



Stepping up domestic revenue mobilisation Australia

Gross disbursements - \$17.38 million

Commitments - \$17.38 million

Most important recipients (including top three specific countries, where info available)

- Disbursements – Afghanistan: \$3.89 million; devel-

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- Commitments - Afghanistan: \$3.89 million; developing countries unspecified: \$3.45 million Indonesia: \$3 million; Papua New Guinea \$1.6 million

Doubling support to DRM in partner countries

Australia's expenditure on assistance related to domestic revenue mobilisation was reported as USD 17.38 million in 2019. This is more than double the assistance provided in 2015, which amounted to USD 7.67 million. In 2019, Australia contributed to a number of funds supporting domestic resource mobilisation, including the IMF Resource Mobilisation and Managing Natural Resource Wealth Trust Funds, as well as the World Bank Global Tax Program Trust Fund. Australia also provided contributions to the OECD to provide DRM-related technical assistance to improve tax policy and administration in partner countries.

Bilaterally, Australia supports a number of tax-related development assistance programmes across the Pacific and in South East Asia. In 2019, the Australian Taxation Office (ATO) provided technical assistance through Australia's ODA programme to Indonesia, Papua New Guinea and the Philippines. In Indonesia, the ATO provided support under the PROSPERA Program, in which their role was to provide advice and technical assistance to the Directorate General of Taxes for the modernisation of its tax system and administration. The PROSPERA Program received increased ODA assistance in 2019. In Papua New Guinea, the ATO provided support under the Institutional partnerships Program, in which their focus has been to support the Internal Revenue Commission to implement the IMF recommendations from the Medium-Term Revenue Strategy. In the Philippines, the ATO provided support to the Bureau of Internal Revenue focused on Automatic Exchange of Information. This project was delivered in partnership with the OECD and the Asia

Development Bank. Australia also provided technical assistance and advice on data safeguards and other procedures.

Further bilateral assistance provided by Australia in 2019 included:

- nearly doubling the assistance to Nauru's Public Sector Reform Program,
- the commencement of a Public Financial Management program in Cambodia,
- the commencement of the Partnerships for Infrastructure Investment across South East Asia
- an increase in the governance support program provided to Samoa,
- a new program in Lao PDR focusing on competitiveness and trade,
- an increase in Pacific regional assistance via the Public Administration and Governance Initiative.

Work within the field of domestic revenue mobilisation has been a component of Australia's bilateral public finance and economic governance programmes for decades. The increased DRM support by Australia contributed to positive developments in the Asian-pacific region. Australia wants to continue its efforts to meet the targets of the Addis Tax Initiative and achieve long-lasting results in partner countries.

Policy coherence for development

Australia's commitment to promote policy coherence is demonstrated by:

- A strong and longstanding commitment to **strengthen international tax cooperation** to support the fight against international tax avoidance and evasion, including through facilitating 'Exchange of Information' relationships;
- **Addressing illicit financial flows** - including money laundering and terrorism financing - in Australia's domestic policy setting;
- **Promoting the transparency of tax incentives** through the annual publication of Australia's Tax Benchmarks and Variations Statement;
- The **reciprocal application of protecting source-based taxing rights** over natural resources, through Australia's bilateral tax treaties with developing countries.

Outlook

Australia met its ATI commitment to individually double DRM support in 2019 (and 2018), and estimates suggest that Australia will maintain its implementation of this commitment in 2020.