

STAKEHOLDERS WORKSHOP JOINT STATEMENT OF OUTCOMES BY THE OECD AND UNDP

**Paris - France
3 November, 2017**

Tax experts and other stakeholders from 28 countries and 6 International and Regional Organisations met in Paris, France on 3 November 2017 for a Tax Inspectors Without Borders (TIWB) Stakeholders Workshop. The meeting was hosted jointly by the OECD and UNDP. The following key outcomes were noted.

Participants discussed the achievements and impact of the TIWB initiative, the challenges and opportunities in delivering TIWB assistance, the kinds of tax base erosion that are most pervasive and challenging for developing countries, and the way forward to deliver the initiative's target of 100 tax expert deployments by 2020. The discussion drew on the knowledge of tax audit experts who have both previously assisted tax authorities in developing countries and who are currently deployed under the TIWB initiative.

Delegates welcomed the acceleration of programme implementation, including 27 programmes spanning Africa, Asia, Latin America and the Caribbean, as well as 7 upcoming programmes which are planned in Benin, Cote d'Ivoire, Peru, Sri Lanka, Swaziland, Vietnam and Zimbabwe. Partner Administrations (France, Germany, Kenya, Netherlands, Spain, and the United Kingdom) supplying experts were thanked for their support. New South-South opportunities were identified with Nigeria and South Africa agreeing to deploy experts. Participants welcomed results of the programmes already underway in both the transfer of skills, and a change in the attitude of multinational enterprises (MNEs) to comply with tax laws. TIWB audits have generated in excess of USD 328 million to date.

TIWB was recognised as a niche tool to address base erosion and profit shifting (BEPS) issues through auditing MNEs. It is a highly practical, low-cost and an innovative learning-by-doing approach to capacity building. The participants welcomed collaboration with other technical assistance providers, such as African Tax Administration Forum, to ensure all efforts that aim to strengthen the capacities of tax administrations in developing countries are mutually supportive.

Stakeholders welcomed the use of the online Knowledge Sharing Platform for Tax Administrations (KSP) developed by Canada as a means to share expertise, enhance peer-to-peer interaction and build a community of practice.

Tax experts noted the need to view TIWB programmes as a medium- to long-term investment. Complex audits take time and not every audit results in an immediate revenue return. The participants discussed the need to expand impact measurement, looking beyond revenues, towards sustainable skills transfer, improved voluntary compliance and institution building. It was acknowledged that the programmes provide an opportunity for developing countries to further enhance risk management and develop effective audit control of high-risk transnational commercial activity.

Stakeholders welcomed the increase in the number of experts available to be deployed on TIWB programmes, including through the recently established roster of experts.

Audit experts exchanged views on handling questions of liability and conflicts of interest and the importance of technical updating, to keep abreast of the latest international tax norms and standards. They emphasised the need to build excellent inter-personal skills and an awareness of cultural dynamics in developing countries.

The Way Forward

It was agreed that as TIWB implementation accelerates, there is a need to track success, lessons learned, further develop results and measurement criteria, and ensure feedback informs future programming. The participants noted the interest of the Forum on Tax Administration's Capacity Building Network to support the TIWB initiative.

In-kind contributions of key partner administrations and voluntary contributions from donors, in particular Finland to support the roster of experts, were recognised with thanks.

Immediate next steps

- Update tools including evaluation forms and starter kits;
- Design a community of practice using the KSP to facilitate the exchange of experiences among experts;
- Operationalise new partnerships, including South-South commitments from Nigeria and South Africa;
- Seek to implement a mentorship programme for tax audit experts;
- Seek opportunities to supplement TIWB programmes with industry experts to deliver sector knowledge, in areas such as mining, financial services and telecommunications.
- Report the findings from the TIWB stakeholders workshop to the Forum on Tax Administration;
- Plan the next Governing Board meeting for Q1 or Q2 2018;
- Reflect the findings from the workshop in the TIWB Secretariat's 2017/18 Annual Report.
- To promote coordination among assistance providers, the TIWB website will be updated to identify where TIWB operations are underway.
- A TIWB newsletter will be introduced in 2018.