TAX CO-OPERATION FOR DEVELOPMENT

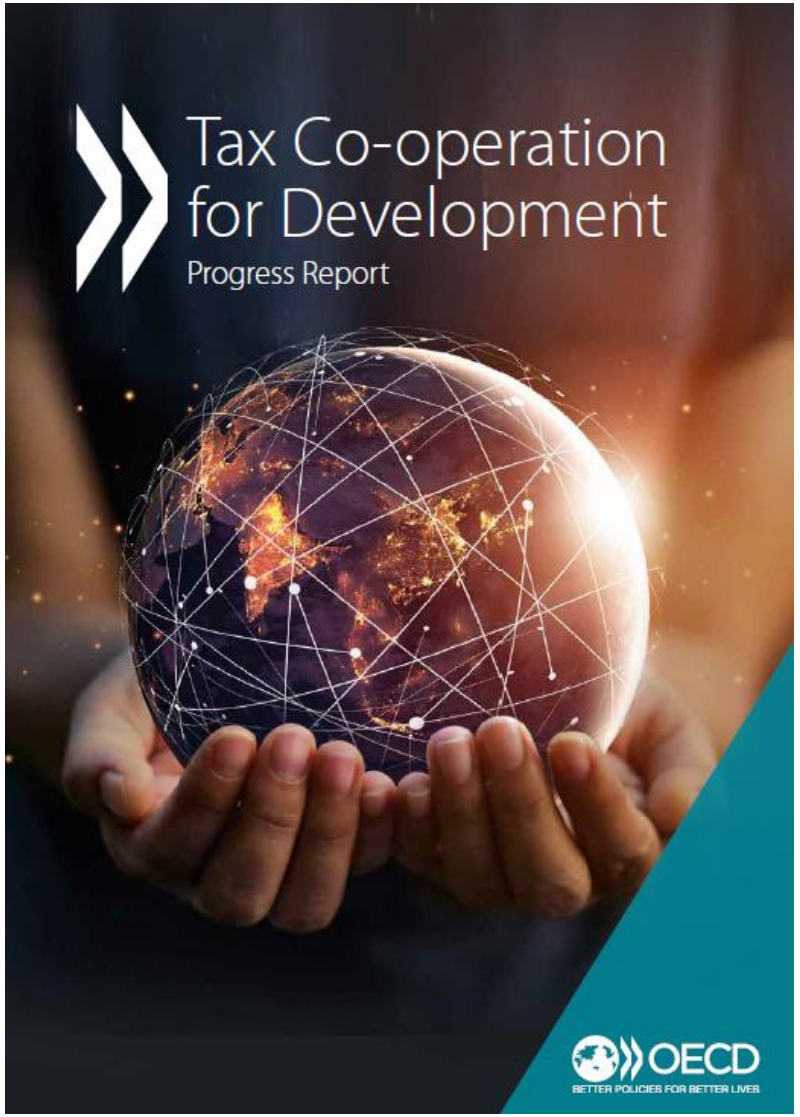
Advisory Group for Co-operation with Partner Economies
15 September 2020

Ben Dickinson - Head, Global Relations and Development Division

BETTER POLICIES FOR BETTER LIVES

Tax for development

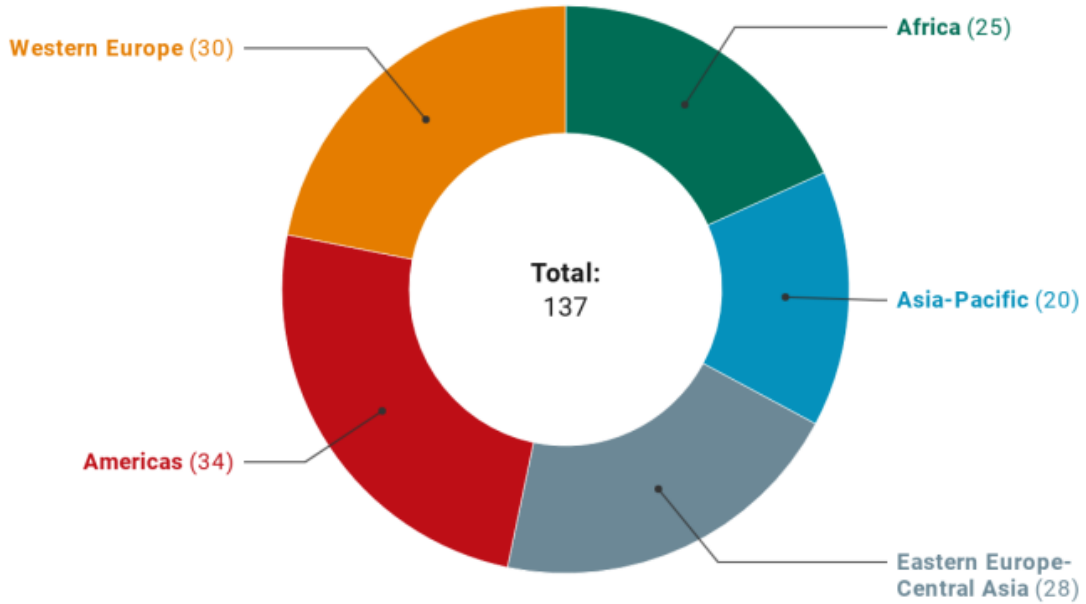
- Rapid growth from modest outreach in 1990's to a more comprehensive and integrated approach to tax and development.
- Step changes in inclusion and participation are leading to demands from developing countries for other services and calls for change.
- 2019 progress report: a diverse range of activity from TIWB to tax policy, to measuring aid directed at tax matters.



Involvement of developing countries

Membership of the Inclusive Framework on BEPS by region

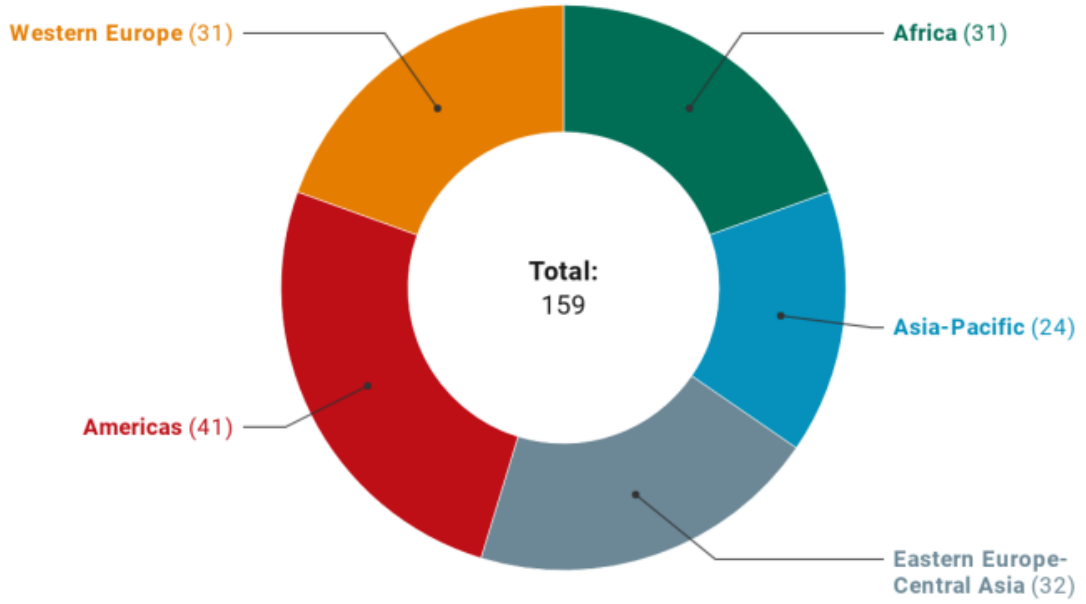
as of December 2019



Source: OECD/G20 Inclusive Framework on BEPS • Created with Datawrapper

Global Forum membership by region

as of December 2019



Source: Global Forum on Transparency and Exchange of Information for Tax Purposes • Created with Datawrapper

2019 Progress Report

The report covers the range of how developing countries engaged in 2019 with the OECD's work on tax matters through four inter-connected efforts:

- Inclusive international standards
- Country-level capacity building
- Guidance, data and multilateral training
- Partnerships with other IOs and RTOs

Mainstreaming of the OECD's work on tax

Beyond BEPS and EOI: Providing developing countries with the full range of OECD tools and expertise

As a result of the recent engagement of developing countries in the BEPS work and in the Global Forum, many new opportunities of where other OECD standards, data, guidance and expertise can help developing countries have been identified.

Tax crimes and other financial crimes

Maximising the information and tools developed in fighting tax evasion to help in the fight against other serious economic crimes, including corruption, money-laundering and financial fraud.

Tax Policy

Tax policy plays a crucial role in realising the SDGs. The OECD is providing tax policy analysis to a growing number of developing countries.

Revenue Statistics

The OECD is the leading repository for comparable tax revenue statistics that are vital to informed public policy decision-making.

Value-Added Tax

Value-added tax (VAT) is the most important source of tax revenue for most low-income and developing countries, and the OECD's standards and expertise in VAT are increasingly in demand from developing countries.

Environmental Taxes

Environmental taxes and fiscal reform are key elements to realising the Paris Agreement, areas of increasing interest to developing countries and the OECD has the most detailed and comprehensive data and analysis in this field.

Tax Administration

The OECD's Forum on Tax Administration (FTA) brings together Tax Commissioners from both OECD and non-OECD countries to work together to identify, discuss and influence relevant global trends in tax administration and develop new ideas to enhance tax administration around the world.

Tax and Development Co-operation

The OECD prioritises the smooth co-ordination and alignment of policies between the OECD tax and development agenda and the broader development community, fostering collaboration and avoiding duplication of effort.

Response to COVID-19

- Virtual bilateral missions
- Regional discussion forums
- Virtual classes
  - Global Relations Programme in Taxation (GRP)
  - Global Forum on Transparency and Exchange of Information
  - Tax Academies
- E-learning developed under the GRP

Assistance to developing countries

- Global Relations Programme
  - Face-to-face training
  - Production of e-learning modules (training and tailored assistance to developing countries)
- Bilateral assistance on transfer pricing
- Induction programme on BEPS implementation – 41 ongoing

Tax Inspectors Without Borders

TIWB is a joint OECD/UNDP initiative launched in 2015, delivering technical assistance in the area of tax to developing country tax administrations.

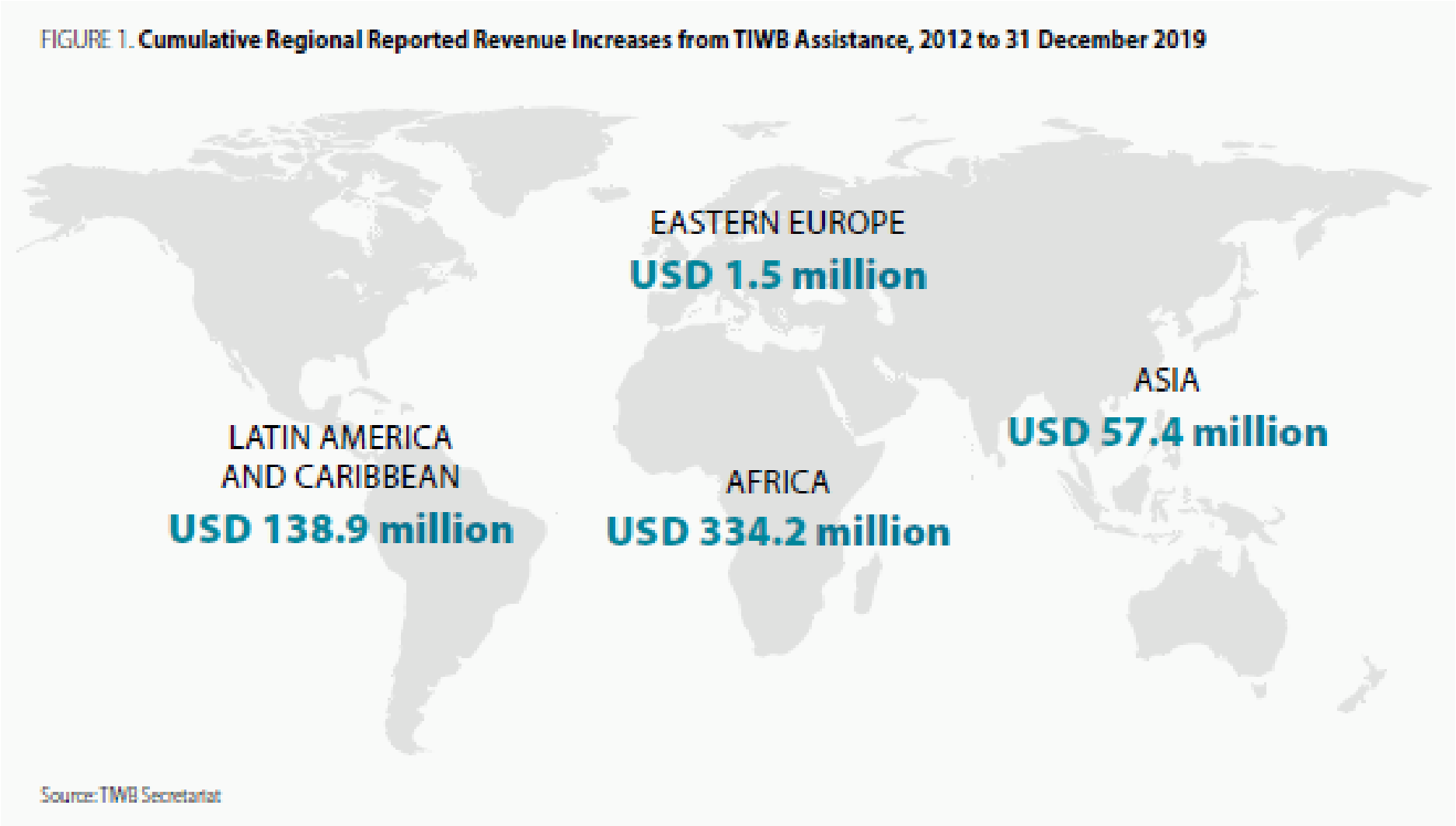
Specifically, deployed experts work with host country/jurisdiction auditors on real, current cases, to increase the tax administration's capacity to impose taxes on taxpayers, and thus domestic resource mobilisation.

