

**EXPERIENCE**  
for influence



**PERU**  
**CASE STUDY OF FISCAL**  
**JUSTICE IN LAC**

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Cover photo: Grupo de Justicia Fiscal en el Congreso. Perú 2018

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# 1. INTRODUCTION

Under Fujimori's presidency (1990-2000), Peru began a process of macroeconomic stabilization and modernization of the state, supported by a series of neoliberal policies and alignment with dynamics of economic globalization. According to official data, between 2000 and 2018, GDP grew sixfold, the incidence of poverty fell from 49.1% to 21.7% and the Gini coefficient went down to 0.44. Alternative studies question the official data and the methods applied, and suggest that the poverty rate could be higher and the actual level of economic inequality as measured by the Gini coefficient could be between 0.6 and 0.7. In addition, corruption in Peru's public institutions has worsened and there is a high level of political capture by the economic elite; both of these factors limit the possibilities for improving the tax system (revenue and spending) with progressive and redistributory approaches.

## FISCAL CONTEXT IN THE COUNTRY AT THE START OF THE INFLUENCING STRATEGY

**Tax revenue as a percentage of GDP (2016) is 16.1%, the third and fourth lowest in the region**

Peru is one of the countries most highly dependent on tax revenue from its hydrocarbon and mineral extraction industries. This tends to be linked to tax systems that are less strict in terms of the tax burden, meaning that their sources of funding can be volatile.

In 2015, the tax revenue structure contained a bias towards indirect taxation; indirect taxes account for 62% of revenue, while direct taxes account for 33%. The revenue generated from VAT stands at 46% and tax on individual income, gains and capital is 11%. The effective collection rate for the wealthiest 10% is 5.1, which is close to the regional average of 4.8.

In 2014, fiscal expenditure (loss due to incentives or tax reductions) in relation to GDP was 2.2%, one of the five lowest in the region. VAT evasion is around 30%, one of the highest in Latin America, and income tax evasion is 57.3%. In 2016, total central government spending on health as a percentage of GDP was 2.3%, close to the regional average of 2.2%, on education it was 3.6%, below the regional average of 3.9%, and on social welfare 2.8%, which is well below the regional average of 4.1%.

Peru ranks twelfth in Latin America in the Commitment to Reducing Inequality (CRI) index and the progressiveness of the tax system is 0.563.

Sources: ECLAC, Oxfam, UNDP, OECD, SUNAT

The country is in a context of growth and modernization, which contradicts the tax systems and economic policies that perpetuate regressivity and exclusion. Two concrete examples that illustrate this tension are the country's bid to join the OECD and the unbalanced policies for tax refunds to mining companies.

Oxfam in Peru has been working for several years on tax issues related to the extractive industries, as well as supporting advocacy on policies, transparency and auditing by civil society. In 2015, the Even It Up 2015-2019 country strategy was designed and it was decided to address the tax system and the phenomenon of state capture as two strategic issues to tackle inequalities in the country.

In this context, Oxfam, together with its partner organizations and allies, found an opportunity to undertake a joint analysis and promote a public debate with a progressive narrative to address the challenges of inequality and fiscal justice in the country. Bolstered by numerous alliances and solid research, Oxfam and its allies formed the Fiscal Justice Group (referred to by its Spanish acronym GJF), committed to generating evidence and contributing to a more open and publicly accessible debate and pressuring state actors to adopt positions and take political decisions to reform the tax system with more progressive and transparent approaches.

This case study highlights Oxfam's experiences in Peru carrying out influencing work in a context permeated by the perception of economic growth, but with increased visibility of corruption and political capture by the elites over state decisions. Of particular note are the strategies of evidence generation and alliance building, which facilitated positioning and access to key actors, and strengthened citizen participation, with an emphasis on youth and women's organizations. We also cite innovations in disseminating the analysis and proposals, and the creation of social mobilization and action networks for positioning in the social imaginary and updating the action strategies of social movements.



## 2. THE CHALLENGE AND THE APPROACH OF OXFAM AND ITS PARTNER ORGANIZATIONS IN PERU

According to analysts, the so-called “Peruvian Miracle” - which saw economic growth rates rise steadily for several years and offered a good example of the application of policies of unrestricted openness and tax incentives to attract foreign investment - is now facing three challenges: Firstly, it failed to maintain the pace beyond a period of high prices of export commodities, especially minerals. Secondly, it failed to strengthen and consolidate public finances in terms of tax revenue and progressive social spending. Lastly, it generated negative impacts in environmental terms, which translated into a rise in socio-territorial conflicts throughout the country.

