

## Minutes: ATI Consultative Group 2 Meeting

24 March 2022, 13:00 h – 14:30 h (CET)  
2022 ATI General Assembly

### Participants

Abdul Muheet Chowdhary (South Centre); Anca Maria Szigeti (EC); Aniket Bhusan (Canada); Anneli Hildeman (EC); Annemie G.L. Helsen (Belgium); Asa Palmgren (EC); Austin Ndiokwelu (IBP); Chenai Mukumba (TJNA); Chiara Putaturo (Oxfam); Christian Schütz (Wins Consult); Christina M. Gautsch (ITC Secretariat); Domohina (Invité); Elizabeth Mwambingu (Kenya); Frederica Boncristiano (Italy); Gunilla Näsman (Sweden); Joseph Stead (OECD); Kai Behrens (Germany); Khamis Mwalim (Tanzania); Koni Ravono (PITAA); Maria Altavilla (Italy); Meta Sinkovic (Slovenia); Olena Gordiienko (ITC Secretariat); Peter Wiesel (ATI Secretariat); Silvia Karelova (Slovak Republic); Taís Chartouni Rodrigues (ATI Secretariat).

### Agenda

1. Welcome and introduction (ATI Secretariat)
2. Presentation of the final post-2020 monitoring framework for ATI Commitment 2 (ATI Secretariat)
3. Presentation of the study on country ownership in DRM support (Wins Consult)
4. Presentation of the latest developments on the [ATI Consultative Group 2 Work Plan](#) (ATI Secretariat)
5. Open dialogue & Next Steps (All members and ATI Secretariat)

### Objectives

The main objective of the fourth ATI Consultative Group 2 meeting on 24 March 2022 was to present the new monitoring framework to measure progress towards the achievement of ATI Commitment 2, present the preliminary results and status of the study on country ownership in DRM support, provide an overview on the latest developments of the ATI Consultative Group 2 work plan for 2022/2023, and collect ideas for possible additional topics, products and activities for the group.

### Presentation of the final post-2020 monitoring framework for Commitment 2

Commitment 2 of the ATI post-2020 monitoring framework states that “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.”

The ATI Secretariat opened the meeting by giving an overview of the final post-2020 monitoring framework specifically for ATI Commitment 2, and referred to challenges in the past with large official development assistance (ODA) flows from donors encompassing aggregated technical assistance (TA) projects for which an exact distinction for solely DRM-related TA was often difficult to obtain. After a recent discussion with the European Commission (EC) and the OECD, it has been proposed that the new post-2020 monitoring indicator for measuring the quantitative target of ATI Commitment 2 (“..maintain or surpass the 2020 global target level (USD 441.1 million)..”) will consider only disbursement data on ODA for DRM support. The reason for only referring to disbursement data is that it’s often problematic to fully capture DRM components at the commitment phase (decision phase) and thus the DRM-share is not always known at

the decision point. The proposal to only consider disbursement data within the ATI post-2020 monitoring framework has been forwarded to the ATI Steering Committee and has yet to be confirmed.

The ATI Secretariat further explained that in terms of budget support, one generally must distinguish between general and sector budget support. Most of DRM-related project components in budget support are connected to general support and it is difficult to assign a purpose code under the OECD DAC's creditor reporting system (CRS). Therefore, ATI members aligned to include clarifications in the post-2020 ATI Monitoring Reports of the the share of DRM data from TA programmes coded under "budget support" compared to DRM data reported under the CRS purpose code 15114.

*"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."*



Concerning the second section of ATI Commitment 2 ("..country-owned tax reforms"), ATI members agreed upon having a monitoring questionnaire as final indicator, in which ATI development partners can provide a free narrative explanation about how each ATI development partner approaches the issue of country ownership in their DRM cooperation. This indicator is in line with the set requirements to choose a suitable, pragmatic and resource-efficient indicator for this commitment.

*"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."*



**Comments:**

- Chiara Putaturo (Oxfam) posed a question on whether the narrative will be connected to aid flows towards DRM. Ms. Putaturo asked how the ATI is planning to monitor the developments and progresses of the indicator on country ownership and how measurable the indicator is.
- The ATI Secretariat remarked that members came to a common ground and agreed to only have one indicator for this specific commitment and section ("country ownership") of Commitment 2. After several feedback loops and discussions, it was agreed by the majority of the ATI membership to look

at the narrative description of DRM aid flows and narrations on stakeholder consultations as well as in which way the policy adapts to achieving a stronger country ownership. A quantitative monitoring for this commitment has not been foreseen by the majority of ATI members.

