



Minutes of meeting held on Tuesday 12 July 2016 The Unity Centre

Prior to our regular agenda we welcomed **Natasha Adams**, Tax Justice Campaign Manager for Action Aid, to provide an update on the tax justice campaign & other areas of interest. Her talk was entitled “Making tax fair everywhere” and included an overview of Action Aid’s tax campaign and then a look at tax treaties specifically in Malawi. Unfortunately since Brexit, Action Aid’s action plan has gone out of the window!

Action Aid had been campaigning on tax evasion since 2008 one of the reasons being that it is a sustainable alternative to aid. Tax dodging costs the UK billions but it costs developing countries \$200billion every year. These figures are an estimate from IMF as no one knows the exact figure.

To illustrate the ridiculous injustices of tax dodging, Action Aid focused on Zambia and in particular on a sugar company. Caroline Muchanga sells sugar in Nakambala market near the sugar company. Her average monthly net income is 650,000 Zambian Kwacha. She pays 30,000 in tax which is 4.6% of her income. Zambia Sugar PLC’s average monthly net income is 56,270,667,000 Zambian Kwacha. They pay no tax (2008 – 2010). This sugar company is a subsidiary of Associated Foods which boast Twinings tea, Ovaltine, Rivita, Patak’s sauces and Kingsmill bread as some of their products

Action Aid also had a very successful campaign to stop Barclays promoting tax havens and now have good relationship with Barclays

In 2014 they led a campaign to promote “Towns against tax dodging” by alerting local councils to tax dodging that costs developing countries billions.

Before the last election, Action Aid promoted a tax dodging Bill which they tried to get in all parties’ manifestos. The Green Party, SNP and the Labour Party endorsed the Bill but then the Conservatives were elected. The new government took on board some of the “asks” but not many. HMRC, however, are cracking down on tax dodging. Action Aid now has many other countries taking part in this campaigning

Action Aid’s 2016 Global Campaign priorities are: Fairer tax treaties

- Fewer tax breaks
- Global tax democracy
- Recognition that fair tax is part of Corporate Social Responsibility
- Make tax a feminist issue

At present Action Aid is particularly focusing on tax treaties and specifically in relation to Malawi.

What are tax treaties? When a UK company works in a foreign country, then a tax treaty will decide how much tax the company will pay in UK and how much will be paid to the host country. There are about 1,500 such treaties between developed and developing nations. So you might ask – where is the problem? Firstly, the balance of taxing rights are in favour of the investor countries – the OECD (Organisation for Economic Cooperation and Development) countries have set the rules. Secondly, tax treaties are used to avoid paying tax e.g. Amazon, Google, Zambia Sugar and thirdly, tax treaties push down taxes in developing countries and billions of dollars are lost each year, money which could be spent on health and education.

But tax treaties can be renegotiated. For example – the Irish letterbox company, in using the Zambia-Ireland tax treaty rules, lost Zambia around \$10.4 million between 2007 and 2013 which would have been enough to pay for 18,000 Zambian children to attend school. The tax treaty has been successfully renegotiated

In the case of Malawi, which is one of the poorest countries in the world with very little money for health or education, the tax treaty with UK is very bad and very unfair. Natasha has visited Malawi and had meetings with the finance ministers in both countries. They have been met with massive support from SNP and the Labour party The new treaty should be finalized soon.

They now would like the government to look at all tax treaties.

For more information on tax treaties and global companies go to:

<http://taxtreaties.taxpower.org>

So what next post Brexit? – George Osborne is already proposing cutting corporation tax. Action Aid will oppose this. They also want to challenge the “Race to the bottom” on tax where companies are competing against one another to slash tax bills

Action Aid wants to tackle injustice both here and abroad and concerned greatly about rise in xenophobia/racism. They advocate the idea that we have more in common – Natasha made reference to Jo Cox’s family holding the big rally in Trafalgar Square to support this cause. Income equality has become a big problem and Action Aid will continue to campaign in an effort to redress the balance.