According to official sources, the social policies implemented in the last decade had a positive impact on steadily reducing the poverty rate to 20.7%, although in 2017 it rose by 1% again (which is equivalent to 375,000 people); this coincided with two years of falling prices for mineral products and a decline in GDP growth. This may reflect two things: firstly, how dependent the growth was on primary exports and, therefore, how vulnerable it was to changes in international prices; and secondly, if social policy is not consolidated and is not transformative, there is a risk that thousands of families will be left vulnerable in the event of an economic slowdown and will fall back below the poverty threshold.

The country’s tax system faces two challenges: Even though it is less regressive than other systems in the region, there is high dependence on the primary mineral export sector, which makes it vulnerable to the volatility of global markets. Added to that, tax loopholes and the influence of the economic elite on the system exert pressure that facilitates the concentration of wealth and tax dodging.

It is estimated that tax evasion (non-payment of general sales tax and income tax) is close to USD 17.3 billion a year, almost 50% of total annual tax revenue. In this context, there is a risk that it will not be possible to improve or sustain progress in terms of reducing poverty and inequality and progressive social spending policies in the long term. In fact, even when the country enjoyed very positive growth for a decade, investment in social spending remained low. As a percentage of GDP, investment in the three pillars of social spending - health, education and welfare - is below the regional averages. Peru’s social spending as a percentage of GDP is similar to that of the least developed countries in the region; this may help explain why internal gaps between rural and urban areas in social indicators are still high. In addition to the impact on poverty, it is considered that keeping the

current tax system contributes so that inequality, in terms of the concentration of economic wealth, will remain unchanged at the expense of social wellbeing and the country's environmental sustainability.

Oxfam and its partner organizations in Peru are working to promote tax justice through integral, transparent and fair fiscal reforms that strengthen tax collection and support the implementation of progressive public spending aimed at guaranteeing social rights, particularly for women and young people, and inclusive and sustainable development. It is also focusing on improving the quality of citizen participation by facilitating access to information and increasing participation in processes and decision-making related to the planning and use of natural and public resources.

## **“EVEN IT UP”: THE THEORY OF CHANGE AND INFLUENCING STRATEGIES**

The Even It Up campaign was launched in May 2015 with the following objectives:

- **Include extreme poverty, political capture and their relationship with tax systems in the national debate** through research, studies, forums, workshops with civil society and the media.
- **Contribute to the debate on fiscal issues by analysing public policies and their impact**, undertaking research and generating narratives that are disseminated and positioned by allies, experts and opinion leaders.
- **Contribute to strengthening the social movement, particularly with young people**, through analysis, research and training activities that develop their leadership skills and capacity to mobilize citizens to influence changes in policies and practices related to the tax system and political capture by the elites.

The central hypothesis of this influencing strategy is that:

In order to achieve a fair tax system, it is necessary to **combat (a) unjustified tax benefits (exemptions, non-application of taxes), as well as (b) tax dodging practices by major economic players**. This will be achieved through the **generation of evidence and strengthening of public criticism** based on investigative journalism and work in social and mainstream media. Pressure from citizens will increase so that **decision-makers implement a review of tax exemptions, and anti-avoidance and -evasion measures**, such as the application of Rule XVI of the Tax Code.

At the same time, Oxfam and its partner organizations and allies will support the **analysis of fiscal policies and practices and their impact**. There will be an emphasis on tax privileges and tax revenue from the extractive industries, special tax regimes and recommendations for implementation of the OECD standards and the Extractive Industries Transparency Initiative (EITI) as frameworks to influence tax policies. This analysis of policies and their

## THEORY OF CHANGE FOR FISCAL JUSTICE IN PERU



implications will be **widely disseminated to fuel public questioning and pressure** on key actors in favour of a fairer tax collection system.

**A specialized but inclusive debate will be constructed on an ongoing basis with the support of national and international allies**, involving subject experts and opinion leaders to generate and strengthen a critical mass of actors in favour of a fair tax system that will carry out advocacy and lobbying aimed at key institutions in the public sector.

### 3. KEY ASSOCIATIONS AND ALLIANCES

Oxfam has mainly worked on this influencing strategy through alliances with partner organizations, actors and networks of organizations from civil society, sectoral trade associations, women's and youth organizations, think tanks, alternative media platforms and influencers in the technical and political spheres. The alliances have been organized around different thematic focus areas:

**Fiscal Justice focus:** The Fiscal Justice Group (GJF) Peru, formed by **CooperAcción**, the Citizen Proposal Group (GPC) and Oxfam, structured itself as a technical specialization and advocacy alliance that began to address the tax system from a more holistic perspective, including the phenomenon of political capture, going beyond the extractive issue and monitoring how well public money is spent. These efforts were complemented by various media outlets (Ojo Público and Convoca), international cooperation actors and some allies in the public sector, especially the legislature and territorial authorities.