- On country ownership, the ATI Secretariat added that this indicator should be looked at with Commitment 1 (the 3-Tiers-Assesment that Oxfam suggested for a quantitative dimension will be adopted).

## Presentation study results on “country ownership in DRM support”

Christian Schütz (Wins Consult) opened his presentation of the study result on country ownership in DRM support with some background information on this topic. The ATI identified country ownership as a key issue to improve TA quality and concluded that enhanced country ownership should lead to improved impacts. For this purpose, the ATI aimed at developing two documents, I) ‘Selection of Good Practice Case Studies’ and a II) ‘Framework for country-owned TA to foster tax reforms’.

Mr. Schütz first explained how country ownership can be understood in line with the ATI Declaration 2025. Then he continued to provide some background notes on the case studies as well as the methodology. In total, three case studies from Ghana, Nepal and the Philippines (two cases on tax administration reform and one on tax policy reform) were chosen as practical examples. For the methodology, grey literature was used and seven expert interviews were conducted. The first part of the presentation was concluded by an overview of main results observed from the case studies.

For the second part of Mr. Schütz’s presentation, the principles of the framework for country-owned TA for DRM were described. This was supplemented by suggested activities for the ATI members and ATI Secretariat based on the lessons learnt and observation made from the study on country ownership in DRM support.

The activities suggested by Mr. Schütz were following:

- Partner countries need to develop consistent DRM strategies/plans (Development partners (DPs) can help support develop the capacities to develop the strategies and plans),
- Embrace/promote participative governance modes,
- Involve partner countries in the day-to-day business (partner countries were happy when they were involved in the selection process of short-term consultants or in the monitoring process),
- DPs should assist partner countries to develop capacities to exercise ownership (setting up organisational structures),
- Increase transparency about processes and modes of delivery for development partners (partner countries are not always familiar with all the processes hat DPs work with),
- Consider providing more TA to non-governmental actors to strengthen the whole ownership support,
- ATI Secretariat could initiate dialogue on ownership (especially developing a common understanding of ownership. It was clear in the literature review that there are various definitions of ownership).

## ATI Consultative Group 2 Work Plan

The ATI Secretariat presented an overview of the ATI Consultative Group 2 work plan. The main workflows within ATI Consultative Group 2 consist of the following three working blocks:

- ATI post-2020 monitoring framework;

- Strengthening the coordination of DRM support; and
- Strengthening the quality of DRM support.

While the workflow for the first block, finalising the identification and definition of suitable monitoring indicators for ATI Commitment 2, has been completed, planned products and deliverables as well as ongoing workflows related to the working blocks “quality of DRM support” and “coordination of DRM support” were further presented and discussed.



#### Quality of DRM support

*Country ownership study:* Regarding ongoing activities related to the “quality of DRM support”, Peter Wiesel (ATI Secretariat) asked participating Consultative Group 2 members in which way the final study on country ownership in DRM support should be presented / shared with ATI members and whether the presentation of this product can somehow thematically be expanded during a webinar/coffee break or whether Consultative Group 2 members prefer to present only the sole product. One potential idea raised by the ATI Secretariat for expanding the topic was to combine / connect the presentation of the final study with the overall topic of “coordination of DRM support”. This could, for instance, be achieved by connecting the study presentation with lessons learnt from an interview for the country case studies with the Ghana Revenue Authority (GRA) and their experiences in the proactive in-house donor support coordination, which is strongly driven by their own medium- and long-term tax strategies.

#### Comments:

- Aniket Bhusan (Canada) remarked that the country ownership study seems interesting. However, findings are fairly generic in his opinion. He posed the question whether there is any way to know, which findings are from which cases etc. Additionally, given the lack of common understanding/definition of ownership as noted, he asked whether this is the level the ATI assessment will remain on ownership.
- Christian Schütz (Wins Consult) explained that he’s currently working on each country specific case study. He is in an advanced stage of finalising the study and the study shall be completed approx. by end of April / May 2022.
- In general, the ATI would like to raise further awareness on the importance of country ownership. Hence, the ATI is considering developing more webinars on country ownership.

