

TIWB Programme N° F2016-0007

Host Administration:

Direction Générale des Impôts et des Domaines (DGID), Senegal

Expert Source:

Direction Générale des Finances Publiques (DGFIP), France

Programme Dates:

April 2017 – October 2018

Senegal's DGID indicated its interest in subsequent TIWB tax audit assistance in transfer pricing (TP) and international taxation issues in June 2016 following the success of an initial TIWB programme. France's DGFIP deployed one expert, who assisted the DGID in building its auditors' capacities throughout five onsite missions, including ad-hoc remote assistance from April 2017 to October 2018. The TIWB expert assisted the DGID auditors in progressing three audit cases in the extractive sector. Tax issues covered under this TIWB programme included assets and depreciation, econometric modelling, intangibles, intragroup services and financing, tax treaties, and TP.

Impact of the Audit Assistance Programme

This TP programme helped Senegal's DGID achieve the following results:

- **Human Resource development - Skills and knowledge transfer:** Five DGID tax officials applied their knowledge and skills acquired for selecting audit cases based on risk assessments. DGID officials also deepened their capabilities in researching and using information on multinational enterprises, on intangible assets, effectively applying tax treaties and using comparable databases. The officials improved their skills in using information and computer technology to carry out research of the economic environment of the audited companies and deepened their understanding of valuation methods. The TIWB Expert observed that DGID officials' confidence increased, enabling them to conduct more fruitful discussions between team members.
- **Institutional Development – Legislative changes, tools, process and procedures:** Together with the TIWB expert, the DGID developed an internal audit manual and recommended changes to TP legislation, regulations, and general audit processes.
- **Lessons Learned:** Learning how to navigate simple, open source tools helps to efficiently further the search of information for audit purposes, its processing and analysis. Continuous training opportunities for tax auditors, such as courses or study days, can help address more complex and specific tax issues. Access to information on taxpayers and their comparables remains an essential element of the

administration's control capacity. The digitalisation of internal processes tends to improve the quality of audit processes.

