

Minutes of the 8th Meeting of the ATI Consultative Group 3

19 June 2024, 15:00h – 16:00h (GMT+1), Microsoft Teams

Speaker information

Miroslav Palansky, Head of research, Tax Justice Network, Assistant Professor of Economics, Charles University

Thomas Georges, Policy and Communications Officer at FACT Coalition

Agenda

1. Welcome and introductions
2. Presentation: Challenges and opportunities of partner countries in accessing and using CbCR data
3. Presentation: Potential product to support ATI partner countries in using & accessing CbCR data incl. Q&A
4. Presentation: The case for public CbCR and potential policy advocacy by the ATI incl. Q&A
5. Presentation: Update on Commitment 3 Indicators
6. Closing discussion: Areas of priorities for CG3 in the last year of implementation

Objectives

Building on the discussions that emerged in the previous CG3 meeting, held in December 2023, the main objectives of the 8th Meeting of the ATI Consultative Group 3 were to facilitate a technical discussion on Country-by-Country Reporting (CbCR), present the outcomes of products developed by the Group since June, such as the technical follow-up meetings on tax expenditures (TEs), and discuss new potential products and activities for 2024-2025.

In line with the [ATI Declaration 2025](#), the ATI members pledge to keep [four key commitments](#) that promote fair, equitable and effective domestic revenue mobilisation (DRM). The ATI Consultative Group 3, initiated in 2020, supports the implementation of Commitment 3: “ATI members commit to apply coherent and coordinated policies that foster DRM and combat tax-related illicit financial flows (IFFs)”.

Session summary

The ATI Consultative Group 3 session delved into the critical issue of combating tax-related illicit financial flows (IFFs), with a particular emphasis on Country-by-Country Reporting (CbCR). This meeting aimed to facilitate a technical discussion on the utilisation of CbCR data and the advocacy for

public CbCR. Additionally, it provided updates on the progress of work on ATI Commitment 3 and future areas of activity for the group.

In the first segment of the meeting, Miroslav Palansky from the Tax Justice Network presented the relevance of CbCR data in addressing multinational tax avoidance, and discussed the myriad challenges faced by partner countries in accessing and effectively using CbCR data. These challenges span across technical and operational aspects such as data management and IT infrastructure compliance, legal and regulatory frameworks, and the need for enhanced international cooperation to mitigate multinational tax abuse. To tackle these issues, the ATI Secretariat presented a concept for a comprehensive support package aimed at assisting partner countries in accessing and effectively utilising CbCR data.

The second part of the session featured a presentation by Thomas Georges from the FACT Coalition, who underscored the critical need for enhancing tax transparency through public CbCR. He pointed out the persistent information asymmetries in multinational enterprise (MNE) tax practices and the limited access to CbCR data for many developing countries. Georges highlighted the growing momentum for public CbCR, which serves as a powerful tool to reduce profit shifting, improve tax administration efficiency, and boost investor confidence. He advocated for proactive engagement in policy discussions and international forums to advance tax transparency, noting key opportunities for advocacy at upcoming significant events such as the UN FfD4 Conference and the G20 Summit. Georges emphasised that public CbCR could play a crucial role in bridging the information gap and promoting equitable development.

The session concluded with a presentation outlining the future areas of action for ATI, based on the progress towards achieving the ATI Commitment indicators. Key next steps include: (i) establishing a Tax Expenditure Community of Practice, continuing the work carried out by ATI in the area, after the conclusion of the series of regional workshops on tax expenditures; (ii) finalising the conceptualisation of a support tool to aid partner countries in accessing and using CbCR data; (iii) potential Webinar Series exploring the impact of Pillar 2 on tax incentive regimes, in cooperation with the OECD and (iv) potential other online events on experiences and best practices in combating tax-related IFFs (e.g. trade mis-invoicing).

Next steps

- Potential product to support ATI partner countries in using & accessing CbCR data
 - Members asked whether efforts have been coordinated with the OECD BEPS department which are supporting members of the inclusive framework in CbCR matters. The ATI Secretariat met with OECD colleagues and aligned their respective supporting efforts.
 - An updated concept note of the product will be shared with all CG3 members.
- As highlighted by civil society, there is a need for support for pCbCR by ATI members in international fora, such as FFD4 or the G20 summit. ATI members are encouraged to use these fora for coordinated efforts to promote comprehensive pCbCR regulation
- Tax Expenditure Community of Practice
 - A concept note will be shared with CG3 members, providing more information on the scope and objectives.

*Tax systems that work for people and advance
the Sustainable Development Goals*



- Updates on potential collaboration with OECD on i) an online event exploring the impacts of Pillar 2 on tax incentive regimes and ii) a work stream exploring the tax-related crimes in the gold trade will be shared with CG3 members in due course.