*Diagnostic tools:* Furthermore, the participants were informed about the completed webinar in June 2021 on diagnostic tools to support revenue administrations and that in the previous Consultative Group 2 meeting on November 2021 participants raised following comments:

- It is important to hear more about the applications and benefits from different tools
- Future events should include case studies where the practical applications and the ways how diagnostic tools have supported reform processes

No further / new comments or suggestions were raised by the Consultative Group 2 members during the ongoing meeting.

#### Coordination of DRM support

*ATI Matchmaking Platform:* Commenting on activities related to the “coordination of DRM support”, the ATI Secretariat provided an overview of the current status of the ATI Matchmaking Platform. Around the end of last year, the ATI Secretariat conducted a reach out campaign to ATI members. First, the ATI Secretariat reached out to ATI development partners and supporting organisations and then the ATI Secretariat contacted individually ATI partner countries. The main aim of this activity was to find out, to which degree donor countries can actually adapt to the ATI Matchmaking Platform mechanism, especially since the mechanism is characterised by spontaneous, rather short-term requests from participating ATI partner countries. Nevertheless, the overall feedback from donor countries was mainly positive. As a follow up on activities related to the advertisement of the ATI Matchmaking Platform, the ATI Secretariat organised a session during the second day of the 2022 ATI General Assembly, which is going to take place after the ongoing Consultative Group 2 meeting. The goal of this session is to provide an overview to ATI members on how the ATI Matchmaking Platform operates and to further discuss the main benefits but also provide space for potential questions/ doubts towards the ATI Matchmaking Platform during a panel discussion with representatives from an ATI partner country, development partner and supporting organisation. As another follow-up activity, the ATI Secretariat announced to offer consultation hours in English and French.

#### Comments:

- Abdul Muheet Chowdhary (South Centre) remarked that the South Centre is planning to participate in the ATI Matchmaking Platform for capacity building measures. As some of the development partners follow long-term strategy plans, they might not be able to provide their support and available expertise. He would like to know, what kind of response they should expect.
- Responding to Mr. Chowdhary’s question, the ATI Secretariat explained that ATI development partners have communicated that they are able to adapt to the requests of partner countries. A few ATI development partners are generally not able to adapt to short-term requests for support as they follow medium-/ long-term strategy plans.
- Abdul Muheet Chowdhary (South Centre) posed a follow-up question and asked, how long it generally takes for partner countries to receive a response.
- Responding to Mr. Chowdhary’s question, the ATI Secretariat highlighted that so far not too many empirical observations could be made as for a long time only “available expertise” offers were submitted by ATI members. Nevertheless, the ATI Secretariat made clear, that they always inform ATI members once a “request for support” / “available expertise” post has been uploaded.
- Mr. Chowdhary (South Centre) suggested to have a survey to collect data, which would help interested participants, such as the South Centre, in their own planning.

*Joint programming / "Team Europe"*: The ATI Secretariat further described the next activity, which is the webinar on joint programming / "Team Europe". The webinar is currently being planned to take place during the summer of 2022. Representatives from the European Commission and Germany offered to present their case studies during the first meeting. The ATI Secretariat asked attendees whether this activity would be interesting for Consultative Group 2 members and invited the European Commission to share updates on the process of tax-related "Team Europe" projects with attendees.

Comments:

- Asa Palmgren (EC) explained that the European Commission has not made specific conclusions on this activity yet.
- Anca Maria Szigeti (EC) added that the concrete case is not on a country, but on the African continent. The Team Europe initiative is with five member states and Germany is in the lead. It can be understood as a framework, whereby the focus is on donor coordination to find the best complementarities.

*Other activities*: On other activities to enhance the coordination of DRM support, the ATI Secretariat remarked that in the past two Consultative Group 2 meetings, ATI members have raised the issue of enhancing the coordination of DRM support and aligning the activities on the country level. The goal was to identify a concrete case study for DRM cooperation and a potential example that has been discussed, was the OECD's working paper '[Building capacity to prevent profit shifting by large companies in Zambia](#)'. The ATI Secretariat opened the floor for comments and feedback on this topic.