

TAX INSPECTORS WITHOUT BORDERS

Criminal Tax Investigation Programmes

What is Tax Inspectors Without Borders (TIWB)?

Launched in 2015 at the Third Financing for Development Conference in Addis Ababa, Tax Inspectors Without Borders (TIWB) is a joint initiative of the OECD and the UNDP designed to support developing countries in building tax audit capacity. It is a unique approach to capacity building that embeds expert tax auditors in developing country tax administrations to provide practical, hands-on assistance on live tax audit cases.

The initiative underpins the OECD/G20 Base Erosion and Profit Shifting (BEPS) actions as part of a broad international effort to strengthen developing countries' ability to effectively tax multinational enterprises.

TIWB Criminal Tax Investigation Programmes

The scope of TIWB is now being extended to provide practical assistance to tax and other government officials involved in criminal tax and related financial crime investigations and consequent transfer of investigative skills.

Criminal tax investigations typically include high net worth individuals with offshore accounts, corporations which are evading tax, and organised crime groups which attack the VAT system through carousel frauds and other means. Investigations in these cases would require investigative experts to "follow the money" across borders, often through a complex web of legal structures with opaque ownership patterns (legal and beneficial) across multiple jurisdictions.

These programmes generally involve periodic on-site assistance, comprising several one or two-week missions over a span of 18 to 24 months. This assistance is complemented by remote assistance when required.



Current Pilot Programmes

- Armenia
- Colombia
- Costa Rica
- Honduras
- Kenya
- Pakistan
- Tunisia
- Uganda

How Does it Work?

Interested host administrations can request criminal tax investigation assistance by completing an online Assistance Request Form on www.tiwb.org. The Secretariat then sources an appropriately qualified expert from its network of partner administrations or the TIWB roster of experts.

Criminal Tax Investigation programmes are flexible and tailored to a country or jurisdiction's specific needs and priorities. They can focus on addressing issues of criminal tax fraud investigation, tax evasion, and other illicit financial flows.

TIWB experts are not a substitute for local staff. Support provided by TIWB experts is limited to coaching and/or advising local investigators on the investigative approach, rather than direct involvement in criminal investigations or collection of evidence.

Self-Assessment

To help host administrations plan for TIWB support, a diagnostic tool, known as the Tax Crime Investigation Maturity Model (Maturity Model), has been developed. This Maturity Model provides a jurisdiction with the ability to self-assess its current levels of maturity in the functional area of tax crime investigation according to the OECD's Ten Global Principles for Fighting Tax Crimes. A jurisdiction then evaluates its level of maturity as being emerging, progressing, established or aspirational.

Broader Impact

The initiative is one response to the attention given to effective and efficient mobilisation of domestic resources for achieving the Sustainable Development Goals and the commitments made by the international community to strengthen international tax co-operation.

TIWB has been a game changer for tax administrations having benefitted from programmes which have focused on auditing multinational enterprises. It has enhanced the skills and competencies of tax auditors and given them new tools and procedures to improve their ability to process audits. More importantly, TIWB programmes have been a major confidence builder for tax administrations and a deterrent against tax avoidance strategies by multinational enterprises, helping to create a culture where everyone pays taxes voluntarily and businesses know what to expect from tax administrations. Similar benefits are expected for host administrations participating in criminal tax investigation programmes.

Confidentiality

TIWB experts are directly involved in activities of the host administration, which in most cases require them to have access to confidential tax information relating to individual taxpayers. This position raises issues of confidentiality and conflict of interest that are addressed in the programme's Terms of Reference and will be managed wherever possible prior to, during and upon completion of each TIWB programme.

Options for dealing with confidentiality issues may include removing taxpayer-specific identifying information from case documents under examination or by signing a confidentiality agreement between the host administration and the TIWB expert.



Experts

In addition to partner administrations who deploy their currently serving officials, retired tax experts, including those specialised in tax crime, are deployed through the UNDP-managed Roster of Tax Audit Experts.

Partner Administrations

As demand for Criminal Tax Investigation programmes increases, new partner administrations are sought to deploy their currently serving officials who have the necessary skills and linguistic capacities to implement TIWB programmes.

Funding

The TIWB Secretariat secures funding for all or part of the TIWB programme costs with the support of its network of partner administrations and/or donors. Programme funding can be further complemented by the OECD and UNDP.

On the basis of impact from an initial round of programme implementation, subsequent programme cost-sharing should be considered.

For more information and to stay up to date on all of Tax Inspectors Without Borders' programmes:

www.tiwb.org / [@TIWB_News](https://twitter.com/TIWB_News) / secretariat@tiwb.org