

Minutes of the Third Meeting of ATI members

13 Feb 2018, New York City

The third meeting of the members of the Addis Tax Initiative was held on 13 Feb 2018, back-to-back to the First Global Conference of the Platform for Collaboration on Tax (14 to 16 February 2018) in New York City.

Around 50 participants attended the meeting, representing 20 ATI members and 9 Supporting Organisations. The event was structured along the following agenda items:

Agenda

- General Update on the Addis Tax Initiative
- Preliminary results of the ATI Monitoring 2016
- Short debriefs on DRM situation in ATI Partner Countries
- Kick-off Session for the ATI consultative groups

Minutes

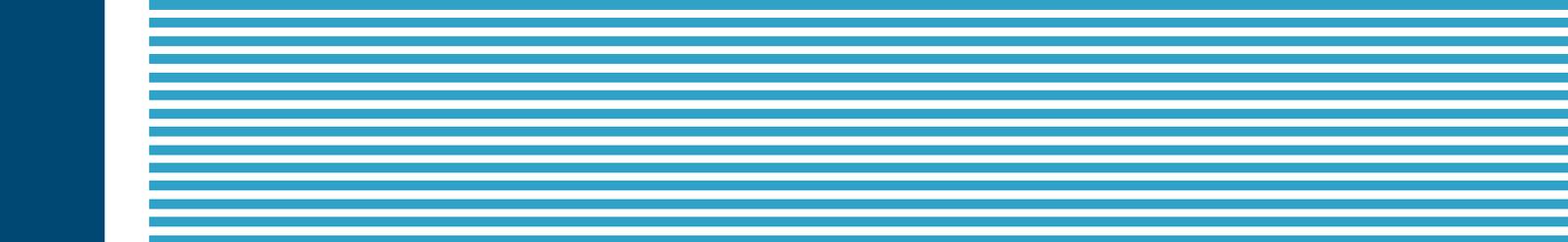
The meeting was opened by the two co-chairs Elfrieda Tamba (Liberia) and Steven Rozner (USA). They presented the members of ATI Steering Committee (ATI SC) for the 2017/18 term. In order to ensure equal representation by ATI development partners and partner countries, the ATI Steering Committee now consists of three representatives from ATI partner countries and three representatives from ATI development partners (initially, it was composed by representatives from two large and two small ATI development partners as well as two ATI partner countries).

In the 2017/18 term, The Gambia, Georgia, Germany, Liberia, Sweden and the United States form the ATI Steering Committee, with Liberia and the United States co-chairing.

Steven Rozner shortly introduced the *2017/18 ATI Work Plan*. The work plan foresees a clear focus on exploring ways to support the fulfilment of the three ATI commitments and on involving ATI members more effectively into the further development of the Initiative, particularly by establishing the ATI consultative groups (see below).

During the morning session, Jasmin Froehling (International Tax Compact) presented preliminary results of the 2016 ATI Monitoring exercise that have found funds of 341.04 mio. USD disbursed in 2016 to support DRM in partner countries (364.23 mio. USD in 2016 commitments). The results of the 2016 monitoring exercise will be published throughout 2018 in three separate ATI monitoring briefs, one on each ATI commitment. The monitoring brief on ATI commitment 1 (“Doubling support to DRM”) will be published in March 2018. The subsequent briefs on commitment 2 and 3 are to follow in fall and winter of 2018, respectively.

The data underlying the 2016 monitoring is available online in the DRM database (drm.taxcompact.net).



The meeting continued with brief country inputs from the representatives of seven ATI partner countries (The Gambia, Georgia, Ghana, Liberia, Senegal, Uganda and Paraguay) in which they reflected recent successes with regards to reforming their tax systems. Moreover, partner countries outlined their current and upcoming reform efforts with regards to mobilising domestic revenues in their respective countries. Brief summaries of / presentation slides from these short inputs are now available [online](#).

Sweden invited all ATI members to its Conference on Capacity Building in the Tax Area, which will take place from 30 to 31 May 2018 in Stockholm. Invitations to the event have already been extended to the Ministries of Finance of all ATI members.

Kick-off Session for the ATI consultative groups

The afternoon session served to kick off the ATI consultative groups, which are being established with the aim of organising and executing activities to support the fulfilment of the ATI commitments. All ATI signatories are invited to actively participate in one or multiple consultative group(s) to bring their perspectives into the discussion. More information on the ATI consultative group will be distributed to the ATI members shortly.

The session was opened by a discussion on key factors for establishing and effectively managing consultative groups (see box 1). In three separate, rotating groups, participants then identified and prioritized possible subjects that the consultative groups should tackle and produced a list of possible deliverables to operationalise the two top priority subjects under each ATI commitment. These were then translated into concrete next steps / activities for the groups to consider conducting until their first meeting.

All participants were called to express their interest in participating in one or more of the three consultative groups. Interested ATI members who were not present in the ATI meeting are cordially invited to inform the ITC Secretariat about their interest to join one or more ATI consultative group(s).