Areas of Assistance

- Tax Audit
- Criminal Investigation NEW!
- Effective use of AEOI data NEW!
- Tax Treaty Negotiations & Implementation NEW!
- Taxation and Natural Resource Contracts NEW!
- Tax and Environment NEW!

TIWB revenue increases

FIGURE 1. **Cumulative Regional Reported Revenue Increases from TIWB Assistance, 2012 to 31 December 2019**



Source: TIWB Secretariat

The Platform for Collaboration on Tax

- Launched in 2016 to intensify co-operation between IMF, OECD, UN and WBG
- Joint toolkits on key issues for developing countries on international tax
  - Offshore Indirect Transfers - launched June 2020
  - Transfer Pricing Documentation – Final version due shortly
  - Tax Treaty Negotiations – Consultation closed 10 September
  - GRP has been working with PCT to help deliver toolkit training
- Medium Term Revenue Strategies – PCT recommendation, 23 countries currently discussing, designing or implementing
- PCT website – launched March 2020
  - Contains details of all the PCT partners technical assistance
  - Has been adapted to act as a hub for all PCT partners COVID resources
- See PCT annual report for more details

Development outputs in the second half of 2020

- TIWB Annual Report 2020
- Tax & Development Case Studies
- Building Tax Culture, Compliance and Citizenship - A Global Source Book on Taxpayer Education (Update)
- Tax Certainty Report
- Rev Stats in Asia and Pacific Economies report Global Revenue Statistics Database (with new China data)
- OECD and Kenya join forces to stem illicit financial flows by establishing new African tax academy
- GF Toolkit on becoming a party to the MAAC
- GF Toolkit on setting up an effective EOI unit for developing countries, with ATAF
- Domestic resources mobilisation for health financing: Morocco and Cote d'Ivoire
- GF plenary meeting + annual report + first AEOI peer reviews
- OECD Tax Policy Reviews: Kazakhstan 2020
- New e-learning modules on EOIR and VAT

2020 and Beyond

- Mainstreaming of the OECD work on development will continue
- In response to COVID-19, the GRP and GF will continue with virtual training
- The pandemic amplifies some calls:
  - for changes to tax policy (e.g carbon or property tax),
  - to tax administration (a step change in digital technology for tax collection), and
  - to take stock of how the international tax rules can help developing countries.

What's happening with digitalisation?

- G20 Finance Ministers met in July 2020
  - "We will continue our cooperation for a globally fair, sustainable and modern international tax system."
  - Blueprints for pillar 1 and pillar 2
  - "… reaffirm our commitment to reach a global and consensus-based solution this year."
- Inclusive Framework meeting on 8-9 October 2020
- G20 Finance Ministers meeting on 15-16 October 2020
- Support for developing countries continues

THANK YOU

GLOBAL RELATIONS PROGRAMME:
AN UPDATE

Ana Rodriguez-Calderon, Tax Advisor

Advisory Group for Co-operation with Partner Economies
Global Relations and Development Division
Session 2
15 September 2020, Paris

OECD
BETTER POLICIES FOR BETTER LIVES

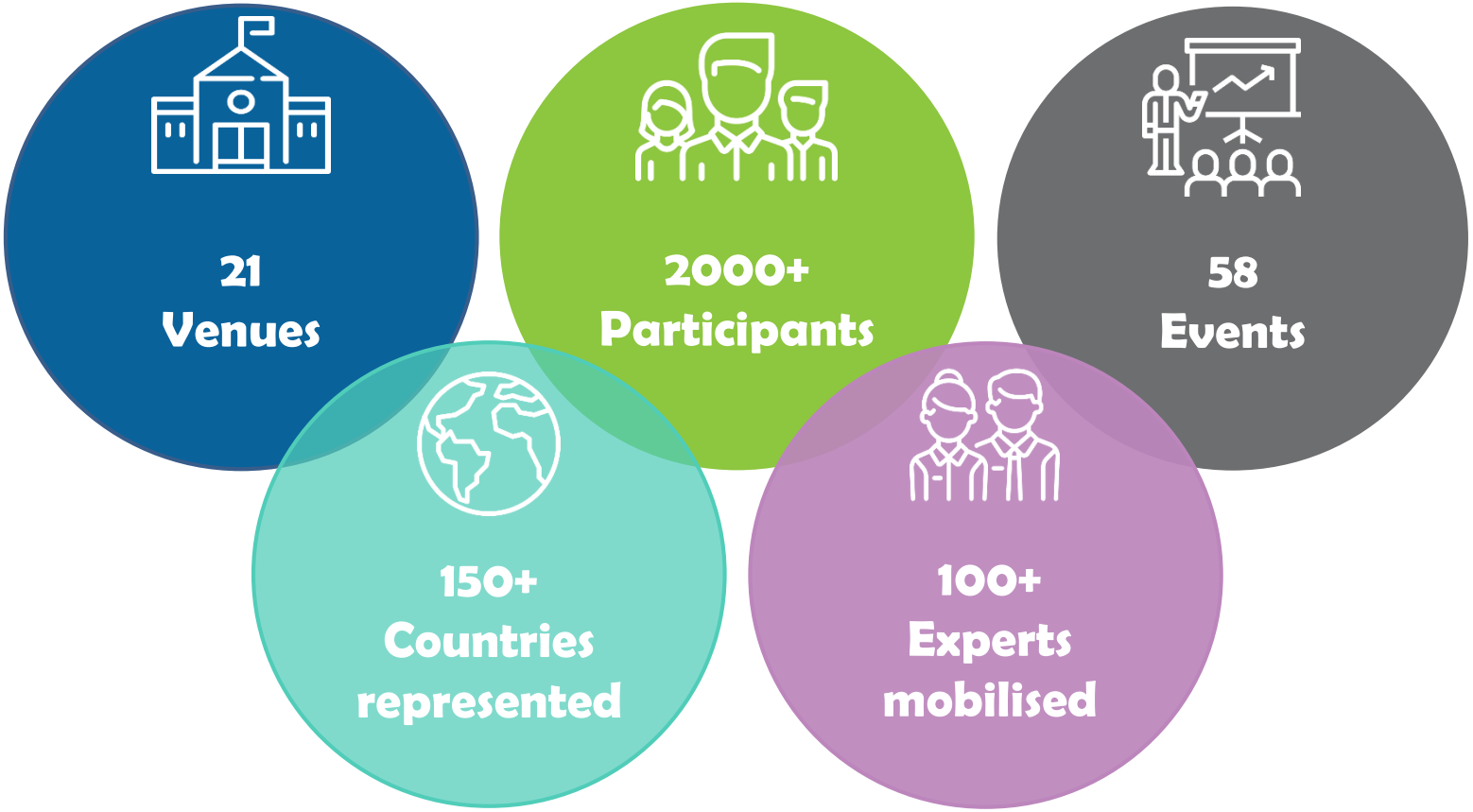
Agenda of the session

1. Outcomes of the 2019 Global Relations Programme (GRP)

2. An avenue for cooperation

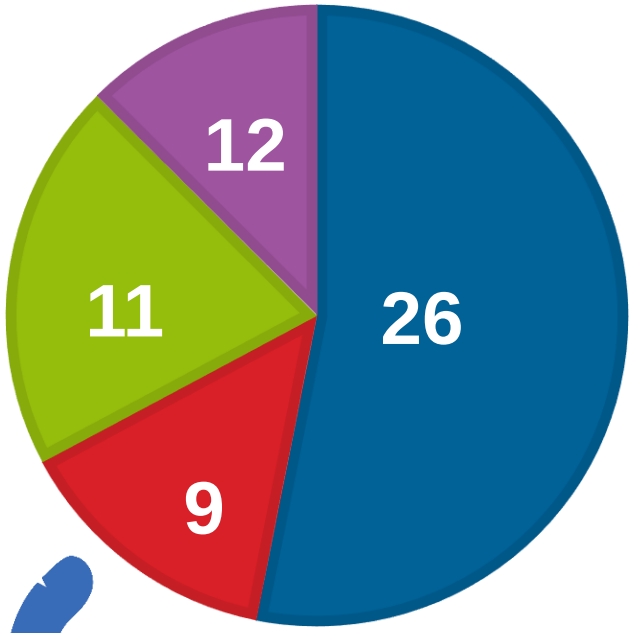
OUTCOMES OF THE 2019 GLOBAL RELATIONS PROGRAMME

2019 GRP in numbers



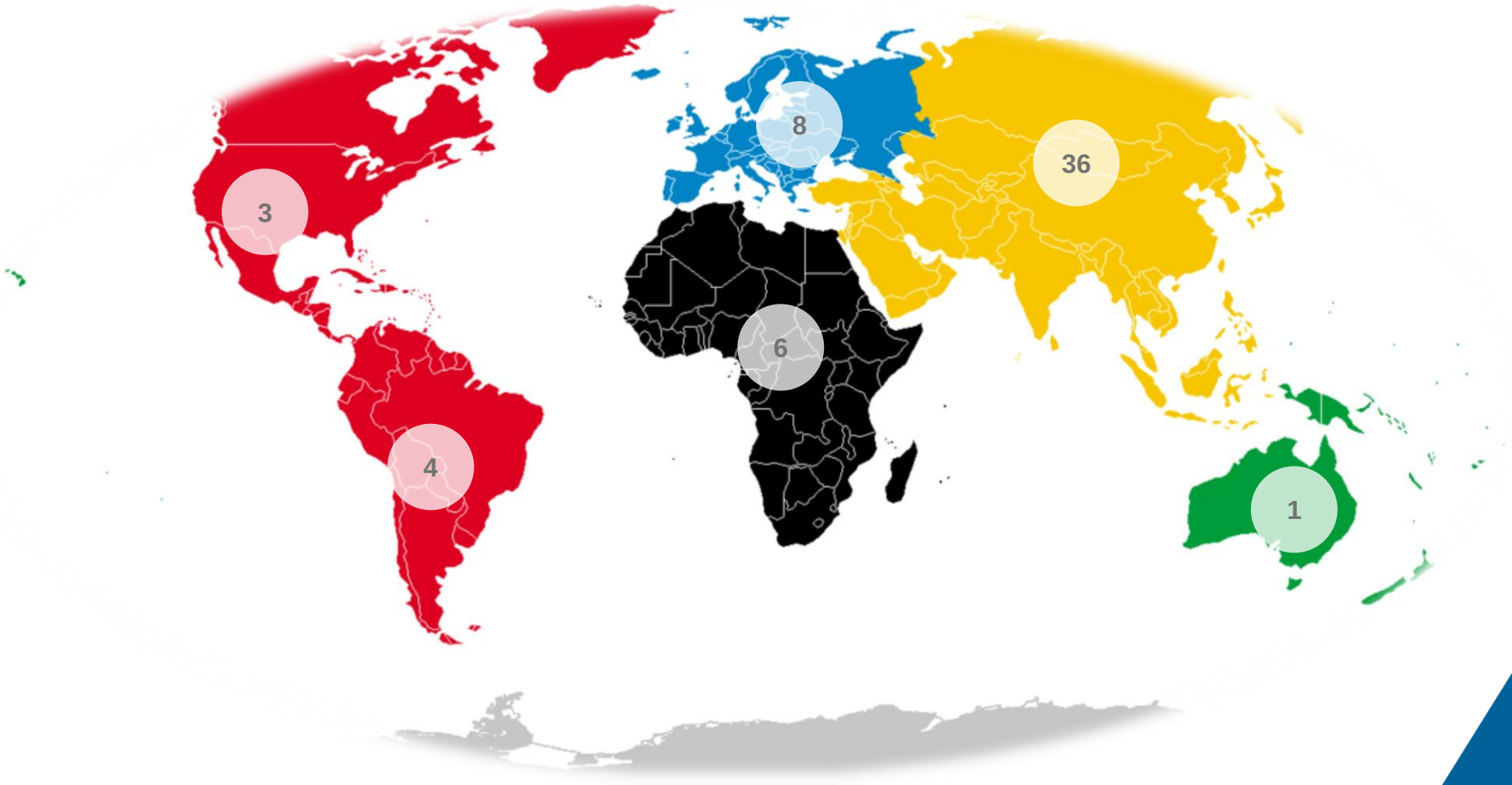
Breakdown of the events by Partners

58 EVENTS IN 2019



*Note: China is counted as a MTC and not a key partner.
*Note: Events hosted by other countries do not include those organised jointly with other IOs/RTOs.
*Note: Events with other organisations do not include those hosted at a MTC.

2019 GRP: regional distribution



This map is for illustrative purposes and is without prejudice to the status of or sovereignty over any territory covered by this map.