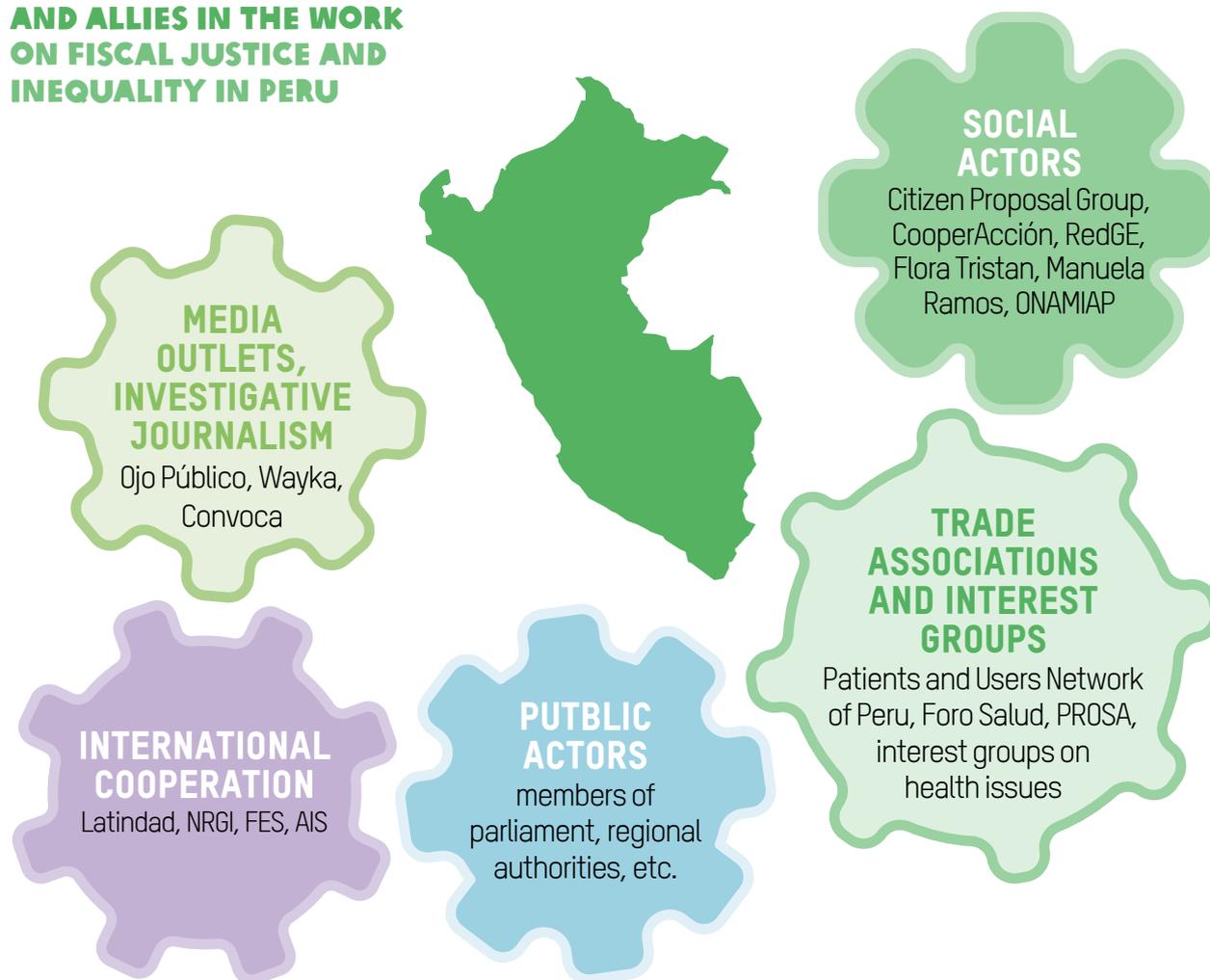
In the **Fiscal Justice and Gender focus #EllasPagan** (#WomenPay), associations and alliances were formed by trade associations organized around health services, through patient and user networks, various feminist collectives, media outlets, as well as social actors working on the analysis of policies, research, education, advocacy and mobilization on gender and health.

The main alliances in the **Active Citizenship focus** were with women's and youth organizations and networks, which were key allies for driving the **ACTUA.pe** platform and supporting research on gender inequality and in support of young people. These groups led actions to nourish and broaden the debate, support public positioning and social mobilization, and implement advocacy actions.

One of the most important innovations in relation to associations and alliances is the forming of inter-sectoral alliances specializing in focus areas, which made it possible to progressively adopt a holistic, systemic fiscal approach (revenue and spending) beyond the sphere of the extractive industries, addressing issues of social rights such as health, education, local development, workers' rights, etc.

