

Minutes of the 2nd meeting of ATI Consultative Group 2: Enhancing DRM cooperation for country-owned tax reforms

DATE: 25 MARCH 2021, 10:00 – 11:00 (CET), VIRTUALLY

Participants: Gunilla Näsman (Sweden), Myra Flaminiano (IBFD), Cosimo Scagliusi (Italy), Kai Behrens (Germany), Fredrik Aksnes (Norway), Desma Adhiambo Natome (Norway), Raphael Kamoto (ATAF), Laura Wilson (UK), Joseph Stead (OECD), Anca Maria Szigeti (EU Commission), Ashima Neb (World Bank), Amy Williams (Australia), Mark Montgomery (Ireland), Øivind Strømme (Norway), Luise Gloeckner (ITC), Tais Chartouni Rodrigues (ITC), Tobias Fleckenstein (ITC).

Agenda:

1. The proposed ATI Consultative Group 2 work plan for the year 2021
2. Discussion on development of the ATI Monitoring Framework

The ATI Consultative Group 2 (CG 2) is dedicated to the implementation of the new ATI Commitment 2: “*ATI development partners collectively commit to maintain or surpass the 2020 global target level (USD 441.1 million) of DRM cooperation for country-owned tax reforms*”. In the first meeting of the newly constituted ATI Consultative Group 2 held in November 2020, the participants discussed expectations and possible modes of collaboration within the group. Initial ideas were collected for topics, products and activities to be developed and implemented by the group (see minutes [here](#)).

The main objective of the 2nd meeting on 25 March 2021 was to prioritise a workplan for the activities of ATI Consultative Group 2. The activities, which were suggested at the last meeting in November 2020, are clustered under the following workstreams:

- Strengthening coordination for DRM support
- Harmonisation of data
- Strengthening the quality of DRM support
- Development of a Monitoring Framework

At the beginning of the meeting, **participants were encouraged to express interest** to (co-)coordinate the ATI Consultative Group 2. Interested ATI members are encouraged to contact the International Tax Compact (ITC) in its capacity as ATI Secretariat at secretariat@taxcompact.net.

Strengthening coordination for DRM support

ATI Matchmaking Platform

The ATI Matchmaking Platform represents one of the major platforms to increase the efficiency of DRM support. It was launched in November 2020. ATI Consultative Group 2 discussed options to further improve the ATI Matchmaking Platform and how to foster engagement. It was suggested to ask regional and multilateral organisations, offering technical assistance (TA), to link their TA programmes to the ATI Matchmaking Platform. In addition, ATI Consultative Group 2 proposed to ensure mainstreaming of accountability stakeholders engaging in tax in technical assistance in accordance with ATI Commitment 4. In order to increase awareness, an ATI Matchmaking week is a proposed format to enhance interaction. It may include a webinar or series of meetings to explain how to subscribe to the platform, how to use it and also highlight benefits. As of today, the ATI Matchmaking Platform is an exclusive portal for the ATI members only. It was suggested to discuss whether to open the platform for everyone.

As a next step, the members of ATI Consultative Group 2 proposed to create a small sub-group to work on improving the ATI Matchmaking Platform and discuss how to do awareness raising.

Webinar on joint programming

In addition, ATI Consultative Group 2 suggested to organise a webinar on joint programming with input from the European Commission and Germany. The European Commission recently launched a new joint programming approach, called “Team Europe”. This approach could be introduced in a webinar.

Framework for coordination at country level

Lastly, ATI Consultative Group 2 suggested to prepare a framework for DRM coordination at country level. This framework can touch upon existing approaches and tools like program-based approaches, good funding mechanisms, division of labour frameworks as well as aid effectiveness principles.

Harmonisation of data

The DRM Database provides an overview of technical assistance projects carried out worldwide by ATI development partners to support the mobilisation of domestic revenue in ATI partner countries. It serves as basis for a continuous coordination as well as improved effectiveness and efficiency of development cooperation in this area. The DRM Database shows the ATI monitoring data of ATI Commitment 2, which is built on the OECD DAC Data, CRS purpose code:15114. It was agreed that the DRM Database should serve as central portal for different databases. Since the launch of the DRM Database in 2017, other databases on DRM support have emerged. Further discussions need to take place with the Platform on Collaboration on Tax (PCT), in particular on how to merge the databases in order to improve coordination.

Strengthening the quality of DRM support

Case studies of country ownership in technical assistance

To strengthen the quality of DRM support, ATI Consultative Group 2 suggested to provide case studies for country-owned DRM support to share well-functioning aid modalities with the special emphasis on country ownership. ATI Consultative Group 2 members highlighted the ATI's added value in disseminating good examples at country level to foster knowledge building and peer to peer exchange.

In addition, Oxfam has produced some work on fairness and equity in technical assistance for DRM support. Oxfam examines how fairness, equity and progressivity of tax systems work with each other by collecting good examples and case studies. ATI Consultative Group 2 seemed interested in discussing the results in a webinar (in cooperation with ATI Consultative Group 1).

Webinar on diagnostic tools

In addition, it was suggested to organise a webinar on diagnostic tools. NORAD recently published a valuable inventory of these tools and frameworks (see [study](#)), which could be presented at this occasion. ATI Consultative Group 2 members proposed that the ATI could serve as a portal to navigate its members on existing tools and frameworks.

Aid effectiveness in DRM

At the last meeting, it was suggested to develop guidelines for assessing aid effectiveness in DRM. However, it would require further discussion to conceptualise the guidelines.

Development of a Monitoring Framework

The quantitative monitoring framework of ATI Commitment 2 is based on the OECD DAC data. However, indicators need to be agreed upon to monitor the qualitative part of the country-owned tax reforms. In addition, adjustments of the OECD DAC data for the ATI monitoring as well as inclusion of concessional loans have been discussed controversially. ATI Consultative Group 2 will be in charge of developing the monitoring framework for its respective commitment. It was agreed by ATI Consultative Group 2 that all group members will be involved in the development of a monitoring framework. The ATI Secretariat will suggest potential indicators which will be discussed in ATI Consultative Group 2 in the course of 2021.

Miscellaneous

ATAF developed a new strategic plan for 2021 – 2025. **Mr. Raphael Kamoto** invited interested development partners to discuss ATAF's new strategic plan during a donor conference on the 28 April. ATAF's strategic plan could be presented within the ATI in order to identify synergies.

Next steps

ATI Secretariat will come up with a workplan and ask the participants for their feedback to follow-up after the meeting. In addition, the sub-group, which is supposed to work on improving the ATI Matchmaking Platform and discuss how to do awareness raising, shall be established.