Promoting stronger partnerships

WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Pacific Islands Tax Administrators Association

2019 GRP Topics

2019 GRP: country experts

UK: 15

Australia: 13

Spain: 6

New Zealand: 5

Canada: 4

Germany : 4

Italy: 4

Finland: 3

Ireland: 3

Mexico: 3

S. Africa: 3

Belgium: 2

India: 2

Norway: 2

Switzerland:2

Turkey: 2

USA: 2

Argentina

Austria

Bulgaria

Chile

France

Hungary

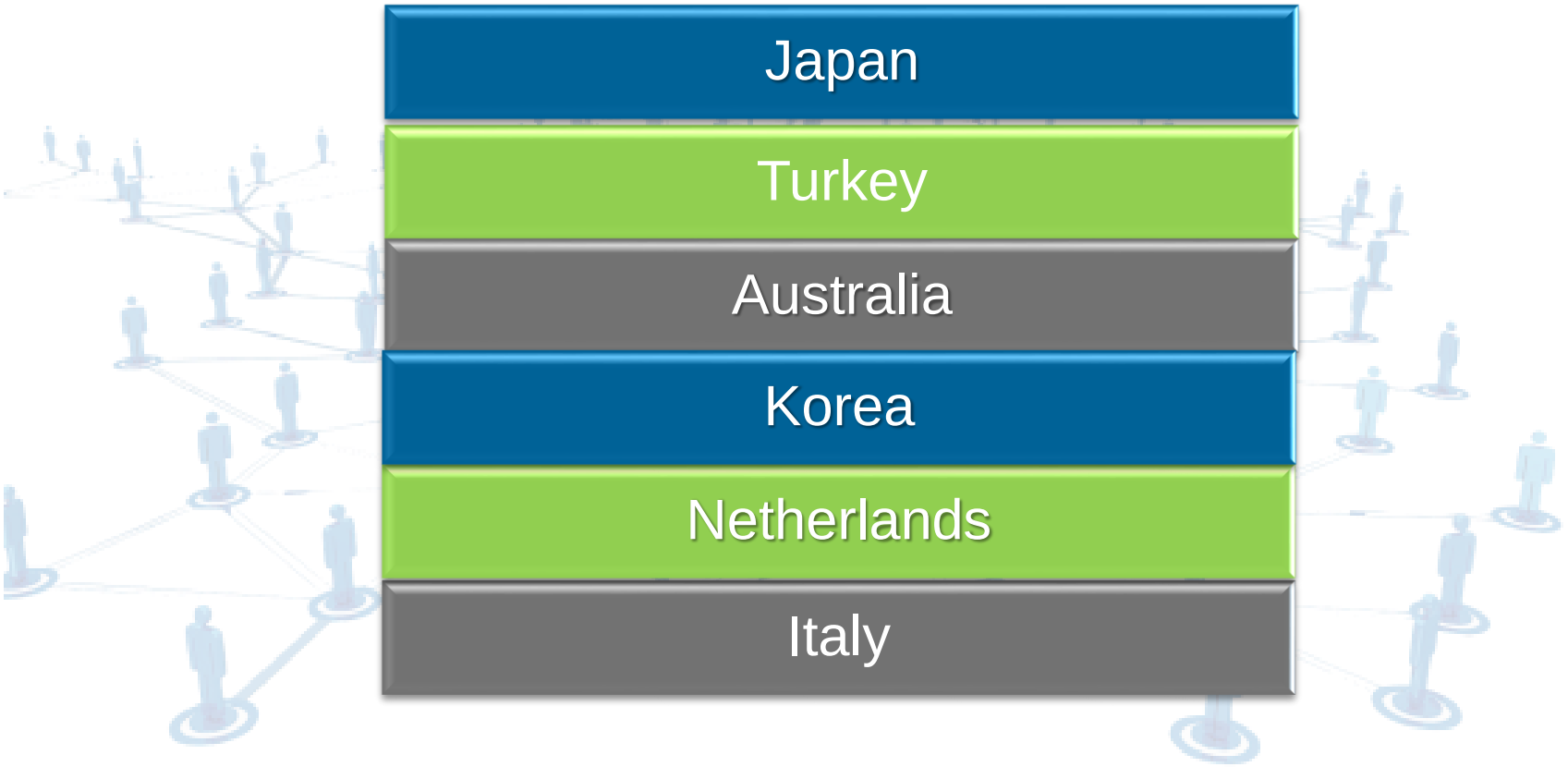
Japan

Indonesia

Korea

Liechtenstein

2019 GRP: voluntary contributions



2019 GRP: gender distribution

Event leaders[1]:

35% 65%

Participants in the event[2]:

42% 58%

Event experts[1]:

31% 69%

Notes:

1: Some of the event leaders/experts participated in more than one event.

2: Data extracted only from the events registered in the KSP (MTCs + key partners, Singapore and Malaysia)

Blended Learning in 2019

Officially 10 events

More than half had some BL approach through encouragement

Face-to-face events to maximum capacity with demands to increase participation

Allows for more practical approach and in-depth discussions of technical topics and practical

EVALUATION OF THE GRP: CURRENT AND FUTURE PROCESSES

- Evaluation form to fill after each **face-to-face event**
- Evalution form sent electronically to the participants after **a virtual class**
- **Level 3 Impact Analysis** 6 months after selected face-to-face events

Attempt to better evaluate **the impact of our work** on the tax administrations by trying to **measure the changes** which were implemented as a result of the GRP training.

We need the help of the **country representatives** for consistent filling of the evaluation forms by all participants.

2019 GRP impact: independent evaluation

58%

Reported average increase in knowledge

90%

Relevance of event topics

93%

Satisfaction with quality of learning (experts and leaders, materials, methodology, interaction)

94%

Interest in future on-site learning events

Source: Independent Evaluation Service, Canada Revenue Agency

2019- 2020: post-event evaluation

AN AVENUE FOR COOPERATION

Survey on MNEs and Big 4 tax practices and engagement with tax authorities

Survey conducted between October 2019 and Feb 2020:

- Tax officials from OECD and developing countries, who work on MNE taxation;
- Asks for **perceptions of behaviour** of large businesses/MNEs and Big 4 firms; based on **voluntary tax principles** that companies/Big 4 have committed to
  - BIAC Statement of Tax Best Practices for Engaging with Tax Authorities in Developing Countries
  - Big Four individual commitments (e.g. KPMG)

Global coverage: Over 1200 responses from 139 countries **using the GRP network**

Objective of the study:

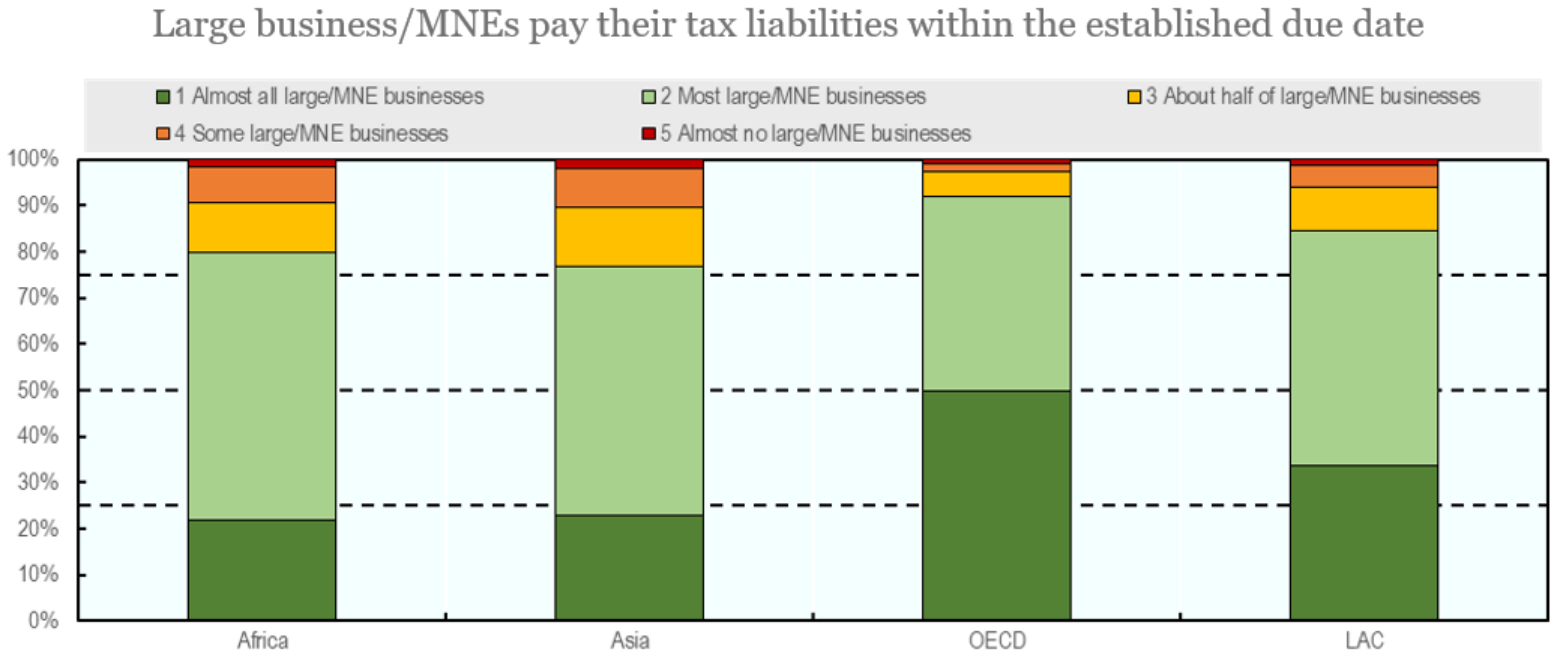
- Previous work gave information on what MNEs think of government activities, now want to look at how MNE activities are seen by tax authorities;
- Identify how business conduct varies across countries, and provide insights into **what might improve behaviour in developing countries.**

Results

- **Routine compliance** is generally good
- …but there are clear **issues of trust**, where many tax officials say that MNEs are not open and transparent, and they do not trust the information received.
- **Tax disputes** are perceived to arise very often when auditing MNEs. However, once a dialogue/dispute resolution procedure starts, MNEs are mostly perceived as acting in good faith.
- Results on **bribery, misuse of tax incentives, and interference in domestic tax affairs** (e.g. lobbying/recruitment of personnel) are a matter of concern
- Significant variation across regions

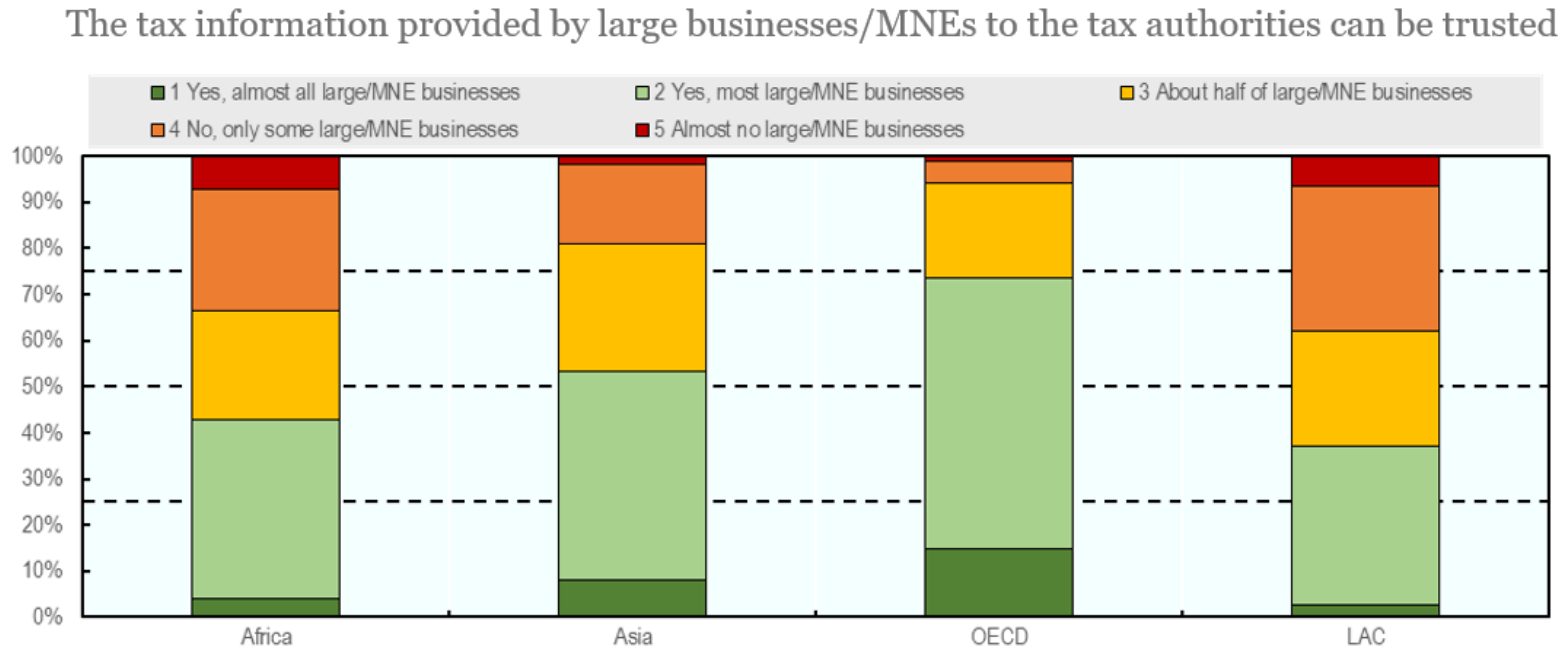
Results

Example of the regional breakdown:



Results

In LAC and Africa especially there appears to be less trust:



Next Steps

Further analysis:

- Bringing together the MNE and tax officials perceptions
  - e.g. The regions where tax officials perceive responsiveness to requests by MNEs is lowest, are the same regions where MNEs are more likely to identify inconsistency of requests by tax authorities as a source of tax uncertainty.

