
Solidarity Levies



Solidarity levies are nationally administered taxes on high-emitting industries that mobilize revenue for global public goods such as climate mitigation and adaptation. Revenues are collected domestically, but their uses are intended to be coordinated internationally, enabling coalitions of countries to contribute to highly concessional public finance mobilization for shared climate and development goals. Grounded in the *Polluter Pays Principle*; solidarity levies require industries that have historically contributed most to global challenges to bear proportional responsibility for financing solutions.

RISKS ADDRESSED

- **Liquidity risk:** Revenues are collected through existing national tax systems, providing highly liquid and accessible sources of finance.
- **Credit risk:** Solidarity levies aim to generate stable and predictable revenues, improving government creditworthiness, reducing reliance on new debt, and mitigating future borrowing costs. They generate debt-free financing, avoiding additions to national debt burdens.
- **Market risk:** Solidarity levies address the collective action problem of global environmental challenges through international coordination where markets fail to internalize externalities.

APPLICATION AND IMPACTS

Solidarity levies can be applied across high-emitting industries such as:

- **Aviation:** Precedents include airline ticket taxes and fuel levies, with growing interest in levies on private jet fuel.
- **Finance:** Over 30 countries implement financial transaction taxes (FTTs) on stock and bond trading.
- **Maritime shipping:** The International Maritime Organization (IMO) agreed in 2025 to measures limiting global shipping emissions, opening the way for a levy on lifecycle emissions. Development of a multilateral framework for solidarity levies in shipping is ongoing.
- **Emerging industries:** Fossil fuels, cryptocurrencies, and plastics are increasingly explored for levy design.

Revenues are typically directed toward:

- Loss and damage
- Adaptation and resilience
- Global health (e.g., HIV/AIDS, malaria, and tuberculosis programs in the [UNITAID peer example](#), malnutrition in the [UNITLIFE peer example](#))

TYPES OF INSTRUMENTS AND PROVIDERS

A. Levy Types

Some levies can be implemented domestically by coalitions of willing governments:

- **Aviation:** Progressive ticket levies applied at the point of sale on premium classes or frequent flyers; levies on aviation or private jet fuel.
- **Finance:** FTTs on share trading or mobile money transactions. FTTs are straightforward to implement domestically and have expansion potential. Notably, FTTs generate more revenues where financial markets are deeper (i.e., developed countries).
- **Fossil fuels:** Levies on extraction or profits of oil and gas producers.

Other levies require deeper technical work and international coordination:

- **Maritime shipping:** Lifecycle emission levies coordinated through IMO frameworks.
- **Cryptocurrencies:** Taxes on trading or electricity consumption by miners.
- **Plastics:** Polymer production fees (e.g., [Ghana proposal, 2024](#)).
- **Ultra-high-net-worth individuals (UHNWIs):** Global minimum tax standards (e.g., [Brazil G20 proposal, 2024](#)).

B. Technical assistance

- **Convening bodies:** Global Solidarity Levies Task Force (GSLTF); countries that support the GSLTF's mission may join the Coalition for Solidarity Levies to consult and engage with solidarity levy design and implementation.
- **Multilaterals (and key partners organizations of the GSLTF):** UNCTAD, UNEP, UNDP, OECD, IMF, World Bank, European Commission.
- **Think tanks/research firms:** CE Delft, ODI.

DEBT SUSTAINABILITY

- **Direct effect:** Solidarity levies have no direct effect on debt obligations; as a non-debt financing source, they leave current debt burdens unchanged.
- **Indirect effect:** Indirectly, solidarity levies demonstrate countries' fiscal responsibility and ability to raise public revenue to address climate and development needs, potentially lowering future borrowing costs.

INTERNAL CAPACITY REQUIREMENTS FOR MINISTRIES OF FINANCE/USERS

A. Minimum requirements

- **Tax infrastructure:** Domestic tax collection, tracking, and administration systems (with digitalization) able to integrate solidarity levies.
- **Information collection and management:** Ability to collect baseline information—e.g., location of oil and gas extraction activities for fossil fuel levies, individual flight frequency for frequent flyer levies—to determine eligibility.
- **Coalitions of the willing:** Political commitment of small numbers of willing governments to form a coalition for solidarity levy implementation.
- **Revenue usage priority setting:** Identification of uses for levy revenues to aid in generating political support.

B. Requirements for full integration

- **Integrated monitoring, reporting, and verification systems:** Integrated systems that enable clear, independent reporting and demonstration of the additionality of solidarity levies to existing public finance flows and transparently link levy revenues to global climate and development goals.
- **Inter-agency and multinational coordination:** Development of international standards, multilateral coalitions of large numbers of willing governments, implementation through global frameworks such as those from the International Civil Aviation Organisation (ICAO) and IMO.
- **International revenue transfers:** Established criteria for earmarking or ringfencing mobilized revenues for transfer from developed to developing countries.

C. Pathways

- Technical assistance and guidance from GSLTF.
- Expansion of coalitions and regional cooperation.
- Innovation in levy design and cross-border monitoring.