Moreover, for actors who have been working with more sectoral approaches (health, gender, youth), alliances with actors more specialized in fiscal matters have offered opportunities to link their sectoral agendas and advocacy actions with the more comprehensive debate about public policies and progressive, transparent taxation.

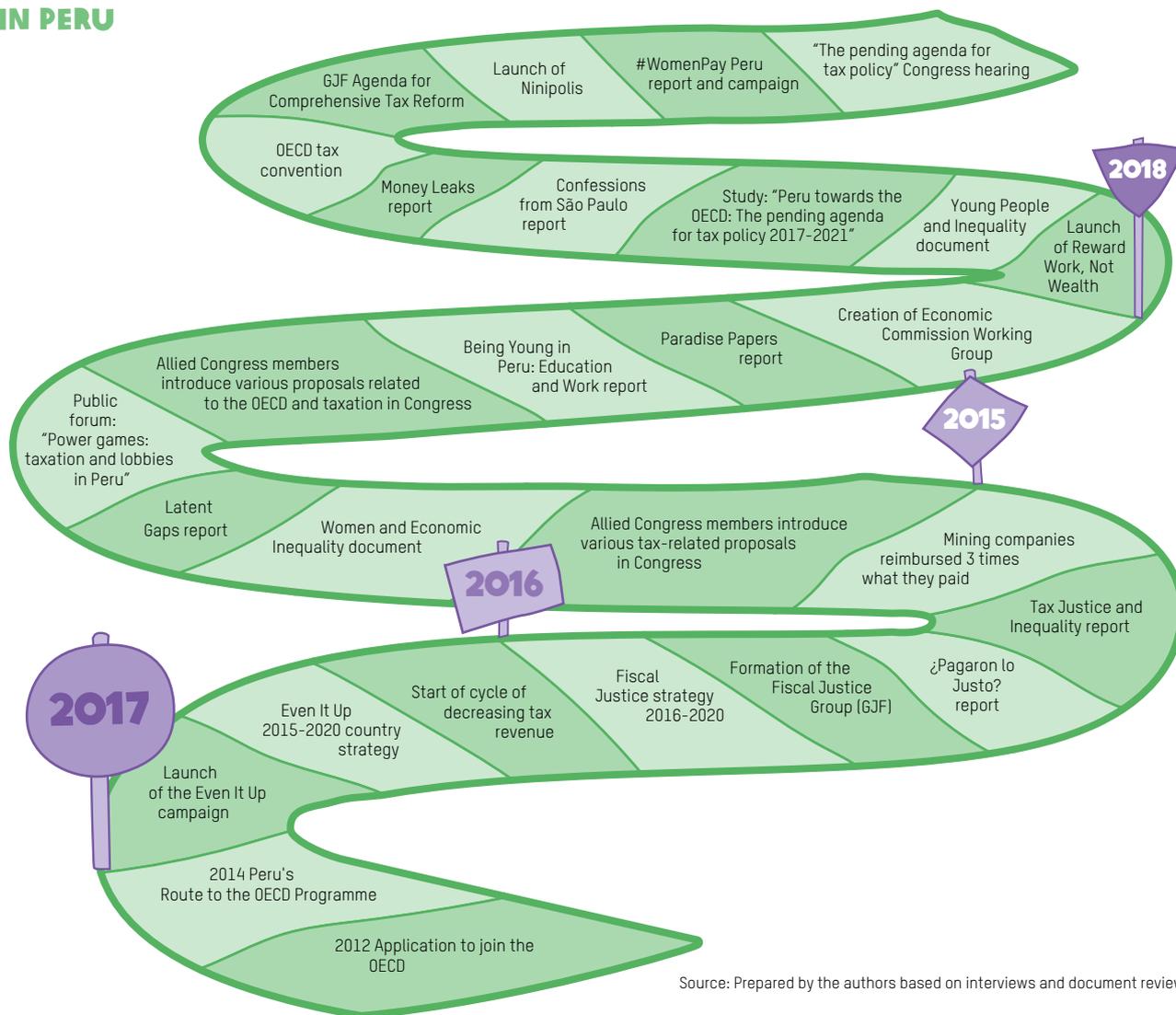
## **PARTNER ORGANIZATIONS AND ALLIES IN THE WORK ON FISCAL JUSTICE AND INEQUALITY IN PERU**



Source: Prepared by the authors based on interviews and document review

## 4. RESULTS ACHIEVED

### TIMELINE AND KEY MILESTONES IN PERU



Source: Prepared by the authors based on interviews and document review

## KEY RESULTS

The most important progress has been made in bringing the issues into the public sphere and political debates, influencing decision-makers and measures taken by public institutions to address some fiscal problems.