Broaden the dialogue:

- Develop a programme to facilitate and mediate discussion and dialogue between businesses and tax administrations to help build trust, certainty and compliance
- Regional dialogues – as results vary significantly by region, regional dialogues can allow better focus

Country Level Analysis:

- For 38 countries we have sufficient data to provide country level analysis and comparison with the region/world – ongoing pilot project with Honduras

Questions

- **Can the Global Relations Programme do more to help support improved compliance? For example:**
  - **Increasing awareness of voluntary principles**
  - **E-learning module(s) on best practice for encouraging MNE compliance**
  - **Joint webinars with business associations to discuss and identify both problems and solutions**
  - **Further surveys to refine understanding of issues and obtain views on possible solutions**

FOR MORE INFORMATION CONTACT US AT:

CTP.GlobalRelations@oecd.org

OECD
BETTER POLICIES FOR BETTER LIVES

The global relations programme:
update on e-learning

Adrián Lizaldre, Julia Soto Álvarez

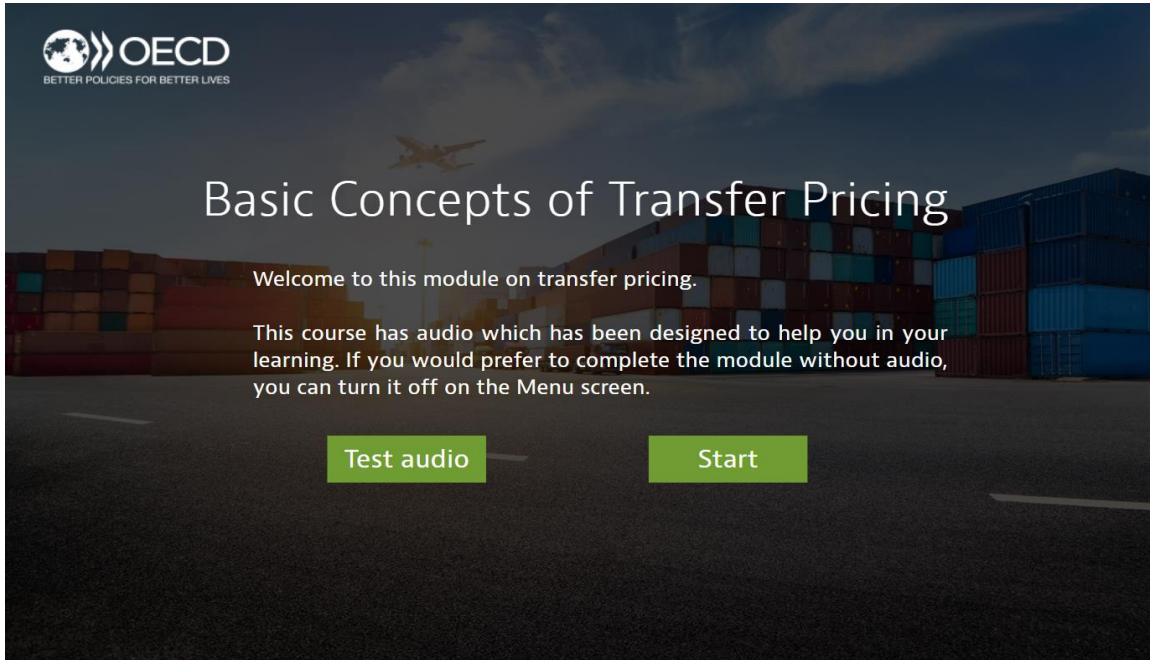
Advisory Group for Co-operation with Partner Economies
Global Relations and Development Division
Session 3
15 September 2020, Paris

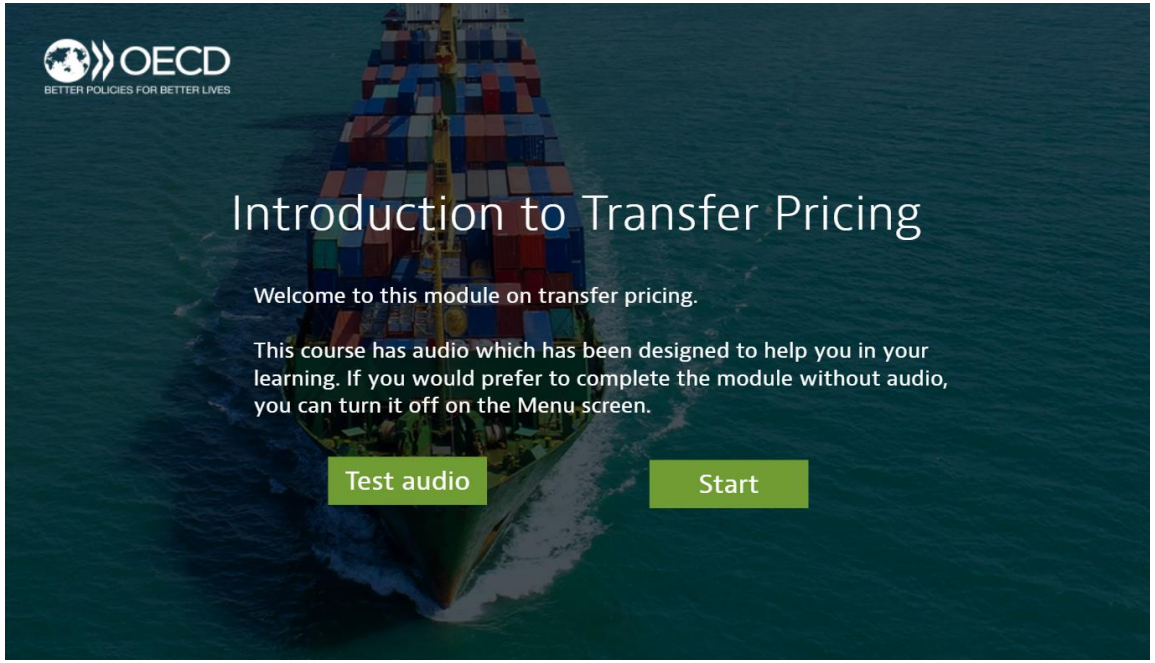
OECD
BETTER POLICIES FOR BETTER LIVES

“ The most important principle for designing lively e-learning is to see e-learning design not as information design but as designing an experience. ”

Cathy Moore

E-learning modules currently available





To be released soon:

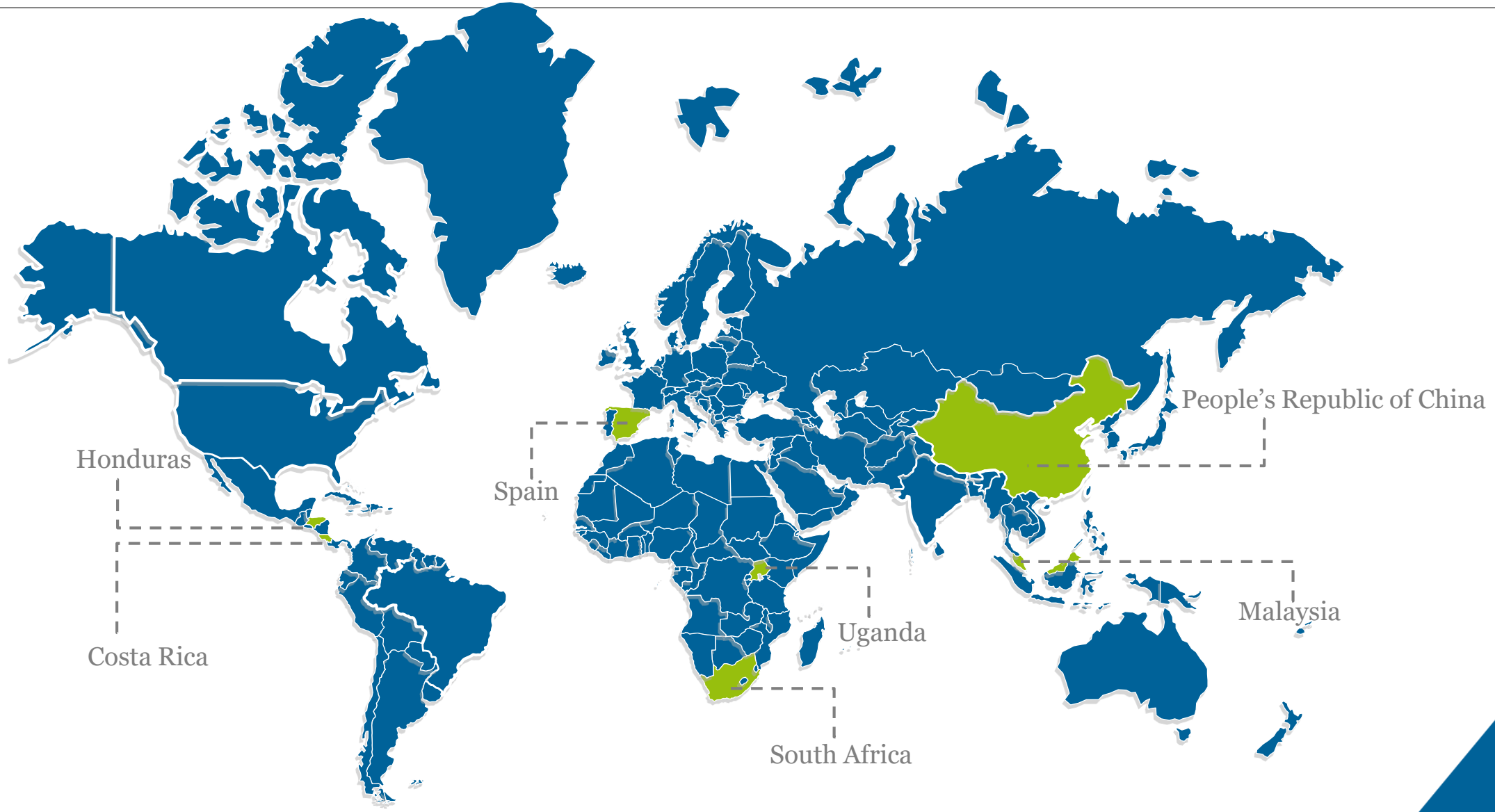
- Money laundering and terrorist financing: a handbook for tax inspectors and auditors

Adjustments given COVID-19

“Online learning is not the next big thing, it is the now big thing.”

