

## TAX INSPECTORS WITHOUT BORDERS: CO-CHAIRS STATEMENT OF THE GOVERNING BOARD INTERIM VIRTUAL MEETING OF 5 MAY 2020.

The fourth meeting of the joint OECD-UNDP Tax Inspectors Without Borders (TIWB) Governing Board was held virtually on an interim basis on 5 May 2020<sup>1</sup>.

First and foremost, we noted the negative economic impact of the COVID-19 crisis particularly in undermining developing countries capacity to mobilise domestic resources. We suggested the crisis only serves to amplify the relevance of TIWB in this era of highly constrained fiscal space, not only as a tax collection instrument, but also as a vital link to a broader development and recovery proposition. TIWB impacts directly on the private sector investment climate, on transparency and on fairness in the fiscal policy environment—issues where governments in the developing world now face acute pressures.

In this challenging context,

1. We noted the urgent innovations made by the TIWB Secretariat to ensure operational continuity. The fast tracking of a secure digital platform to facilitate ‘e-audits’ and other remote support was welcomed. Other innovations such as the Knowledge Sharing Platform, developed by Canada, to accelerate the exchange of knowledge and experience were much needed.
2. Despite a highly constrained policy environment, we welcomed excellent progress made by TIWB. We noted additional revenues of over USD 532 million and tax assessments in excess of USD 1,750 million, representing an excellent return on investment. We also noted the expansion of TIWB deployments - 72 completed and ongoing programmes as at 31 December 2019, including 11 South-South programmes.
3. As we gear up support to countries during and after the economic crisis, we welcomed a stocktake of TIWB’s work to date, a valuable ‘health check’ to underpin the foundations for future expansion and growth. We welcomed the focus on improving the supply of experts, particularly the relaunch of the UNDP roster and the ongoing support of the Forum on Tax Administration to facilitate the provision of more specialised sectoral and technical experts, for which demand is very strong. Beyond revenues, we support the emphasis on

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<sup>1</sup> We welcomed Mr. Bob Hamilton (Commissioner of the Canada Revenue Agency and Deputy Chair of the OECD Forum on Tax Administration), Mr. John Christensen (Director, Tax Justice Network); and Her Excellency Ngozi Okonjo-Iweala (former Finance Minister of the Federal Republic of Nigeria and Chair of GAVI, the Vaccines Alliance). We also acknowledged Mr. Geert Holterman and Dr. Timo Voipio representatives of Her Excellency Sigrid Kaag, Minister of Foreign Affairs and International Trade in the Netherlands, and Minister Ville Skinnari, Foreign Affairs Minister of Finland, respectively.

measurement of the impact of TIWB programmes, including on tax certainty and tax morale and to implement exit strategies better.

4. As countries recover from the crisis, when the tolerance for tax evasion and avoidance will be at an all-time low, we fully support the extension of the TIWB niche approach into new technical areas. Tax and criminal investigation and the effective use of data shared through informational exchange mechanisms will be priorities that strike at stemming illicit financial flows. Work proposed to explore tax treaty negotiations and support for natural resource sector work is important.
5. We recognise the positive role of our donor partners to both the OECD and UNDP sides of the TIWB operation, and we commit to sustain the excellent value for money propositions that make TIWB a model for best practice development co-operation in the 21<sup>st</sup> Century.
6. We noted the effectiveness of the partnership between UNDP and OECD lies not only in a clear division of labour but also in our approach to connecting with other stakeholders, international organisations, multilateral initiatives, governments and donors. In particular, our future impact will depend on our agility in integrating TIWB in the response to wider systemic challenges and institutional reform at the country level. To this extent, we look forward to the implementation of a new Country Office (CO) engagement strategy to better institutionalise UNDP CO's role in TIWB. This will particularly aim to increase TIWB's impact on the broader domestic resource mobilisation agenda, linked to financing the COVID-19 recovery and the achievement of the SDGs.
7. Finally, we look forward to the publication of the TIWB Annual Report and a summary of the recent stocktake in June 2020. We will plan to convene the Board physically later in 2020 when we welcome new Board members.

Co-Chairs

Mr. Angel Gurría (*Secretary-General, OECD*)

Mr. Achim Steiner (*Administrator, UNDP*)