The aforementioned Stockholm conference at the end of May 2018 could be used as an opportunity for the consultative groups to meet, aiming at participation by all ATI members. The purpose of these meetings could be to agree upon terms and modalities of their collaboration and where applicable, to report on first steps taken as outlined below.

Box 1: Key considerations for establishing and sustainably maintaining ATI consultative groups

The following are the issues considered presented by the group, in order of priority:

- Diverse membership:** This included diversity in terms of culture, gender, and geographical spread. In fact, studies have indicated that team with diverse membership tend to be more creative than those with little or no diversity.
- Strategic focus:** Each consultative group should have clear, long-term objectives towards which their regular operations should focus.
- Clear deliverables:** The consultative groups should be clear on the products and/or services they are expected to deliver.
- Added value:** The products and services of the consultative groups should add value to the work of the ATI.
- Mandate:** Each consultative group should be guided by a clear mandate of its roles and responsibilities.
- Content:** Each consultative group should have a clear understanding of the contents of its work.
- Funding:** The consultative groups should have access to sufficient and sustainable funding.
- Global to local relevance:** Even while focusing on global issues, the work of the consultative groups must have relevance to the more localised needs of ATI members and other stakeholders.
- Impact:** The existence of the consultative groups must deliver results in the areas that demonstrate impact.
- Monitoring:** The progress of the consultative groups in delivering results should be tracked regularly.
- Committed experts:** The consultative groups should have access to the services of committed experts.
- Process:** The consultative groups should implement work processes that are efficient and promote effectiveness and sustainability.

Summary of Results

The following section briefly sums up the results of the kick-off session for the ATI consultative groups. Each group will work out and agree upon concrete deliverables in their next meeting.

Interested ATI members

Canada, France, Germany, Italy, Norway, Uganda, United Kingdom, Global Financial Integrity

Interested observers

Save the Children, Pacific Islands Tax Administration Association (PITAA)

Commitment 1

Subject	Possible deliverables
<i>Support beyond technical assistance and core business</i>	<ul style="list-style-type: none">▶ Develop a template for requests of support▶ Map and analyse partner countries' strategic plans▶ Encourage conduction of TADAT Assessments and publication of results▶ Support to different stakeholders (e.g. Parliament, Prime Minister Offices)▶ Need for Common approach to measure technical assistance progress▶ Refine DRM Database for improved measurement

Possible next steps for ATI consultative group on commitment 1:

- ▶ Development of a draft template for requests of funding for ATI partner countries / ATI supporting organisations
- ▶ Development of ATI development partners' profiles for the DRM database
- ▶ Provision of feedback on the DRM database

Interested ATI members

Bill and Melinda Gates Foundation, European Commission, Georgia, Germany, Italy, Liberia, Paraguay, Sweden, United Kingdom, United States, West African Tax Administration Forum (WATAF)

Interested observers

Pacific Islands Tax Administration Association (PITAA)

Commitment 2

Subject	Possible deliverables
<i>Collect and track country commitments and performance targets</i>	<ul style="list-style-type: none"> ▶ Mapping of indicators (e.g. regarding fiscal incidence metrics) ▶ Assessment and prioritisation (possibly as additional indicators) ▶ Evidence gathering and dissemination ▶ Best practices / case studies ▶ Voluntary commitment to specific targets
<i>Regional cooperation on tax policy administration</i>	<ul style="list-style-type: none"> ▶ Data compilation and analysis ▶ Identification of key issues

Possible next steps for ATI consultative group on commitment 2:

- ▶ Mapping of ATI partner countries' own tax administration performance indicators (under preparation by ATI Secretariat)
- ▶ Discussion of key issues that are to be taken into consideration with regards to regional cooperation

Interested ATI members

Asian Development Bank (ADB), Canada, European Commission, Finland, France, Netherlands, Norway, Paraguay, Sweden, Uganda

Commitment 3

Subject	Possible deliverables
<i>Tax incentives</i>	<ul style="list-style-type: none">▶ Cost-benefit analysis▶ Corporate social responsibility (CSR) and tax incentives▶ Work towards a common definition for tax incentives▶ Collect best practices▶ Minimal standards (IMF, OECD, G20)
<i>Tax evasion</i>	<ul style="list-style-type: none">▶ Use / access to Global Financial Integrity (GFI) database▶ Stocktaking of exchange of information: Identify (practical) bottlenecks▶ Joint action plan (OECD inclusive framework, OECD Global Forum on Transparency and Exchange of Information)▶ Definition and forms of tax evasion/ scope of work

Possible next steps for ATI consultative group on commitment 3:

- ▶ Summarize key-elements of IMF toolkit on incentives
- ▶ Examine which studies exist on cost-benefit analysis of tax incentives
- ▶ Mapping of existing definitions of tax incentives (i.e. IMF/OECD/G20)
- ▶ Mapping of existing minimum standards (i.e. from IMF toolkit; B-Team)
- ▶ Collection of good and bad practice examples of incentive measures
- ▶ Drafting of a common paper on tax evasion in LDCs



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