Donna J. Abernathy

Countries hosting the GRP e-learning modules

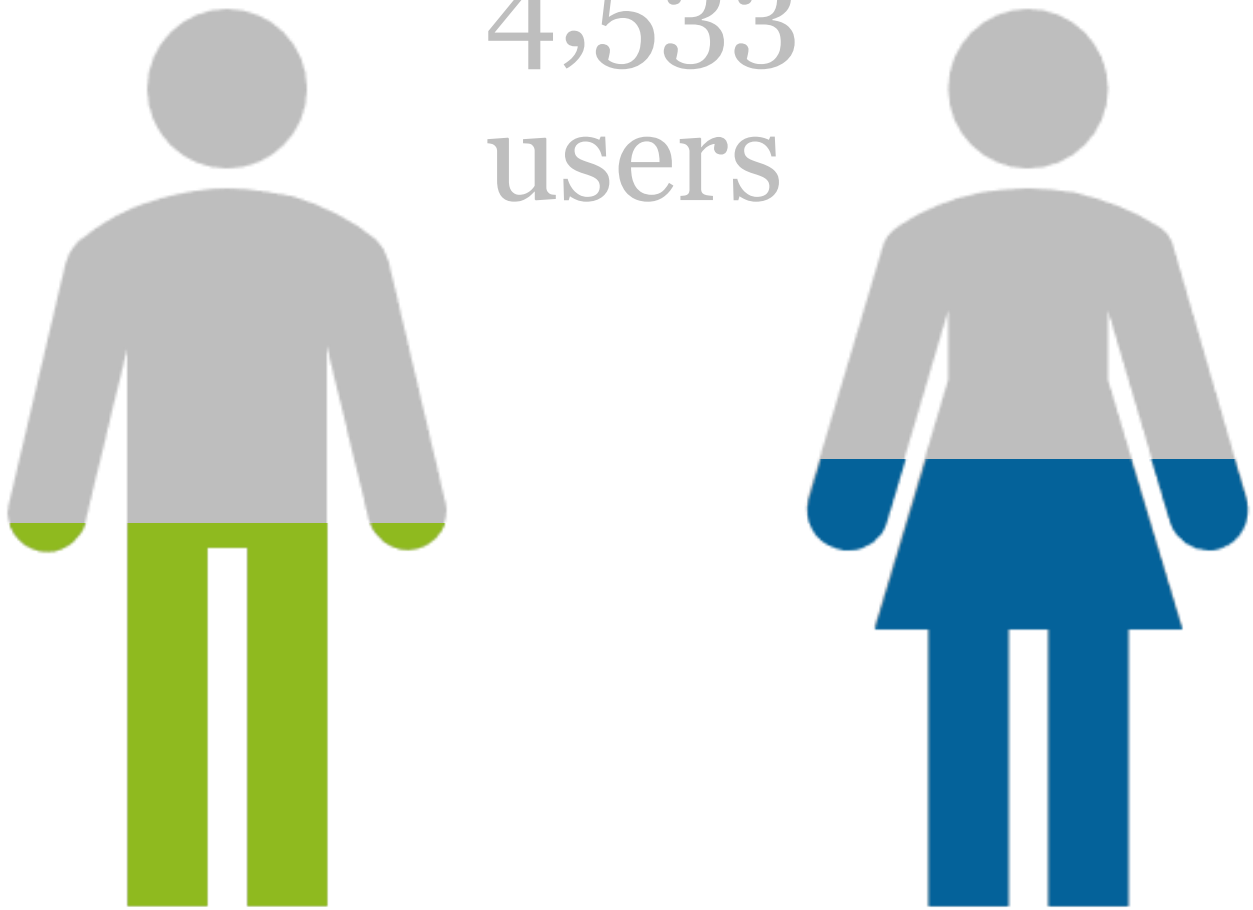


2019 Stats and impact

2,082 users

2,277 users

4,533 users



45.9%

MALE

50.2%

FEMALE

2019 Stats and impact

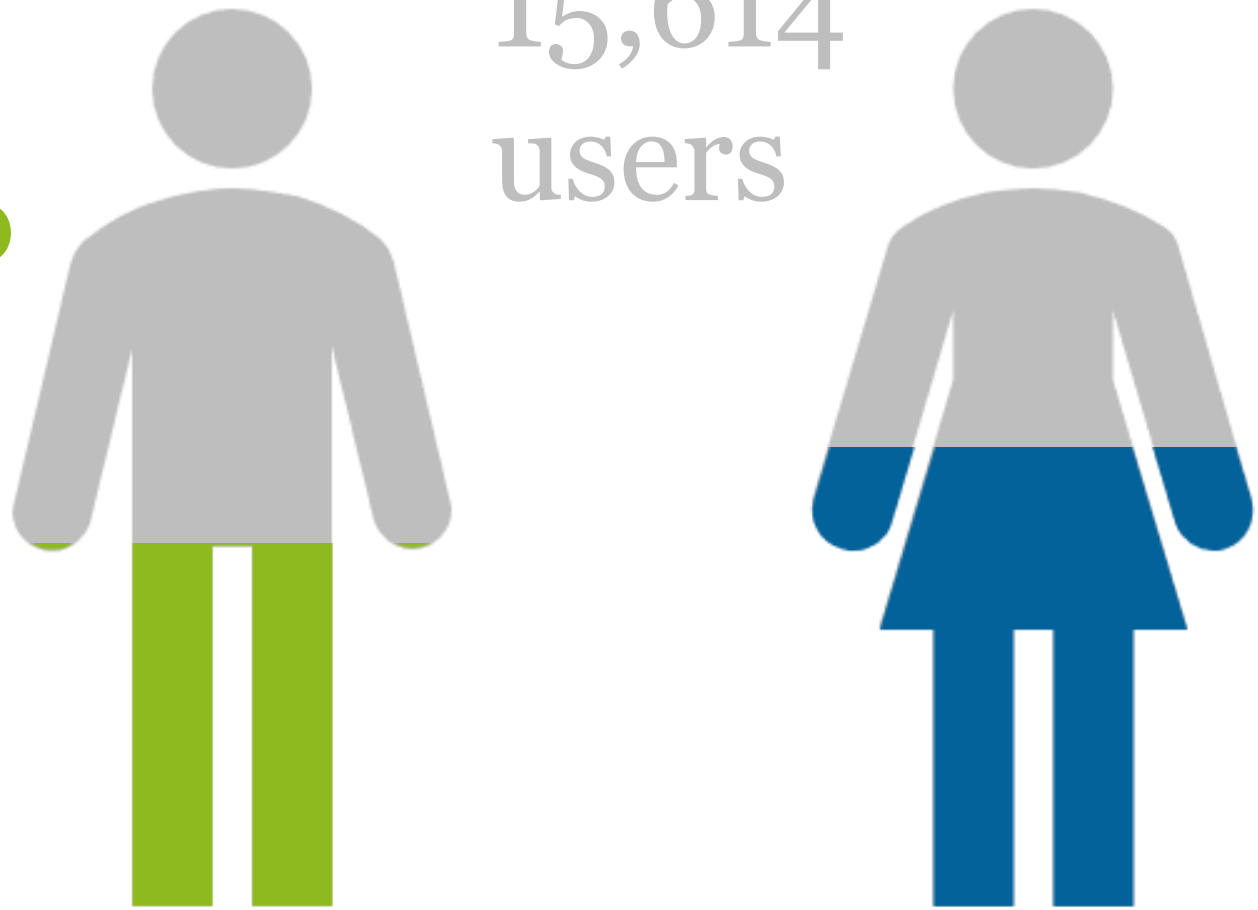
4,533 users

2020 Stats and impact (as of August 10, 2020)

6,852 users

8,280 users

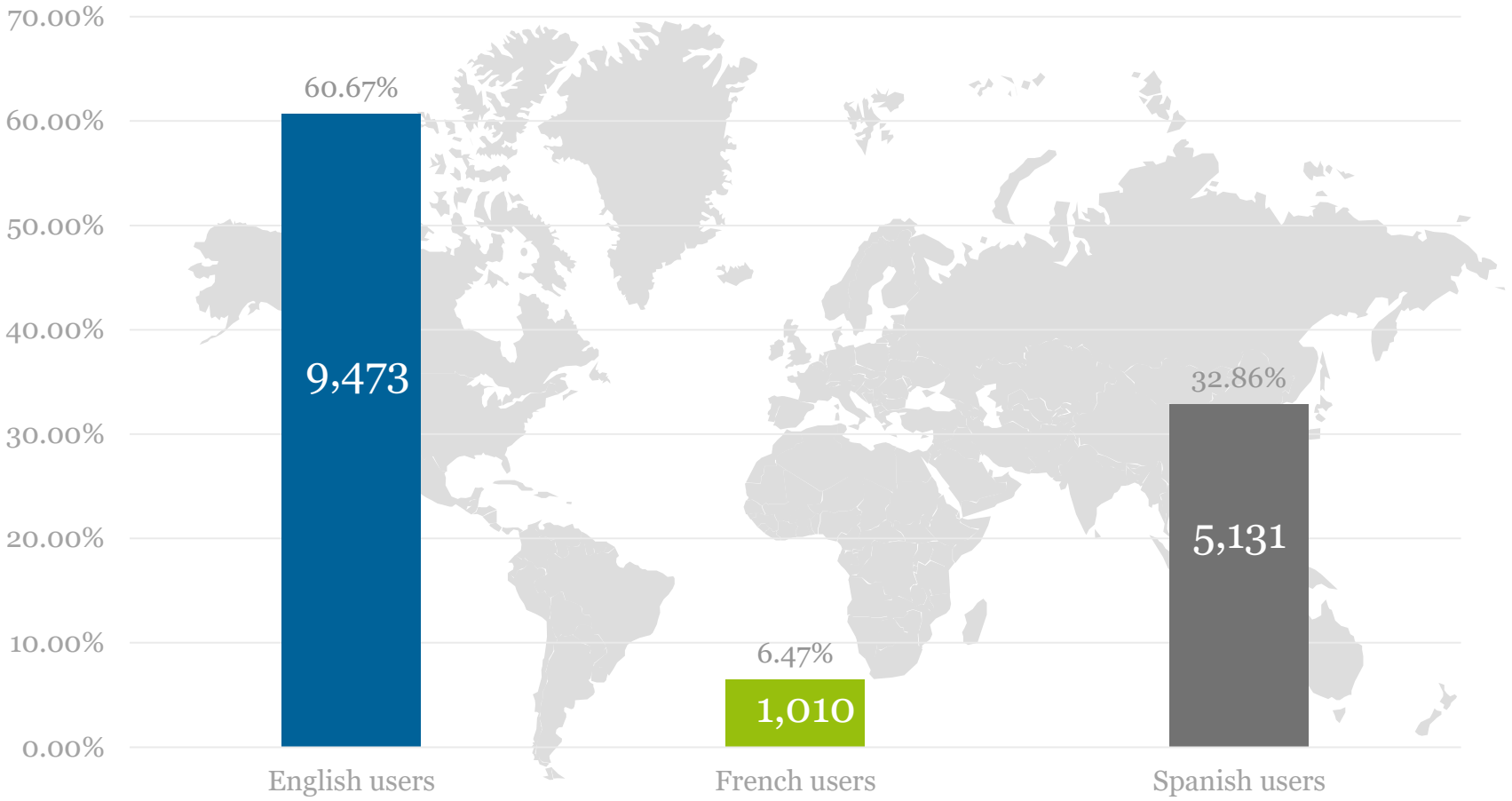
15,614 users



43.8% MALE

53% FEMALE

2020 Stats and impact (as of August 10, 2020)



15,614 users

Results: e-learning statistics pre and post pandemic

January
2020

August
2020

4,533 participants
8 modules

15,614 participants
15 modules

Results: e-learning statistics pre and post pandemic

+11,081 users

244.45% increase

Number of users of OECD e-learning modules on the KSPta platform only,
excluding users that accessed the modules through platforms of their National Administrations.

BENEFITS & LESSONS LEARNED

Benefits of e-learning and lessons learned

E-learning allows for better preparation of face-to-face events that have a practical component and that cannot be delivered fully online.

E-learning can be used to cover the basic theory in order to do more practical workshops

E-learning modules are permanently available and can be accessed at any moment

Facts and stats about e-learning

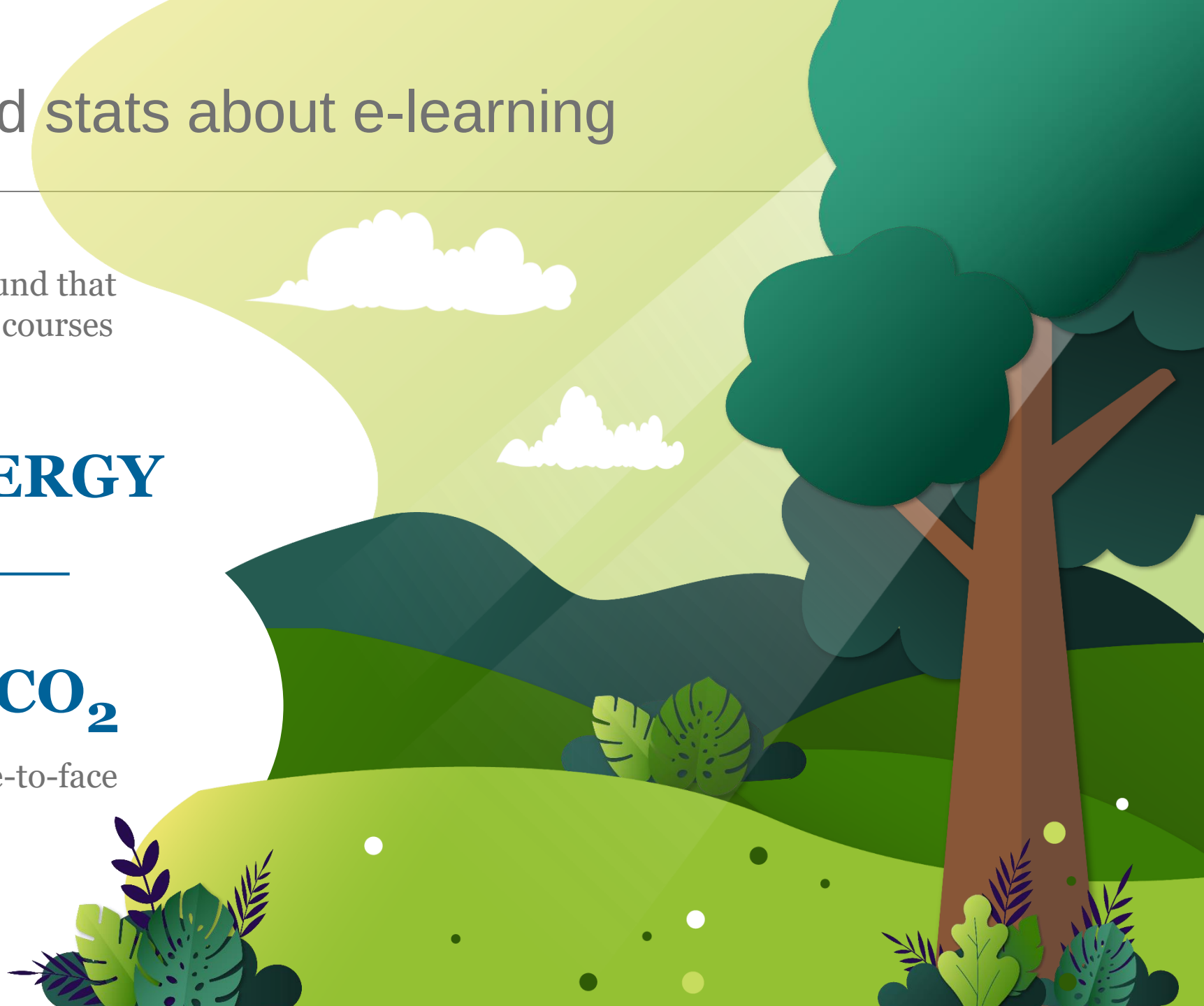
Britain's Open University's study found that producing and providing eLearning courses consumes an average of

90% LESS ENERGY

and produces

85% FEWER CO_2

Emissions per student than face-to-face training



CO-ORDINATING EFFORTS

Further Collaboration: ADB and FTA

A key objective of the 2020 e-learning strategy was to **increase collaboration** with external partners and organisations.

- **First module launched in collaboration with other organisations:** joint module with **ADB** on Beneficial Ownership.
- **Collaboration with the FTA**: the IRS provided expertise for a module developed in 2020 (enterprise risk management). Further collaboration is being explored (ISORA tutorials, inputs from Norway and ATO for modules on the shadow economy and APIs…)

e-TACT: Cooperation with IMF-CIAT-IOTA

In parallel, we are working with **IMF, CIAT and IOTA** to launch a **joint e-learning curriculum (e-TACT)**.

THE PROJECT

- Develop a joint on-line training curriculum in Tax Administration topics (approx. 16 courses)
  - (i) institutional governance, management and support;
  - (ii) core functions of tax administration.
- Currently finalising MoU and development of 2 pilot courses. Remaining courses will be developed afterwards.
- Courses will be hosted in the Edx platform.

THE OBJECTIVES

- Teach senior managers (1) how to run a tax administration successfully (2) where to start when implementing reform efforts.
- Address a gap in training material available to developing countries in a coordinated manner.

SEEKING YOUR INPUT: NEXT STEPS

“ Think about what your learners need to do with that information after the course is finished and design around that. ”

Matthew Guyan

E-learning topics for 2021

- Should we make e-learning courses available to the public? (2 modules on the FTA website)
- Should we design more modules related to the pandemic?
- Should we create a suite of courses for topics like transfer pricing, tax treaties, tax & crime, EOI, etc. ?
- Do we need e-learning modules on the MLI ?

THANK YOU

Find all the updates about our e-learning programme at
https://www.oecd.org/tax/tax-global/e-learning.htm

Knowledge Sharing Platform for Tax Administrations (KSP_{TA})

OECD Global Relations Programme Advisory Group Meeting

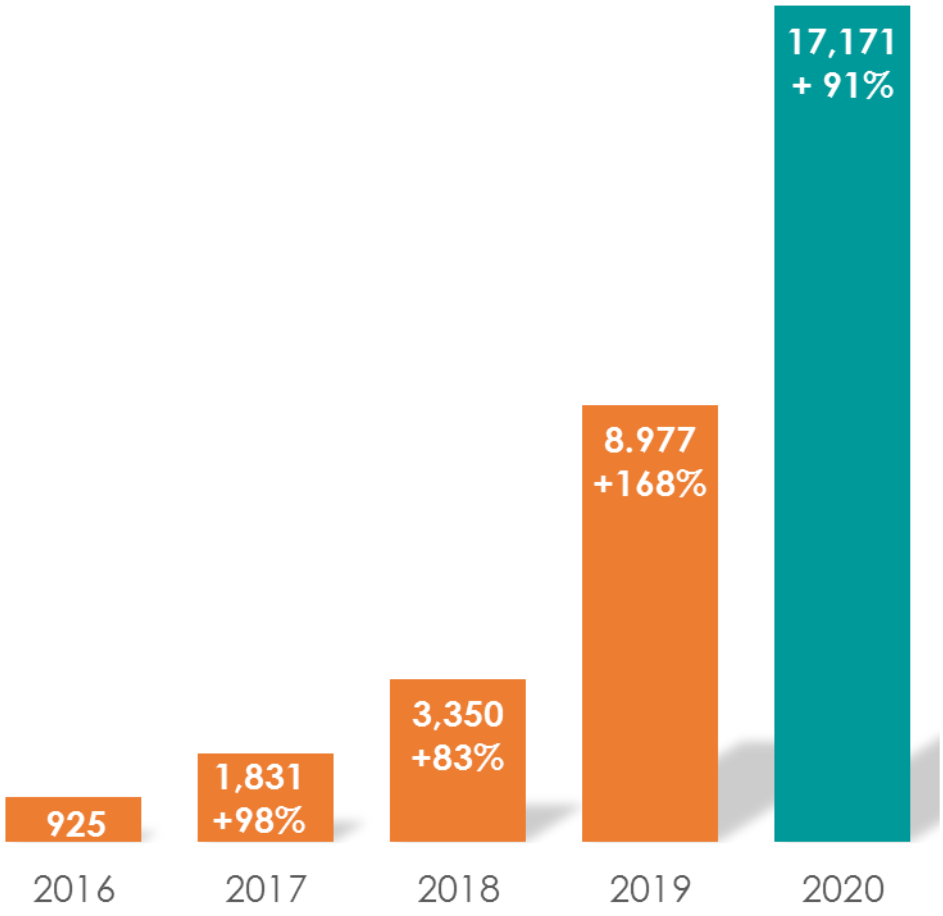
September 15, 2020

Topics

- KSP_{TA} Statistics
- Recent Activities
- Virtual Learning Options
- Virtual Collaboration Examples
- How Can the KSP_{TA} Help You?