- **Promoting the debate on tax justice and mining:** The generation of evidence and presentation of documents characterizing and analysing the problems, examining practices and policies or gaps in them, and backed up with data on costs, has been key to generating interest among the media, decision-makers and social movements and organizations. The analysis produced thanks to the various alliances and investigative journalism has been widely covered in the media and is being taken up by opinion leaders in different spheres to question public policy decisions that weaken the tax system and generate proposals for tax collection and social investment that is fairer, more transparent and more responsible.
- **Powerful groups and decision-makers are taking a stance in relation to the proposals for fiscal reform.** According to a mapping of powerful actors, mining and business associations, a sector of the media and more conservative parliamentarians belong to the group of actors with significant power of influence that is opposed to more progressive fiscal reforms. Visibility- and awareness-raising strategies on these issues, publicizing evidence, and lobbying and advocacy work have achieved public positioning reactions for or against the improvement proposals that feed content into the debate and attract media interest. This also includes attempts by some mining associations to discredit the work of the GJF.
- Various proposals for reforms to the tax system and measures to curb tax dodging have been fed into the **policy debates of the legislature and technical discussions of public institutions**. It has been possible to **mobilize some state actors to take decisions and implement actions** that are favourable to the objectives of the GJF. This includes the creation of the Working Group for broadening the tax base and Peru's accession to the OECD, within the Congress' Economic Commission. This cross-party Working Group already has already prepared a diagnosis and agenda of reforms to promote. In Congress, a bill has been introduced to change the mining royalties regime. In addition, the public prosecution authorities have submitted requests for information and have opened tax-related cases and cases regarding active offences related to tax avoidance, tax evasion and other tax crimes. Furthermore, the National Superintendency of Customs and Tax Administration (SUNAT) has set up a unit to analyse cases of tax evasion.

- The **availability of analyses and evidence for social actors and authorities in debates and negotiations on taxation and mining projects at territorial levels** has been strengthened. The cases of the Las Bambas (Apurímac) and Cerro Verde (Arequipa) mining projects have been analysed from the point of view of taxation and their contributions to regional development. These types of inputs allow social and state actors to more deeply examine tax policies and practices in the mining sector, make proposals for reforms to the regulatory framework and improve the negotiation of future projects. This same approach was applied in the **Fiscal Justice for Women's Health** strategy where, in Satipo Province, evidence and data were gathered through the life histories of indigenous women and experiences of gaps in access to public cancer prevention and care services, which were crossed with the tax revenue that the state forwent as there was a tax exemption on cancer drugs, which did not result in lower prices.
- A contribution was made to **strengthening the capacity and quality of participation of a wide network of civil society actors** in national and territorial debates on fiscal justice. It is estimated that at least 67 women's, youth, indigenous and farmers' organizations working on health issues make up the social grassroots participating in the debates on fiscal reform, monitoring and reproducing information in their geographical spheres and networks.



## 5. THE POTENTIAL SUSTAINABILITY, SCALING UP AND REPLICABILITY OF THE RESULTS

The greatest potential for the **sustainability** of the results lies in aligning the proposals with the national and territorial fiscal reforms and public budget decisions that Peru agrees to implement. Sustainability is also favoured by the creation of institutional spaces such as the Working Group in the Economic Commission and the processes related to Peru's accession to the OECD, particularly with regard to the adoption of measures to strengthen the tax system.

In relation to social actors, key points include the technical and articulation capacities to work in networks and alliances that undertake research, disseminate information and engage in advocacy with the private sector and state actors. Building the capacity to implement influencing actions and campaigns in alliances with media outlets adds to the progress made in inserting technically complex issues in the public debate. This flow of capacity and action connecting social agendas and advocacy activities is a virtuous route that contributes to strengthening and invigorating active citizenship.

The likelihood of achieving **impacts on a larger scale** is considered high as there is a drive to improve and adapt national public policies regarding the taxation of mining revenue and other strategic sectors of Peru's economy, and to correct unjustified tax benefits and curb tax dodging, which occurs on a considerable scale. If tax revenue is improved and the scope and quality of social programmes is increased, particularly for women, young people and mining territories, it will be possible to have a positive impact on the quality of life of rural and urban communities living in poverty.

The greatest possibilities for **replicability** of the results are through the transfer of knowledge, theoretical frameworks, and tools and methodologies related to research processes, the development of specialized coalitions for advocacy strategies and public campaigning through digital platforms that facilitate access to information and citizen action. It will also be achieved by replicating strategies for working with youth and women's organizations and networks to defend the right to health, as well as approaches for lobbying the public sector in contexts of political instability and polarization on economic models of development.

