption. Transparency International is member of the C20 Group.



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