KSP_{TA} User Trends

Registered users = 17,171



As of August 31, 2020

Demand Surge Caused by

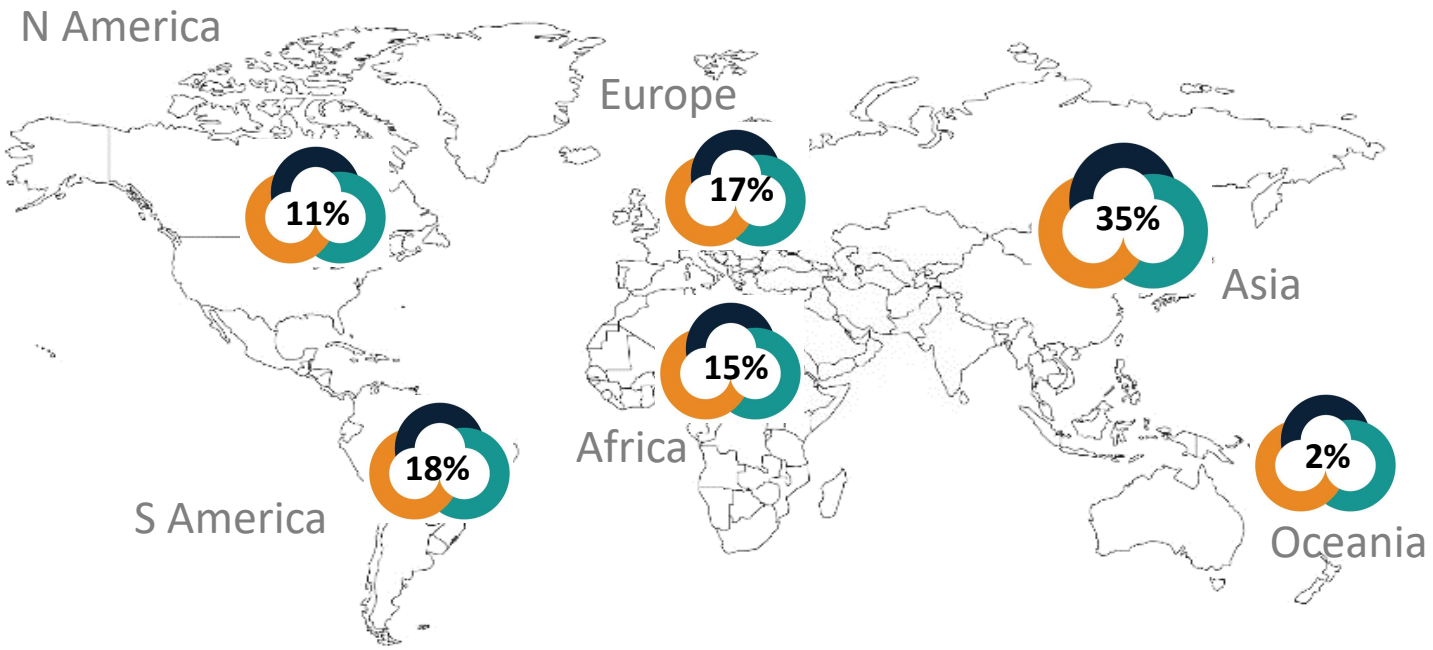
2019 e-Learning Courses

2020 Virtual Classes

KSP_{TA} User Distribution

Users represented by:

- **196** countries
- **15** international and regional tax organizations



As of June 8, 2020

KSP_{TA} Demographics

In 2020, we welcomed new users from:

- Anguila
- Bailiwick of Guernsey
- British Virgin Islands
- Ethiopia
- Mali
- Niue

Countries that do not have users on the KSP_{TA}:

- Aruba
- Central African Republic
- Congo
- Curacao
- Equatorial Guinea
- Eritrea
- French Guiana
- Iraq
- Kyrgyzstan
- Libya
- Mayotte
- Micronesia (federal state of)
- Puerto Rico
- Saint Helena
- Syrian Arab Republic
- Timor-Leste
- Tokelau
- Turkmenistan
- Wallis and Futuna Islands
- Western Sahara
- Yemen

KSP_{TA} Demographics

Total Users By Gender

Undisclosed

48% 8% 44%

Country Representatives (CR)

134 CRs
representing
93 countries on
KSP_{TA}

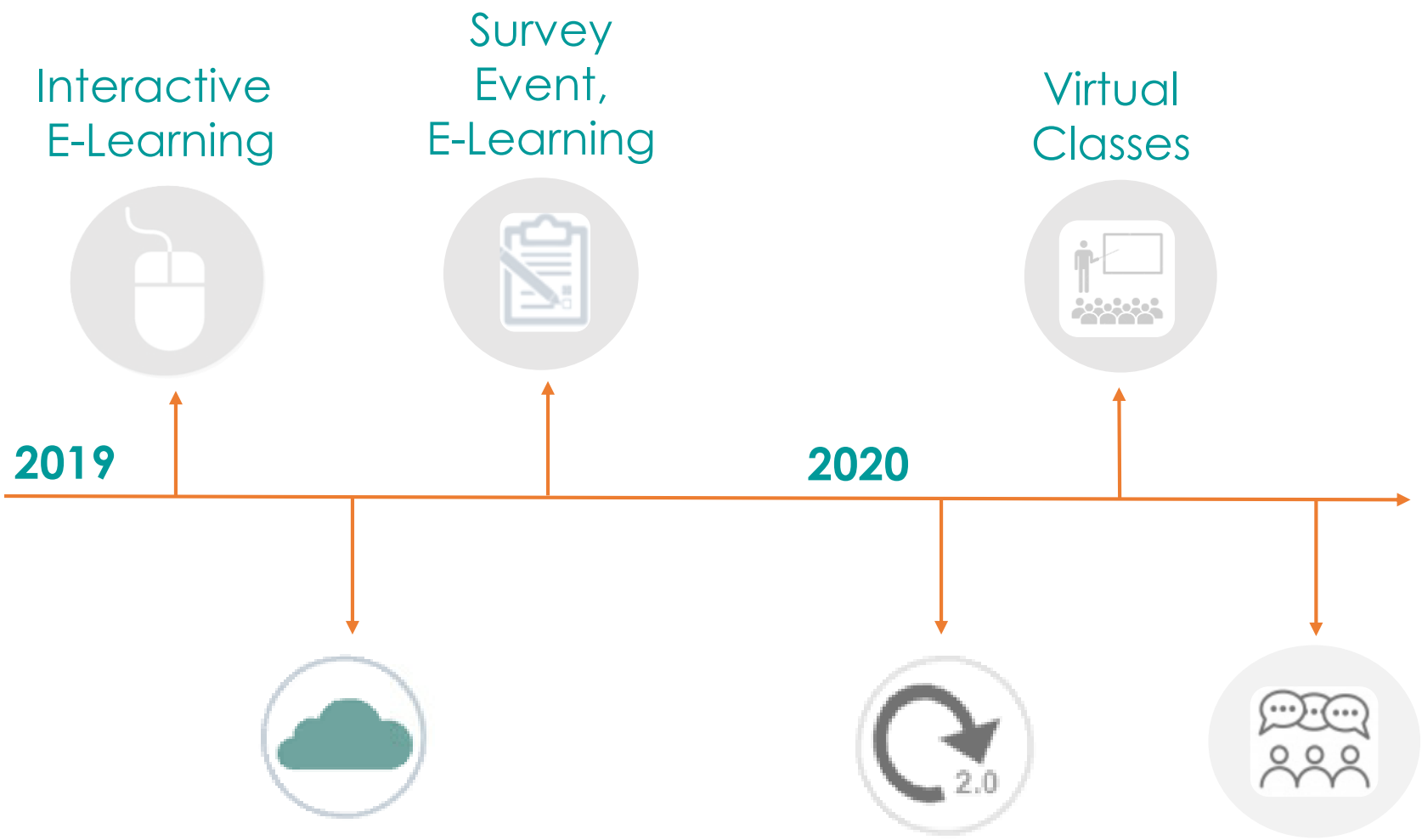
2020 New Hubs

Total hubs

24

11 Countries + 13 Organisations

KSP_{TA} Recent Activities



Learning and Reference Materials

Contributor content increased **+ 39%**

Top 5 content contributors in 2020

OECD Global Relations Programme

Platform for Collaboration on Tax

World Bank Group

United States

Canada

Flexible Learning Options

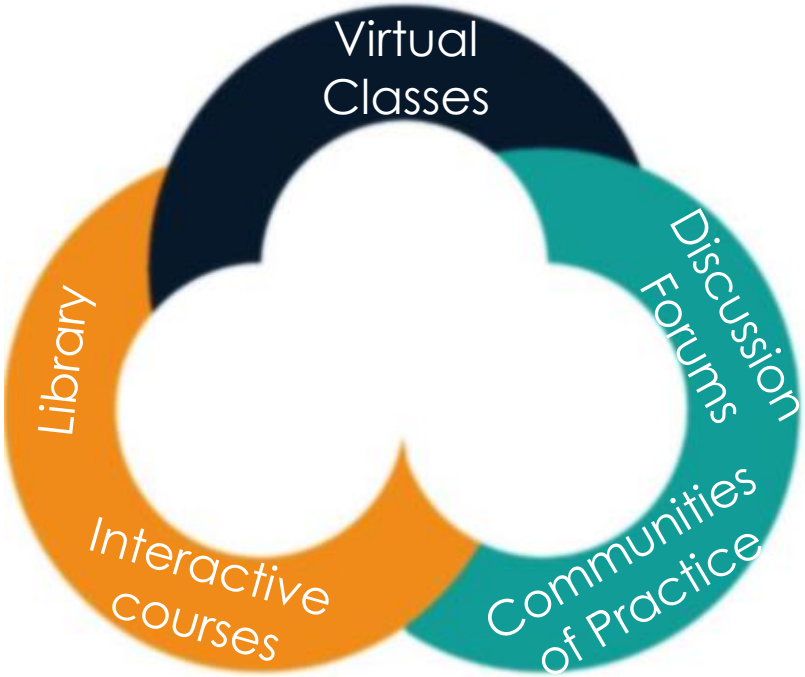
Distance learning is accessible and achievable!

Virtual Collaboration

Examples:

- ATAF – Partner with GRP for virtual class
- Kenya – Share fiscal reforms and performance reports
- NTO – Discussion forum for members
- PCT – Public consultation for draft policy paper
- KSP_{TA} – Share tax administrations pandemic responses

KSP_{TA} Support Team



- Technical assistance
- Solutions
- Training
- Outreach support

Contact info@ksp-ta.org

Monday to Friday 12:00 PM to 9:00 PM (UTC)

The global relations programme response to COVID-19:
leveraging technology

Varsha Singh

Agenda Session 4
Advisory Group Meeting
15 September 2020, Paris

BETTER POLICIES FOR BETTER LIVES

GRP Response to COVID-19

Objectives:

1

Keep **delivering training**

2

Capitalise on the opportunity presented by technology

3

Use the **GRP network** to encourage dialogue among Administrations

GRP Response to COVID-19

The result: three avenues of action

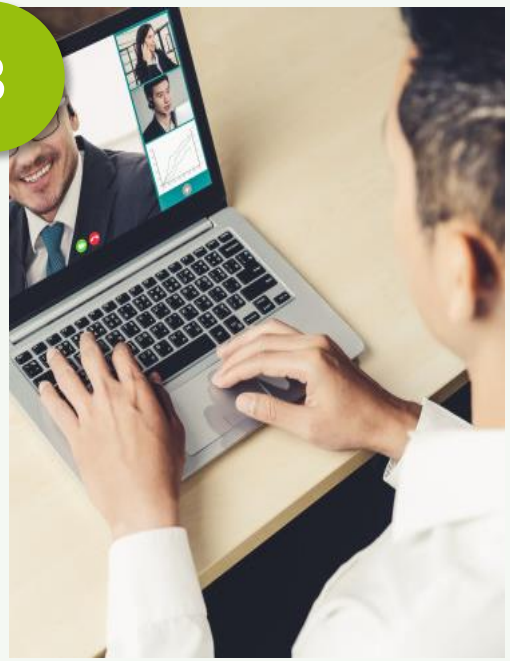
1

Transformation of face-to-face events into virtual format in record time. Formal protocol to deliver virtual classes

2

Ramping up e-learning efforts and marketing existing modules

3



Creating communication channels by organising regional dialogues

VIRTUAL CLASSES

Registration via KSP, classes delivered via Zoom. Prior e-learning training, discussion forums and certificate of attendance.