Natasha will send more on Action Aid’s future plans when they have been finalized

Terry thanked Natasha for her very interesting overview of Action Aid’s work and for coming all the way from London to share it with CWDF



Joint campaigning with Malawi



1 **Welcome:** Terry Green chaired the meeting
Present: Gerald Grant, Kath Stephenson, Terry Green, Terry Walsh, Emily Pimm, Lindsay Cussons, Ann McCarthy, Bernard Payne, Vicki Jenner, John Tacon, Gill Miller, Mark Rideal and Linda Shuttleworth
Apologies: Margaret Lord, Sue Bownas, Peter Byrne and Heather Lannin

2 **Minutes/ notes of Forum meetings, and matters arising:**

- AGM 10th May 2016: no matters arising
- Committees 6th June and 4th July 2016 – TG reported on main issues discussed at committee. These included the website issue on which there has been little progress to date; contacting people re payment of subs; arrangements for forthcoming meetings; reduction of costs by asking members to receive mailings via email wherever possible; initial thoughts on any implications for our future activities following Brexit and short update on TTIP

BP commented that there had been some delivery problems with email circulation this time. It appeared to be hotmail addresses, with non-delivery messages being generated.

3 **Administration matters:**

- Financial report, including progress with 2016 memberships:
Balance at end of June was £540.71
Re subs - Wirral Trade Justice Group has now paid up. Only VSO not paid.
LS will remind them
Also - JT attended meeting about future of Unity Centre. Plans are being drawn up to improve the building but action will depend on whether they can secure funding. Plans include modernisation, noise reduction in rooms and a new, bigger kitchen. Once plans in place they will have to put in a bid to different organisations. JT discovered that there are car spaces at the back for people with reduced mobility.

4 **Around the Table:** Updates from our members on current activities, events and issues

TW: Petition to be signed. Will hand round at end of meeting

MR: 3rd Sept - demo outside Chester station on the issue of trains transporting nuclear waste from Capenhurst to Cumbria which pass through Chester station

JT: TTIP and CETA momentum has resurfaced. These trade deals could be implemented before they are ratified, thus by-passing the democratic review process. Look out for online petitions

BP: Alerted members to new initiative - Chester Community Energy. Aiming to increase Chester City's investment in renewable energy.

BP: Commented that post-Brexit issue of fundamental importance to CWDF. Suggestion that we discuss the way forward at September "open" meeting.

TG: Duncan Green bringing out another book, "How Change Happens". Possibility of holding joint meeting with University in Feb 2017

GM: Parent of one of her students has worked in global health and has a specific interest in the role of faith in development. Maybe idea for speaker

LS: involved in small charity raising funds for Uganda and a sponsored abseiling event will be held in October. See next CWDF diary for further details

TG: Govt issued paper in May aiming to reduce carbon footprint further.

TG: Met student working in food bank in Wesley who is going to New York with 360 other young people to look at SDGs and how they can be implemented. Called World Merit 360.

TG: Drew our attention to very interesting article in New Economics Foundation on SDGs. Article is entitled “Translating the SDGs into concrete political action in the UK” and written by Karen Jeffrey and Juliet Michaelson. Look up on neweconomics.org

- Reference to CWDF Diary entries: (version of 11th July attached) – no additions

5 Arrangements for next Forum and Forum-supported meetings:

- **Please note that our next meeting will not be held on the usual 2nd Tuesday of Sept – this would have been 13th Sept. The next meeting will now be held on 21st September when Chris Matheson, MP will be coming to give members an update and exchange ideas on international development issues. Much has happened since our MP talked to the Forum in December 2015! 6.45 for 7.00pm at The Unity Centre**
- **Friday 7th October:** A specially arranged meeting to hear Stephen Twigg MP, Chair of the Commons Select Committee on International Development to give a talk on the wide-ranging work of this Committee. 7.00pm in Binks Building at the University of Chester. Arranged in association with the University’s Department of Geography and International Development Studies

Posters will be out at beginning of Sept

- ## 6 AOB: Members being asked to think about opportunities for making a greater impact in our future projects.