## 6. ENABLING FACTORS FOR INFLUENCING ACTIONS

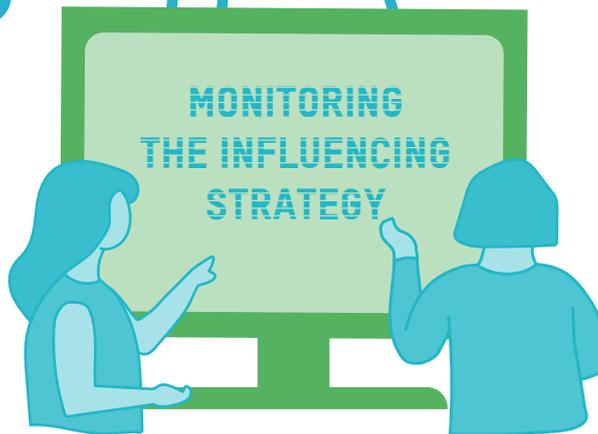
The external and internal enabling factors can be grouped into six dimensions:

1. The **decline in economic growth and tax revenue**, which deepened from 2016, contributed to placing vulnerability and the poor sustainability of the country's tax system on the agenda. This is an example of a problem that was turned into an opportunity to open the debate in Peru.
2. The changes of government and the state's backing of **Peru's process of joining the OECD** renewed the discussion, in state bodies and with international technical support, on the fiscal reforms required to improve tax collection and transparency, and reduce tax dodging. This includes the openness of allies within the parliamentary and executive branches of government to addressing the proposals of the GJF.
3. Added to the above factors, **the corruption scandals and global leaks** about tax avoidance, evasion and havens linked to Peruvian political and economic groups contributed to placing the problem of tax fraud on the public agenda. They also contributed to opening discussion on the necessary measures to correct tax dodging and the need to review tax incentive policies designed to attract foreign investment.
4. The existing capacities in the country for the development of **specialized research and new media publications** with a more progressive profile that use digital strategies and engage dynamically with their audiences were identified as alternative sources of information to counter the high level of control of the media by the elites.
5. The **interest and capacity for articulation of national and international NGOs** working with issues related to the extractive industries to adopt a broader fiscal justice perspective. In addition, the interest and dynamism of youth, women's and mining territory organizations to link their sectoral agendas with the debate on fair taxation.
6. The **prior experience of campaigning and advocacy, and the installed capacity** of the country team to establish broader alliances for advocacy, the technical advice and financial resources provided by affiliates, and the financial support of donors who made it possible to implement innovative strategies and adopt a more ambitious fiscal justice agenda.

Various methodologies have been applied for the monitoring and evaluation of the influencing strategy such as 'outcome harvesting', and has been carried out through the evaluation of projects supported by the agreement between Oxfam America and the Ford Foundation and the interim evaluation of the Active Citizenship and Fiscal Justice to Combat Inequality programme.

### Areas of interest: monitoring and evaluation

Has social mobilization been strengthened thanks to the evidence generated and the action tools designed?



Has the public and political debate on privileges, evasion and the performance of the tax system been influenced?

Have decision-makers taken action, generated proposals and driven policy reforms for fiscal justice?

Source: Prepared by the authors based on interviews and document review

## ENABLING FACTORS FOR INFLUENCING ACTIONS

### EXTERNAL FACTORS

- Capacity of local actors for research, articulation and proposals
- Members of parliament, opinion leaders and institutional actors receptive to the proposals
- Corruption scandals and global leaks about tax evasion
- Peru's process of joining the OECD and the required fiscal reforms
- Context of declining economic growth and tax revenue

### INTERNAL FACTORS

- Availability of financial resources for advocacy work
- Inclusion of a fiscal focus in work on special taxes and social auditing
- Specialized technical support provided by affiliates and global fiscal programmes
- Experiences and installed capacity to analyse the context, and design and implement influencing strategies
- Prior experience with global and national campaigns
- Adaptation, transition, design and planning capacity of the team

**ACHIEVE INCREASED AND MORE PROGRESSIVE TAX COLLECTION,  
AND REDUCE TAX DODGING AND POLITICAL CAPTURE**

Source: Prepared by the authors based on interviews and document review

## 7. EXPERIENCE WITH STRATEGIES

To implement this influencing plan, various strategies were combined. Those considered most effective for strategic positioning were: research and the construction of narratives designed to influence; working with the media and through digital platforms and social networks; alliances with specialized actors and opinion leaders; direct lobbying and advocacy by Oxfam aimed at national and international actors; and the development of activities to promote social participation such as the [Activism Laboratories](#), forums, debates and other specialized thematic events.

Differentiated strategies for women and young people include linking the fiscal agenda with their sectoral and collective agendas. Oxfam provided support with capacity-building, participation and social action based on its experience of advocacy and visibility-raising, together with the presentation of analyses and support for concrete advocacy initiatives to address gender and generational inequalities. For example, support was given during the launch of [The Other Fight Against Cancer](#) campaign around fiscal justice for women's health, and with research into youth, inequalities, education and work, and the youth and inequalities simulator [Ninipolis](#). The strategies not used were alliances with the private sector and the implementation of demonstrative pilots.