Overview of the GRP Virtual Classes

Part 1 Toolkit on Comparables	16-Mar	17-Mar
Transfer Pricing	07-Apr	10-Apr
Tax Treaties	14-Apr	15-Apr
10 Global Principles for Fighting Tax Crime	15-Apr	15-Apr
BEPS Minimum Standards	21-Apr	24-Apr
Transfer Pricing (Russian)	21-Apr	23-Apr
The OECD and G20: Reshaping International Tax for the 21st Century - Malaysia	20-Apr	21-Apr
Exchange of Information	27-Apr	28-Apr
Part 2 Toolkit on Comparables	29-Apr	30-Apr
Transfer Pricing (CIAT - Spanish)	11-May	15-May
MAP	18-May	20-May
Transfer Pricing (ATAF)	26-May	29-May
UNECA - ATAF - Illicit Financial Flows	02-Jun	04-Jun
BEPS for French Speaking countries	08-Jun	08-Jun
MAP for Chinese participants	09-Jun	11-Jun
Transfer Pricing (CIAT - Spanish) Part II	22-Jun	24-Jun
Indonesia CBC	22-Jun	23-Jun
Virtual class for GAZT on Auditing MNEs	29-Jun	03-Jul
Toolkit on Comparables for French speaking countries	07-Jul	10-Jul
Introduction to Tax Treaties (Spanish)	17-Jun	29-Jul
Indonesia: EOI	13-Jul	15-Jul
Indonesia-SGATAR: Transfer Pricing	20-Jul	24-Jul

Virtual classes: coming up in 2020

Introduction to use the CbC Data with the TREAT tool	17-Sep	17-Sep
CBCR for Chinese participants	21-Sep	23-Sep
OECD/ADB: Addressing the Tax Challenges of the Digitalisation of the Economy. Focus on VAT.	23-Sep	25-Sep
OECD/ATAF MAP (theoretical part) for ATAF members	28-Sep	30-Sep
OECD/CIAT PART III Transfer Pricing class for Spanish speaking countries	05-Oct	07-Oct
International Taxation for Chinese participants	TBC	TBC
GAZT - BEPS Minimum Standards	04-Oct	08-Oct
Tax treaty workshop for Chinese participants	12-Oct	14-Oct
OECD/Korea MTC: Auditing MNEs	26-Oct	30-Oct
OECD/ATAF Transfer Pricing class - Part II	Nov (TBC)	Nov (TBC)
Tax and Crime	Nov (TBC)	Nov (TBC)
OECD/PITA/CATA: Virtual class on VAT	Dec (TBC)	Dec (TBC)
UAE Treaties and Transfer Pricing (COVID implications)	16-Nov	18-Nov
Centre of Excellence Slovenia	28-Sep	09-Oct

Participation in the GRP virtual classes

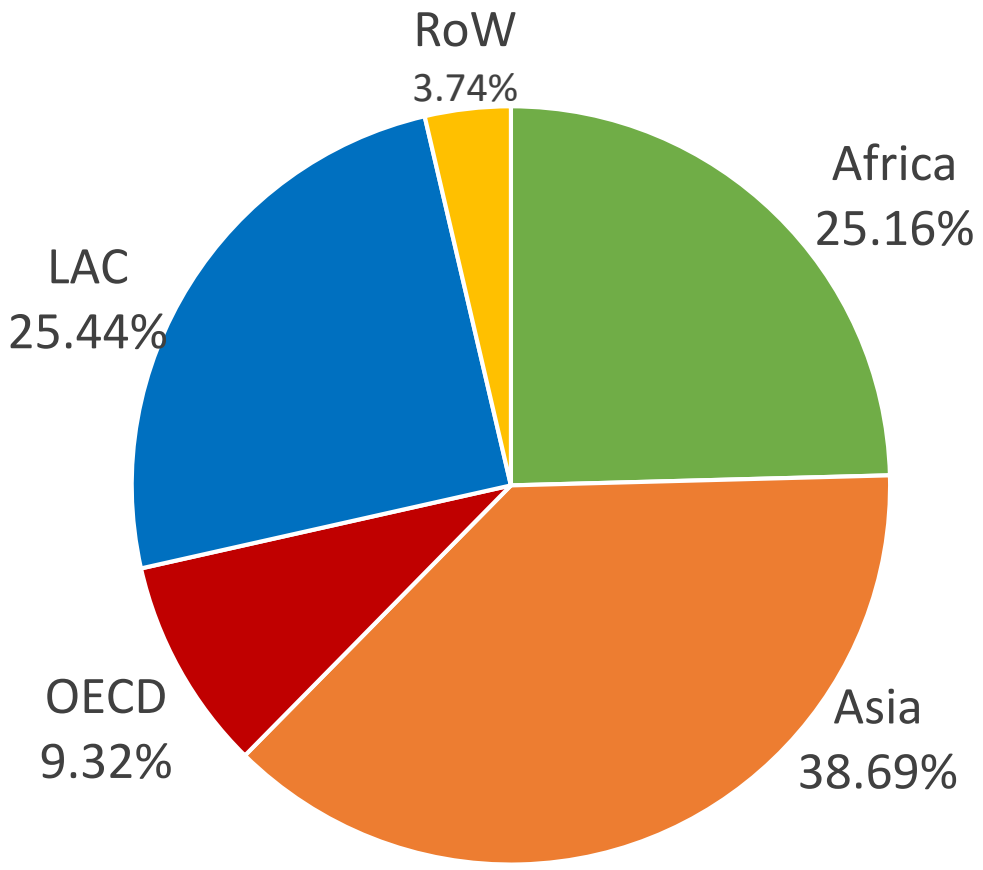
22 classes delivered in 5 months

6575 tax officials trained, equivalent to the participation of 3 years of face-to-face trainings

5 languages (Eng, Esp, Fr, Ch, Ru)

+160 participating jurisdictions

Regional distribution of Virtual Classes (March-July 2020)



E-LEARNING EFFORTS AND REGIONAL ROUND-TABLES ON COVID-19 RESPONSES

New modules, modules focused on crisis management and outreach efforts. Using the GRP network to channel dialogue.

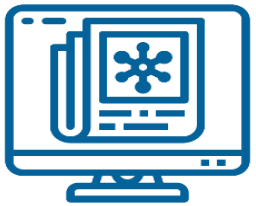
2020 plans and adjustments given COVID-19

Adjustments given COVID-19

Production of 2 modules related to the pandemic

Transformation of 3 virtual classes and dialogues to e-learning modules

Focusing on the 4th pillar of GRP: Virtual Classes



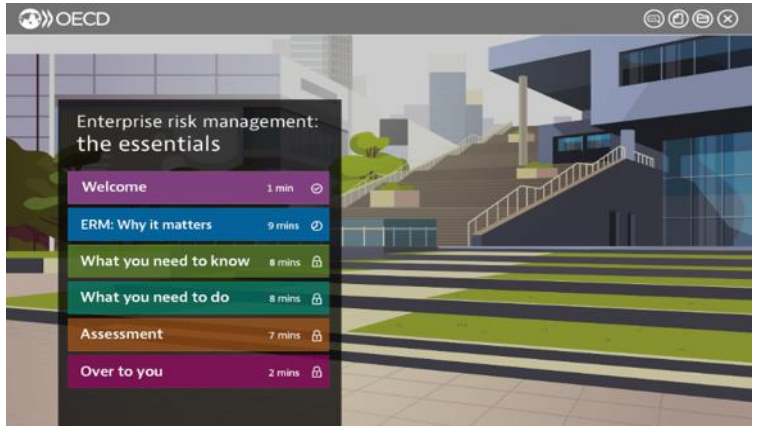
Adjusting the delivery of modules prioritising the ones with topics related to the pandemic

Marketing of existing modules

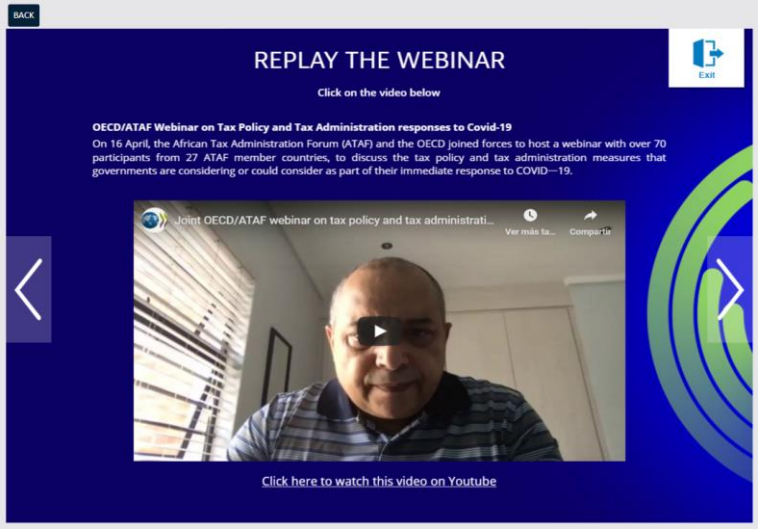
COVID19: new modules about crisis management

Responses to Covid19: Business continuity considerations (click here)

Enterprise Risk Management (click here)



COVID19: webinars

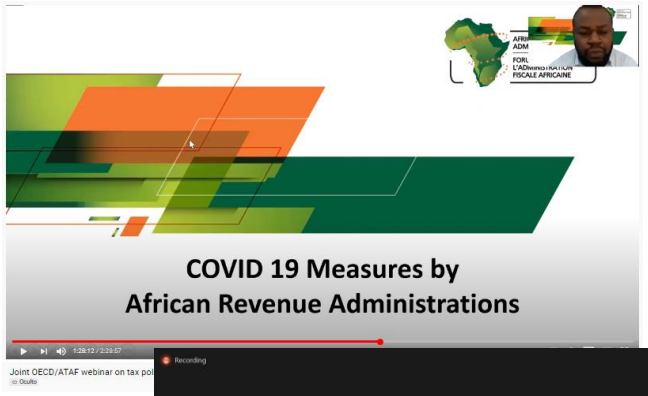


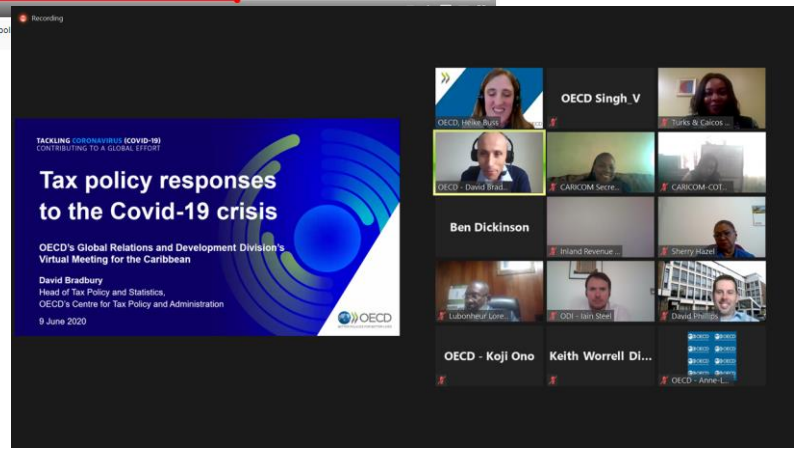
Joint OECD/ATAF Virtual Discussion on Tax Policy and Tax Administration Responses to COVID-19 (Click here)

Respuestas de política y Administración Tributaria al COVID-19 (Click here)

Replay of the virtual class OECD/CIAT Introduction to transfer pricing Spanish (Click here)

Overview of the regional dialogues organised





4 regional dialogues

- Tax Policy and Tax Administration Responses to COVID-19 – ATAF/OECD
- Tax Policy and Tax Administration Responses to COVID-19 – ADB/CATA/PITAA/OECD
- Tax Policy and Tax Administration Responses to COVID-19 – CATA/COTA/CARICOM/OECD
- Business Continuity for Tax Administrations during COVID-19 – ATAF/OECD

Co-operation with regional organisations during COVID-19

Multilateral collaborations

- Virtual classes for LAC organized in collaboration with CIAT
- Joint UN/OECD/CIAT course on tax treaties
- PCT virtual classes on the Toolkit on Comparables
- Virtual classes for Africa organized in collaboration with ATAF
- Virtual workshop on IFF with ATAF and UNECA
- Virtual classes with SGATAR

Country experts

- IRS provided expertise for 1 e-learning module (Enterprise Risk Management)
- Experts for virtual classes: SUNAT (Peru), DIAN (Colombia), SAT (Mexico), Netherlands, Germany, ADB, ATO, Indonesia, Malaysia, HMRC (United Kingdom).

WHAT TAX OFFICIALS HAVE SAID

It has been a high level informative and rewarding interaction with not only presenters but also with participants through the chat. Thanks to the presenters, ATAF, OECD, UNCECA. Looking forward to more of similar arrangements for continuous professional development and refresher.

Muchas gracias por compartir el evento, ha sido muy interesante y buen entrenamiento para conocer el BEPS, continuare con los cursos, que tanto falta me hacen. No me han defraudado con las exposiciones, me parecieron muy profesionales todos y bien preparados. Nada despreciable, por el contrario muy buenos comunicadores y claros en las exposiciones. Hasta pronto nuevamente muchas gracias!

Je vous remercie d'avoir organisé cet atelier de formation sur les Prix de Transfert pour les Pays Francophones.
Cela a été d'une grande utilité pour tous les participants et a permis, à certains de consolider leurs connaissances, à d'autres de s'initier aux notions de Prix de Transfert.
Je vous félicite pour la qualité de l'organisation et le contenu des cours. Ça a été un grand succès.

QUESTIONS FOR DISCUSSION

Is there a preference to keep some topics only in virtual manner?

What topics cannot be delivered virtually?

