

TIWB Programme N° F2017-0012

Host Administration:
State Fiscal Service of Ukraine (SFSU)

Expert Source:
Roster Expert, United Nations Development Programme

Programme Dates:
January 2018 – February 2019

Ukraine requested TIWB tax audit assistance in transfer pricing (TP) and international taxation issues in December 2017. A TIWB Roster Expert, supported by a mentee expert, assisted SFSU to increase the capacities of its auditors by conducting two onsite missions, in addition to ad-hoc remote assistance from January 2018 to February 2019. A total of 12 audit cases were progressed in the mining and metals production sector, on operations with intangible assets and financial operations. Tax issues covered under this TIWB programme included TP and advanced pricing agreements. The programme ended as per the terms of reference end date.

Impact of the practical audit assistance programme

The TP audit assistance programme helped Ukraine achieve the following results:

- **Human Resource Development - Skill and knowledge transfer:** Thirty-five SFSU tax officials participated in the programme and were able to apply the newly obtained knowledge and skills in collecting and analysing information to select cases based on risk assessment. They also focused on identifying taxpayer risks by sector.
- **Institutional Development – Legislative changes, tools, process and procedures:** Together with the TIWB Experts, SFSU developed a risk analysis methodology, which was used in the preparation of concept note on the purchase (development) of an automated big data processing system for TP risk analysis.
- **Lessons Learned:** Engaging with senior management can help ensure all stakeholders are on board, to manage expectations and clarify programme objectives.