REGULATORY CAPACITY REQUIREMENTS

A. Minimum requirements

- Authority to levy (and enforce) taxes and collect revenues through existing or new regulatory systems.
- Alignment with existing trade agreements, investment treaties, and tax treaties governing taxed sectors (if applicable).

B. Requirements for full integration

- **Global governance systems:** Multi-stakeholder consultation mechanisms, harmonization with international tax treaty obligations, oversight and transparency in revenue allocation.
- **International negotiation capabilities:** International arbitration and dispute resolution capacity, multilateral tax treaty negotiation ability, and regional tax coordination mechanisms.
- **Mechanisms to incentivize polluting industries to reduce emissions:** Capacity to allocate levy revenues to emissions reduction efforts in taxed industries or move markets toward more sustainable alternatives.
- **Anti-avoidance mechanisms:** Capacity to prevent tax evasion/loopholes.

C. Pathways

- Legal consultations, impact assessments, and transparency mechanisms.
- Regional tax coordination and enforcement innovation.
- Precedent of country coalitions (e.g., EU processes, especially for FTTs and aviation levies).

FINANCIAL MARKET READINESS

A. Shallow markets

Shallow markets should focus on the use of solidarity levies for domestic revenue mobilization, utilizing solidarity levies like a domestic tax in early adoption.

- **Characteristics:** Lower tax base, higher risk of market distortion effects (e.g., tourism-dependent countries), low-emitting.
- **Constraints:** Tax collection costs, limited technical and regulatory capacity (e.g., overstretched tax administration, lack of digital tax collection systems), dependence on technical assistance for implementation.
- **Applicable solutions:** Simple levy designs that can be applied through existing tax infrastructure without the need for complex international coordination (e.g., airline tickets), allocate levy revenues domestically to a single purpose, and develop coalitions of willing governments.
- **Readiness pathways:** Leverage GSLTF resources, explore regional coordination, and gradual expansion.

B. Emerging markets

Emerging markets should explore levy designs tailored to prominent industries and with progressive structures.

- **Characteristics:** Growing tax base, moderate technical and regulatory capacity, growing financial and digital sectors, medium-emitting.
- **Constraints:** Limited experience with complex international tax coordination, powerful private sector interests, trade-offs between levy rates and economic competitiveness.

- **Applicable solutions:** More complex levy designs suited to the market (e.g., FTTs on mobile money transactions as the financial sector digitizes), progressive levy structures to protect vulnerable populations, regional coordination, channel levy revenues internationally using systems already in place, including bilateral mechanisms or as top-ups to existing programs within multilateral institutions.
- **Readiness pathways:** Domestic implementation, regulatory capacity strengthening, regional leadership development.

C. Mature markets

Mature markets should distribute levy revenues across domestic and developing country needs, aligning with the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC) to support global solidarity with developing countries.

- **Characteristics:** Sophisticated tax infrastructure and regulatory capacity, established international cooperation mechanisms, large financial and high-emitting sectors.
- **Constraints:** Complex existing tax systems requiring careful integration, strong industry lobby and potential political resistance.
- **Applicable solutions:** Complex levy designs (e.g., FTTs, aviation fuel, shipping), leadership in international coordination and standard-setting, channel levy revenues internationally through catalytic mechanisms to attract philanthropic organizations or non-coalition governments, such as new mechanisms within multilateral institutions.
- **Readiness pathways:** Multi-stakeholder consultation on levy design and global framework development, full implementation, continuous improvement and global best practice development.

PRICING CONSIDERATIONS

Levy design must balance the revenue-raising potential of levy types with possible impacts on:

- **Market distortions:** Levies may hurt developing and tourism-dependent countries by reducing demand for goods and services in price-elastic sectors or raising prices for consumers.
- **Participating countries' competitiveness:** Levy implementation may drive away investment and/or lead taxed sectors to move to non-taxed jurisdictions or exchanges.
- **Administrative costs:** High setup costs in shallow/emerging markets for monitoring and collection systems (e.g., digital infrastructure).

AVERAGE TIMEFRAME TO DEPLOY

The estimated timeframe to deploy different types of levies varies by their degree of complexity:

- **Fastest (1-2 years):** Airline tickets, private jet fuel, and fossil fuel profit levies may take 1-2 years to implement in willing countries, as they can be introduced domestically and integrated into existing national systems (e.g., via rate adjustments).

- **Middle (3-5 years):** Jet fuel levies and FTTs may take additional time, as they are governed by more complex regulatory frameworks (e.g., air service agreements, ICAO) and may require more sophisticated infrastructure. Existing precedent provides a blueprint for implementation.
- **Long (5-8 years):** Maritime, fossil fuel, crypto, plastics, and UHNWI levies can take longer, as they may require development and negotiation of new and/or multilateral frameworks. A multilateral aviation fuel levy negotiated via ICAO may take 8+ years, as the ICAO only meets every 3 years.