THANK YOU

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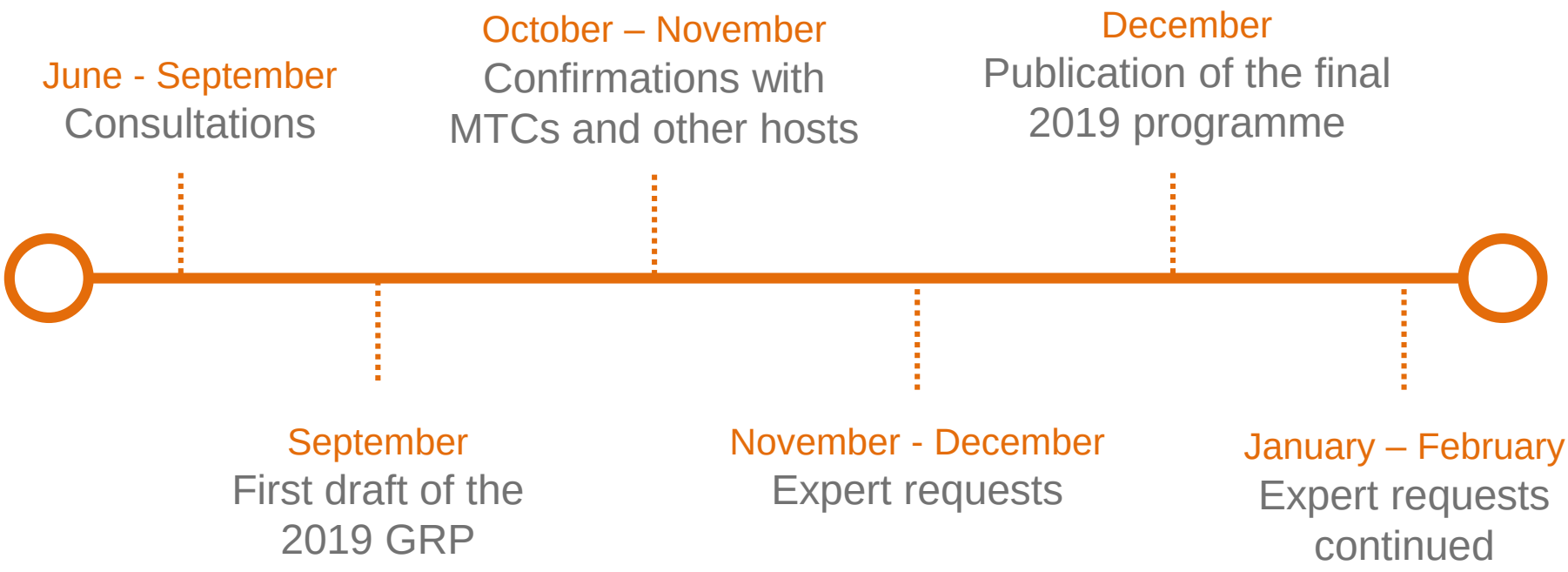
2021 PLANNING

Ana Rodriguez-Calderon, Tax Advisor

Advisory Group for Co-operation with Partner Economies
Global Relations and Development Division
Session 5
15 September 2020

OECD
BETTER POLICIES FOR BETTER LIVES

GRP pre COVID-19: design process



2020 Consultation with developing countries: priority areas

1 Treaties

2 Transfer Pricing
EOI

4 Auditing

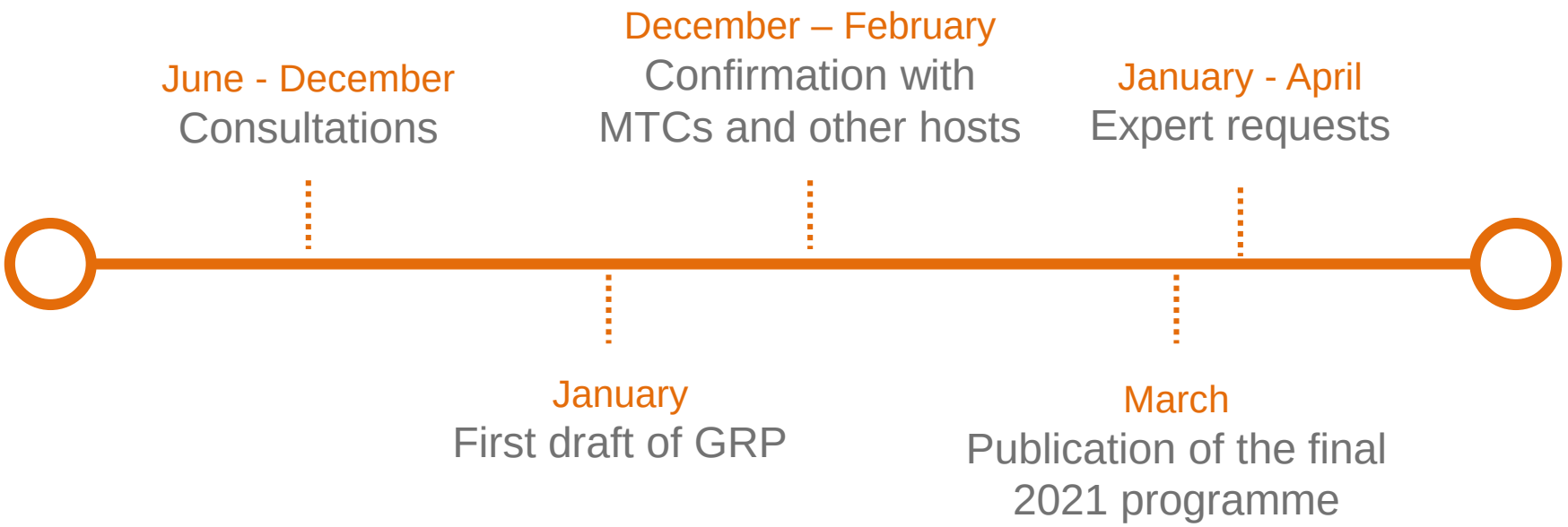
5 CBC
MAP
Digitalisation

8 Tax Administration

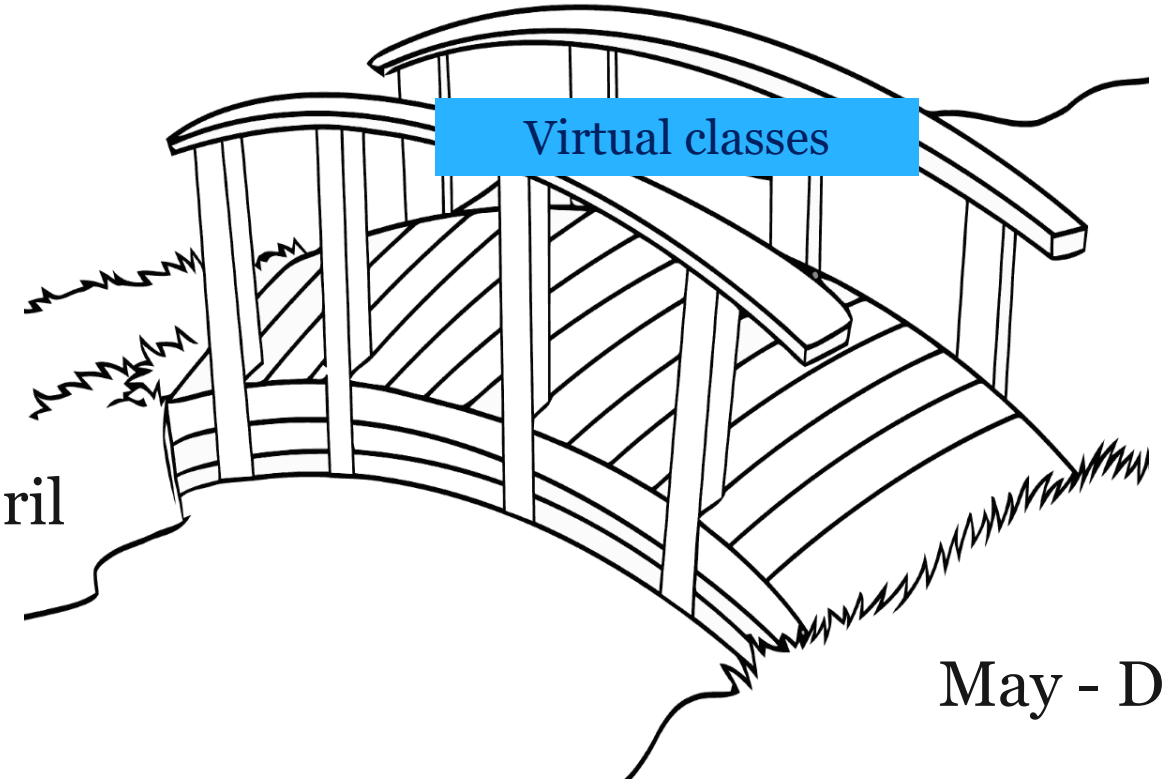
9 VAT

10 Other BEPS actions

GRP during COVID-19: design process



2021



January - April

May - December

2021 Expectations

40

Conventional face-to-face events (including blended learning events)

20

Blended learning events

10

E-learning modules by the end of the year

FOR MORE INFORMATION CONTACT US AT:

CTP.GlobalRelations@oecd.org

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BETTER POLICIES FOR BETTER LIVES

THE TAX OFFICIAL OF THE FUTURE

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Introduction

- Tax officials are facing unprecedented challenges arising from **a changing global landscape**.

- What roles are the **tax officials of the future** expected to fulfill?

- What **skills and competencies** will they need to acquire to play the expected roles?

Changing Landscape

Tax was once mainly **a domestic issue** where staff was trained via an **apprenticeship system**.

But new forces have impacted the taxation landscape:

Globalisation
New Technologies
Changes in Business
Changes in Working Life

Challenges for Tax Administrations

Globalisation:

- Increase in cross-border transactions
- Ease of asset relocation: more opportunities for tax fraud and non-compliance.
- Greater coordination between tax administrations (BEPS project, EOI etc.)
- COVID-19

Digitalisation:

- Availability of portal solutions, internet, social media, mobile platforms, cloud computing, big data and analytics.
- Increase in internet-based transactions

Other changes:

- Changing employment patterns, way of working and lifestyles
- New businesses models
- The global financial crisis, data leaks and other financial scandals: tax minimization is no longer tolerated by the public.

Key Shifts

TODAY

- **Judgement-based** authority
  Heavy reliance on audit
- **Apprenticeship system**
  Extreme bias toward law and economics disciplines

TOMORROW

- **Analytics-driven** authority:
  Data analysis and automation of tax processes by applying new cutting-edge technologies
- Strategic **talent management system**
  Need for “tech-savvy officials” and “tax technologists” from STEM disciplines.

The new skills required in tax officials

New skills for new challenges

I. Applying new **cutting-edge technologies** (robotics, AI and automation)

III. Being a **C-Suite influencer**

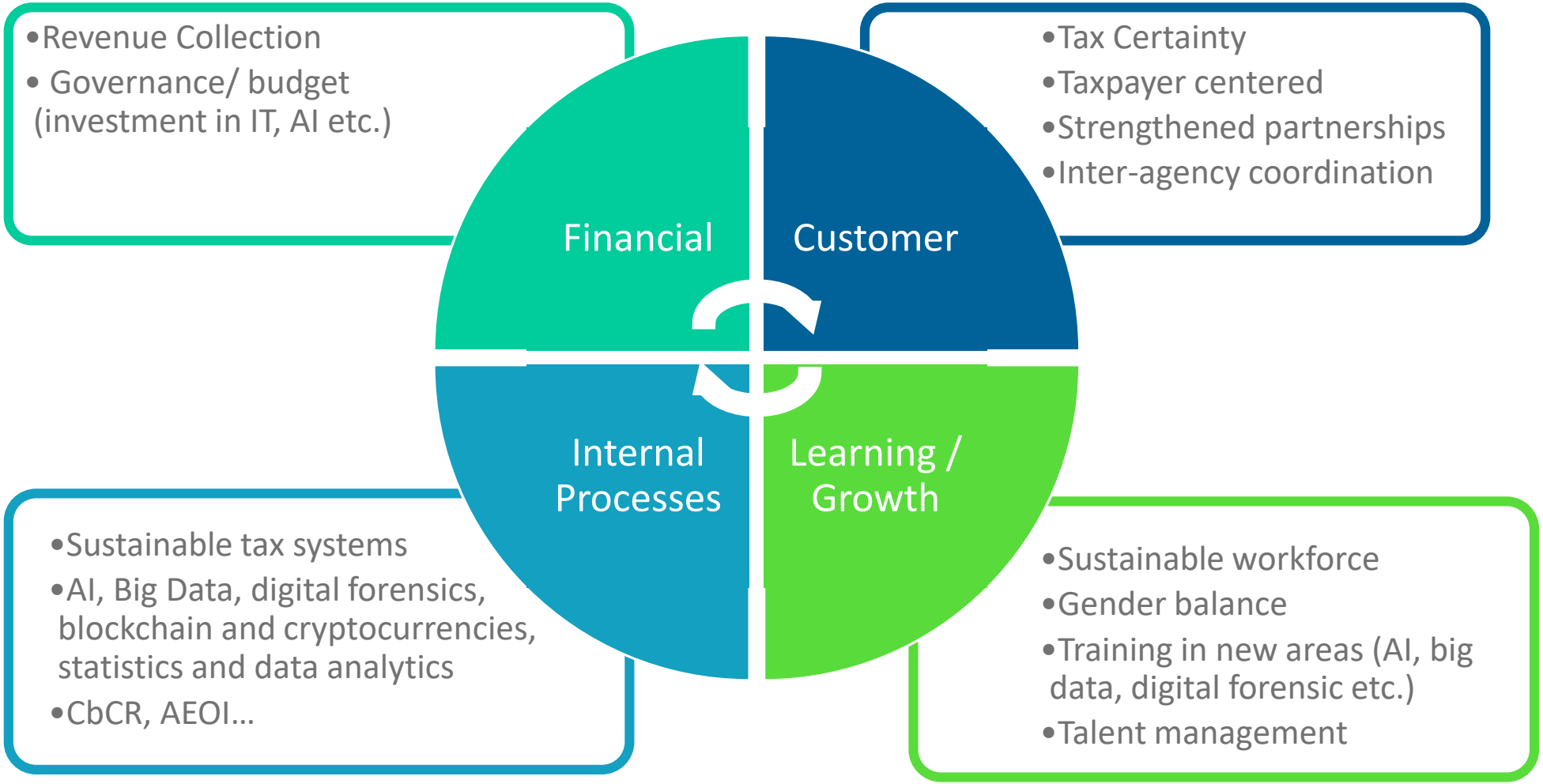
II. **Analysing data** in real-time

VI. **Being adaptable** to a more purposeful, contingent workforce

The Tax Official of Tomorrow

- New technology solutions will **manage entire processes**, from data collection to analysis, compliance and audit activities.
- Resource-heavy, **repetitive tax work will be automated**.
- "**Tech-savvy officials**" and "**tax technologists**" will be recruited.
- Tax officials will **focus only in the most challenging,** intellectual **tasks**.

Performance Indicators



Buy-in strategies

How do tax administrations make this shift?

1.Receiving senior **board-level support** and appointing an **influential executive**

- *To embark on the change and to lead the analytics program.*
- *Using external pressure.*

2. Developing a **talent management strategy**

- *To build the right mix of skills (through external training, OJT, and Human resources exchange)*
- *Multi-evaluation, Salary, Promotions.*

3. Addressing **cultural barriers**

- *By promoting the use of analytics through formal process*

4. Experimenting with **small pilots**

- *To develop the proof of concept*

5. Developing a **single view** of the taxpayer

- *By creating an integrated ICT infrastructure.*

6. **Managing data** actively

- *To reduce losses from illicit activities and nudge taxpayers towards compliant behaviours.*

THANK YOU

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