The main challenge for the strategies has been to adapt to the cycles of polarization, political crisis and changes of key actors taking place in the country. This context limits the possibilities for extending the alliances and developing an ongoing, broadened debate, and interrupts lobbying work with state actors, particularly the legislature.

Additionally, while membership of the OECD would lead to commitments to improve standards, political instability in Peru is undermining the government's plans to join that multilateral organization. It should be mentioned that there is a strong current of business actors who question OECD membership and seem to be resistant to the development of standards on fiscal policies, transparency, and so on.

The evaluation processes carried out to date show that the strategies have been more effective when relevant to the context and the actors' needs, when the actions can be adapted to the pace of the changes without losing sight of the need for the strategies to mutually reinforce each other towards common objectives. The strategies that generated the best results are:

- **Invest in establishing a position as a benchmark** in this field. Implementing research actions to generate evidence and information that increases the technical and thematic expertise of the GJF, the partner

organizations and allies, and that bolsters the messages and proposals for change with data and arguments. Good quality evidence is considered one of the most important factors for gaining access to decision-makers and generating interest in the media.

- **Establishing links and alliances with national actors** in civil society, academia, some members of Congress and opinion leaders to develop capacities, delve deeper into issues related to inequality and taxation, and develop common agendas. These alliances not only strengthened research, debate, and dialogue with public institutions and new audiences, but also generated a legacy in the capacities and development of new alliances at the national and territorial levels for advocacy in future. These alliances are also essential for undertaking a periodic analysis of the context and conjuncture.
- **Focusing on investigative journalism and the construction of narratives that make links** between inequalities, and social and economic rights, on the one hand, and tax systems and the responsibilities of the private sector and states, on the other. These narratives, which are also present in global and regional debates, such as in the OECD membership process, reinforce national messages and make state actors more receptive.
- Communication activities and actions through **digital and social media**, the generation of content and communication narratives that combine analysis of the problem with proposals and the use of simple messages that are accessible to audiences, particularly young people and the general public.
- **Combining narratives and data with digital communication strategies and capacity-building** for youth networks fosters a new generation of a critical mass of young people who take ownership of the issues and drive new forms of social action.

## THE ADDED VALUE AND DISTINCT SKILLS PROVIDED BY OXFAM

- The organization's **experience** at the national, regional and global levels on subjects related to taxation, particularly tax systems, for the rights agenda and designing influencing strategies and public campaigns.
- Connected to the previous point, the **capacity to access key actors** at different levels, from the local to the global, **mobilize external resources** to provide Oxfam with specialized support and reach regional and global **spaces** of debate and knowledge management.

- Contribute to improving the debate through **capacity-building, research, the generation of evidence and the construction of solid narratives** from a rights perspective. At the same time, the capacity of translating that content into accessible language, in innovative formats that call a wider range of actors and audiences to take action and mobilize.
- Linked to the previous point, offering support and assistance with **connecting youth groups, their networks and agendas with the fiscal justice approach**, and providing analysis, evidence and tools, such as [ACTUA.pe](https://actua.pe), for online youth activism, in real time.
- Having **flexible financial resources** that make it possible to finance an influencing model through swift and innovative investment. The trust of some donors in Oxfam's influencing and social and economic justice work is key for influencing processes as this backing makes it possible to finance actions that other sources of finance do not cover.
- Having **specialized resources in the country**, forming a multidisciplinary team to support the various strategies of the campaign. Particularly, to develop advocacy and lobbying, promote political dialogue and effectively manage risks, manage communications, the relationship with the media and work on digital communication and social networks.

## LESS ADVANCED DIMENSIONS AND BIGGER CHALLENGES

- It remains a challenge to **secure sufficient human and financial resources** to adequately support all the planned activities of a campaign and influencing processes in a dynamic and changing context. Oxfam still depends on third parties to be able to carry out many tasks related to research, analysing public policies and linking social agendas; this and other capacity constraints make it necessary to focus on one or two cases/issues to be able to work on them at all levels. This can represent a challenge when the campaigns aim to bring about structural changes that have interdependencies with broader economic and market systems that extend beyond the country's borders and require sustained work in the long term, linking with work at the national, regional and global levels.
- The above challenge also applies to the capacity of local organizations, the majority of which do not have sufficient human and financial resources to set up dedicated or specialized teams to continue advocacy

processes from a fiscal perspective or the capacity to generate new evidence and develop their own visibility and communication strategies.