KEY CHALLENGES TO UPTAKE

- **Political opposition:** Levy implementation may face resistance from industry lobbies concerned about competitive disadvantages. National governments may have little interest in joining coalitions of the willing due to the thematic misalignment of levies with the political economy, which undermines the solidarity of levy rollout.
- **Tax collection infrastructure complexity:** Collection and tracking will require integrating diverse national tax systems, digitizing systems, and incorporating monitoring, reporting, verification, and data security.
- **Equity in revenue distribution:** Developed countries lack clear guidelines on revenue distribution to developing countries, including earmarking principles.
- **Tax avoidance and leakage leading to competitive disadvantages for implementing countries:** Industries' profit-shifting or relocating activities to avoid levies (e.g., airlines avoiding ticket levies by flying through non-participating jurisdictions).
- **Market distortions:** Demand suppression, decreased production, and rising costs in implementing countries.
- **Additionality:** Levy revenues must be additional to existing public commitments and transparently communicated as such.
- **Aligning international cooperation with national sovereignty and implementation:** Levies must integrate international coordination and alignment with existing international treaties and tax arrangements with domestic implementation and regulation.

HOW TO ADDRESS KEY CHALLENGES

- Demonstrate feasibility through early adopters, showing that international coordination preserves competitiveness.
- Clearly frame levies as progressive, economically efficient, and equity-driven, preempting concerns about economic impact. Highlight minimal economic disruption, significant revenue generation, and climate co-benefits to secure political buy-in.
- Use existing ring-fenced mechanisms to channel revenues efficiently and minimize administrative burden, especially in shallow markets.
- Establish independent monitoring systems to aggregate data from governments and produce a global report on levy performance and impact. Demonstrating tangible results early is critical for generating buy-in and ensuring the sustainability of solidarity levy measures.

- Define standardized global criteria for revenue allocation, revenue management and usage, and tax design (e.g., minimum rates, earmarking funds, and tax base) while allowing domestic flexibility based on market maturity.
- Ensure transparency and additionality by reporting levy revenues as separate lines within Official Development Assistance or Total Official Support for Sustainable Development, following the UNITAID peer example model, where France’s civil aviation authority transferred proceeds to a dedicated AFD account.
- Adopt progressive levy structures to minimize market distortions and protect lower-income populations; France’s tiered airline levy showed no adverse impact on air traffic or tourism.
- Strengthen multilateral coordination by expanding coalitions of the willing to harmonize standards, prevent tax evasion, and support cross-border enforcement.

EXAMPLES

Example	Description	Participating countries	Timeline
Aviation Solidarity Coalition on Premium Flyers	Taxes on private jets and premium tickets to fund resilient investments	France, Kenya, Barbados, Spain, Somalia, Benin, Sierra Leone, Antigua & Barbuda, Djibouti	2025
UNITLIFE Extractives Levy	Micro-levies on oil and mining to fund malnutrition programs	Republic of Congo, Niger, Mali, Guinea	2015
UNITAID Airline Ticket Levy	Ticket levy funding global health programs	France + nine countries	2006
Fiji’s Environment & Climate Adaptation Levy	5% tax for environmental projects	Fiji	2017

RELEVANT SOURCES

- [CE Delft \(2025\). A fair share from aviation: Solidarity levies in aviation: Options for a coalition of the willing](#)
- [Ghana \(2024\). THE PLASTIC POLYMER FEE](#)
- [Global Solidarity Levies Task Force \(GSLTF\) \(2023\). Homepage.](#)
- [GSLTF \(n.d.\). What is a solidarity levy?](#)
- [GSLTF \(2024\). Scaling Solidarity: Progress on Global Solidarity Levies](#)
- GSLTF (2025):
 - [Framing Paper: Considerations on the Use of Revenues from Solidarity Levies](#)
 - [From Seville to Belém: A Roadmap for Solidarity Levies from FFD4 to COP30](#)
 - [Solidarity Levies in the Baku to Belém Roadmap to 1.3T](#)
 - [Global financial architecture reform and solidarity levies](#)

- [Consultation on straw-man options for solidarity levies](#)
- [Project Syndicate \(2024\). The Case for Solidarity Levies](#)
- [South African Institute of International Affairs \(2025\). Global Solidarity Levies: A Call for Country Participation](#)
- [EU Tax Observatory \(2024\). A blueprint for a coordinated minimum effective taxation standard for ultra-high-net-worth individuals](#)
- Peer examples:
 - [GSLTF \(2025\) Eight countries launch solidarity coalition for levies on premium flyers](#)
 - [UN Secretary-General’s Special Envoy for Health \(2015\). Agenda 2030 and for Malaria. New Fund Uses Micro-levies to Fight Malnutrition](#)
 - [Convention on Biological Diversity \(n.d.\). Information sheet on the airline-ticket levy](#)
 - [Government of Fiji \(2018\). ECAL in Action: How Your Environment and Climate Adaptation Levy is Building a Better, Stronger Fiji](#)

KEY TERMS

GSLTF	Global Solidarity Levies Task Force
IMO	International Maritime Organization
ICAO	International Civil Aviation Organisation
FTT	Financial Transaction Tax
UHNWIs	Ultra-high-net-worth individuals
UNCTAD	United Nations Trade and Development
UNEP	United Nations Environment Programme
UNDP	United Nations Development Programme
OECD	Organisation for Economic Co-operation and Development
IMF	International Monetary Fund
AFD	Agence Française de Développement (French Development Agency)