- Even though it has been possible to manage the risks associated with the GJF's public dissemination and reporting work, there continues to be **latent efforts to discredit the work of the group and its members**. If we add to that the political tensions in the country, public polarization on development models and the power of influence of the elites, it is crucial to maintain a risk analysis that continuously reassesses the viability of the strategies and mitigation and protection mechanisms and the stability of the progress made.
- **Challenges to addressing international regulatory issues at the national level persist**. For example, tax dodging is facilitated, in part, by gaps in legislation regulating the state's fiscal policies from a global or regional perspective; it is very difficult for a national campaign to influence this area. Proposals and routes to follow in this area of work must be analysed from a regional and global level.
- **There is uncertainty about the possible changes resulting from the process of revising and adjusting Oxfam's presence in the countries** (Country Map Review), which could lead to Peru becoming a programme/office specializing in influencing work. The country team is committed to maintaining fiscal justice as a priority agenda, but it is unclear what the implications of this transition will be, the parameters regarding resources and the expectations of the Oxfam confederation about influencing programmes/offices.

## 8. LESSONS LEARNED

- **Strengthen and diversify alliances:** In this case, specific alliances were developed according to sectoral agendas, with a focus on expanding working relationships beyond the traditional alliances of partner organizations and like-minded allies. The alliances formed around complementing capacities and interest in fiscal and sectoral agendas have been essential for the development of the whole influencing work cycle; they have made strategic contributions including the performance of research, campaigning actions and direct lobbying of decision-makers. Alliances and working relationships were expanded to include experts and former civil servants linked to the national tax policy, which broadened the scope of influence of Oxfam and the GJF.
- **Foster alliances and create new added value:** Alliances are built on common objectives, shared values and mutual benefits. Maintaining the interest of actors in alliances requires investments to develop joint and shared analysis of the agenda and its solutions, strengthen collaborative ways of working together (co-construction), contribute to and complement efforts, and ensure that the alliance generates benefits for all the interested parties. It should be highlighted that alliances with public and legislative actors or public institutions require the development of specialized capacities to convert the narrative into technical inputs geared towards public policies, legal frameworks, etc.
- **Stories of impacts, economic costs, and linked to concrete agendas:** The evidence generated from our own research and from investigative journalism plays a key role in raising awareness of the fiscal problem and fuelling public debate. This evidence carries more weight when it has been possible to establish the economic impact of regressive measures on tax systems. Talking about the economic costs for the state and lost opportunities to finance social development policies generates a media impact and attracts the attention of social, political and private actors, opening up the conversation and public debate. Thorough research, the participation of allied organizations and movements with sector-specific agendas (e.g. youth, women, mining territories) and the voices of experts have been key to concretizing abstract language through stories and influencing messages about specific problems faced by Peruvian society.
- **Establish links between fiscal justice and social agendas:** Fiscal content is perceived as very technical and removed from people's everyday experience. Therefore, it is necessary to develop narratives, and communication and visibility strategies that tell stories in accessible language, putting faces to situations of tax injustice. This does not only concern the way of communicating about a problem, it also involves linking the

fiscal justice perspective to sectoral agendas and the rights approach, through research and narratives. These links are established through joint construction between social organizations and movements that address specific issues and promote the enforcement of economic, social and environmental rights. In this case, the work with young people, women and organizations working on issues related to health and extractive industries make it possible to articulate the fiscal justice perspective, strengthen their advocacy work and promote active citizenship.

- **State capture behind public policy decisions:** Analysing and defining the role of political capture on fiscal and sectoral policies has been essential for the structural analysis of the country's tax system. It has made it possible to identify power relationships, forms of capture and the results of pressure from certain economic elites on tax collection mechanisms, taking advantage of tax loopholes and institutional weaknesses for tax dodging and financial leakages, as well as identifying the corresponding costs in terms of lost revenue for the Peruvian state.
- **Parliamentary lobbying and advocacy to open space for the voice of the social sector:** Parliamentary lobbying has traditionally been a privileged space for the private sector, with the elites exerting direct influence over decision-makers. Developing parliamentary lobbying and advocacy strategies implemented by civil society actors, backed up by solid evidence and well-founded proposals, can facilitate the opening of spaces for social participation in strategic debates. This area of work entails political and image risks that can be managed through mitigation strategies such as working in broad alliances, supporting influential national and international actors, generating media pressure, and so on.
- **Leverage global debates and processes to strengthen national initiatives:** Oxfam can facilitate connections between global processes and influencing work at the national level, bringing in evidence generated at both levels to contribute to broader and more participatory debates. Spaces such as the OECD, which establish minimum requirements for the performance of tax systems, and incidents such as the Panama Papers leak offer opportunities to deepen the national discussion about tax systems. Here it is important to highlight the role that Oxfam and its allies can play by adding content to the national analysis through their own research or supporting investigative research that generates concrete information, stories and paradigmatic cases that can be more widely circulated and disseminated.



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