General Assembly
ati 23

ATI Consultative Group 3 Meeting

"ATI members commit to apply coherent and coordinated policies that foster DRM and combat tax-related illicit financial flows (IFFs)."

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

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Objectives

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- Launch the **ATI study on partner countries' perspectives on tackling TIFFs** and discuss relevant aspects of the case studies presented on selected topics;
- Define future **ATI actions and capacity building in the area of combating TIFFs**;
- Discuss **priority topics in other areas of ATI Commitment 3 and define a work plan for 2023-2025**.

Agenda

Time (CET)	Item				Responsible
14:00 – 14:05	Welcome and introduction				**Valerie Schulte Nordholt**, Ministry of Foreign Affairs of the Netherlands, and Co-Coordinator of CG 3
Part I: Launch of the ATI study on partner countries' perspectives on tackling tax related IFFs					
14:05 – 14:15	Introduction				
14:15 –14:45	**Transparency and Exchange of Information**: experiences from Pakistan, Indonesia, Kenya, and Uganda	**Transfer (mis)pricing**: experiences from Rwanda and Indonesia in implementing transfer pricing rules	**Trade misinvocing**: Tracking and tracing mechanism and cooperation with other countries to counter trade misinvoicing: experiences from Pakistan and Rwanda	**Inter-agency cooperation:** Experiences from Rwanda	**Birhanu Tadesse Daba,** Senior Associate, International Bureau of Fiscal Documentation (IBFD) & country representatives
14:45 – 14:50	**Conclusions**: capacity building and international cooperation in the way forward				IBFD & ATI Co-Coordinators
14:50 – 15:10	Q&A				All members
15:10 – 15:15	Break				
Part II: Open discussion on the implementation of ATI Commitment 3					
15:15 – 15:25	Overview of the activities implemented by ATI Consultative Group 3 in 2022				ATI Secretariat
15:25 – 15:55	Open dialogue about potential additional products and areas of engagement for 2023				**Anca Maria Szigeti**, European Commission, Moderated by Co-Coordinator of CG 3
15:55 – 16:00	Next steps				Co-Coordinators

Birhanu Tadesse Daba, Senior Associate, IBFD

ATI study on partner countries' perspectives on tackling TIFFs

Implementation of ATI Commitment 3: Work Plan 2021-2023

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Monitoring of ATI Commitment 3

Tax-related IFFs

Policy coherence

- Tax expenditures
  Tax incentives
- ODA taxation
- Analysis of spillover effects

Implementation of ATI Commitment 3: Work Plan 2021-2023

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Monitoring framework

- Development of the ATI post-2020 monitoring framework for ATI commitment 3 (completed)

Tax-related IFFs

- Brief on ATI partner countries' perspectives on tackling tax-related IFFs (completed)
- Follow-up on IFFs study: series of roundtables on relevant topics (e.g., fostering inter-agency cooperation on DRM support, implementing a whole-of-government approach, beneficial ownership, etc.) (tbd)

Policy-coherence

- Regional workshops on tax expenditures in East Africa, West Africa, Asia in cooperation with the German Institute of Development and Sustainability (IDOS) and the Council on Economic Policies (CEP) (completed). Follow-up technical meetings in each region and potential workshop in Latin America (2023/2024)
- Webinar on ODA taxation reforms (Netherlands, Norway, OECD, UN Tax Committee, and others) (completed)
- Webinar on BEPS Assessment Tool (Germany case study from technical cooperation in Zambia) (completed)
- Webinar on examples of ATI members’ experiences conducting spillover analyses (IBFD, Oxfam) (completed)

ATI Regional Workshops on Tax Expenditures

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Lagos, Nigeria (Jul/2022)

- Regional partners: WATAF, ECOWAS Commission, ATAF
- 70 participants from 18 countries

Nairobi, Kenya (Oct/2022)

- Regional partners: KRA & ATAF
- 50 participants from 9 countries

Manila, Philippines (Mar/2023)

- Regional partners: DoF, UNDP
- 45 representatives from 14 countries

ATI Regional Workshops on Tax Expenditures

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Objectives:

- **Discuss core aspects** of tax expenditure management, reporting, estimation, and evaluation, such as data collection and processing, approaches to revenue forgone estimation, design of cost-benefit models, etc.
- **Give an overview of good practices and standards** to evaluate the effectiveness and efficiency of tax expenditure provisions and assess existing evaluations against those practices and standards
- **Map pathways to reform** and discuss opportunities and challenges to further improve tax expenditure reporting and evaluation
- **Provide a platform for peer learning and exchange** by tapping the knowledge and wealth of experiences of workshop participants
- **Initiate the set-up of regional tax expenditure networks** with a unique group of stakeholders (MPs, tax authorities, MFs) for continued exchange and peer-level support of reforms

ATI Regional Workshops on Tax Expenditures

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Programme (Manila version):

- **Session 1** – A Governance Framework for TEs
- **Session 2** – Establishing a Benchmark
- **Session 3** – Estimating Revenue Forgone
- **Session 4** – Reporting on TE
- **Session 5** – TE & Fossil Fuel Subsidies
- **Session 6** – Tax Expenditures for Investment
- **Session 7** – TEs & the Sustainable Development Goals (SDGs)
- **Session 8** – Ex-ante Assessment & Ex-post Evaluation of Tax Expenditures
- **Session 9** – Driving Tax Expenditures Reform

ATI Regional Workshops on Tax Expenditures: Next steps

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- **Follow-up technical meetings** in West Africa, East Africa (2023), Asia (2024);

- **Remote support** to ATI partner countries by GTED experts (CEP & IDOS);

- In cooperation with Consultative Group 4: development of a **Pocket-guide on TE for parliamentarians**

Work Plan 2023-2025: Open dialogue

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*"ATI members commit to apply **<u>coherent and coordinated policies that foster DRM</u>** and **<u>combat tax-related illicit financial flows (IFFs)</u>**"*

"Coherent and Coordinated Policies"

- **Indicators for development partners:**
  - ➢ Harmful tax practices, treaty shopping, country-by-country-reporting (CBCR), and mutual agreement procedures.
  - ➢ Spillover analysis
- **Indicators for partner countries:**
  - ➢ Tax expenditures

"Combat tax-related illicit Financial Flows"

- **Indicators for all members:**
  - ➢ Exchange of Information on Tax Purposes, Automatic Exchange of information, Exchange of Information on Request (EOIR)
  - ➢ Beneficial ownership (BO) registers and bearer shares

Work Plan 2023-2025: Open dialogue

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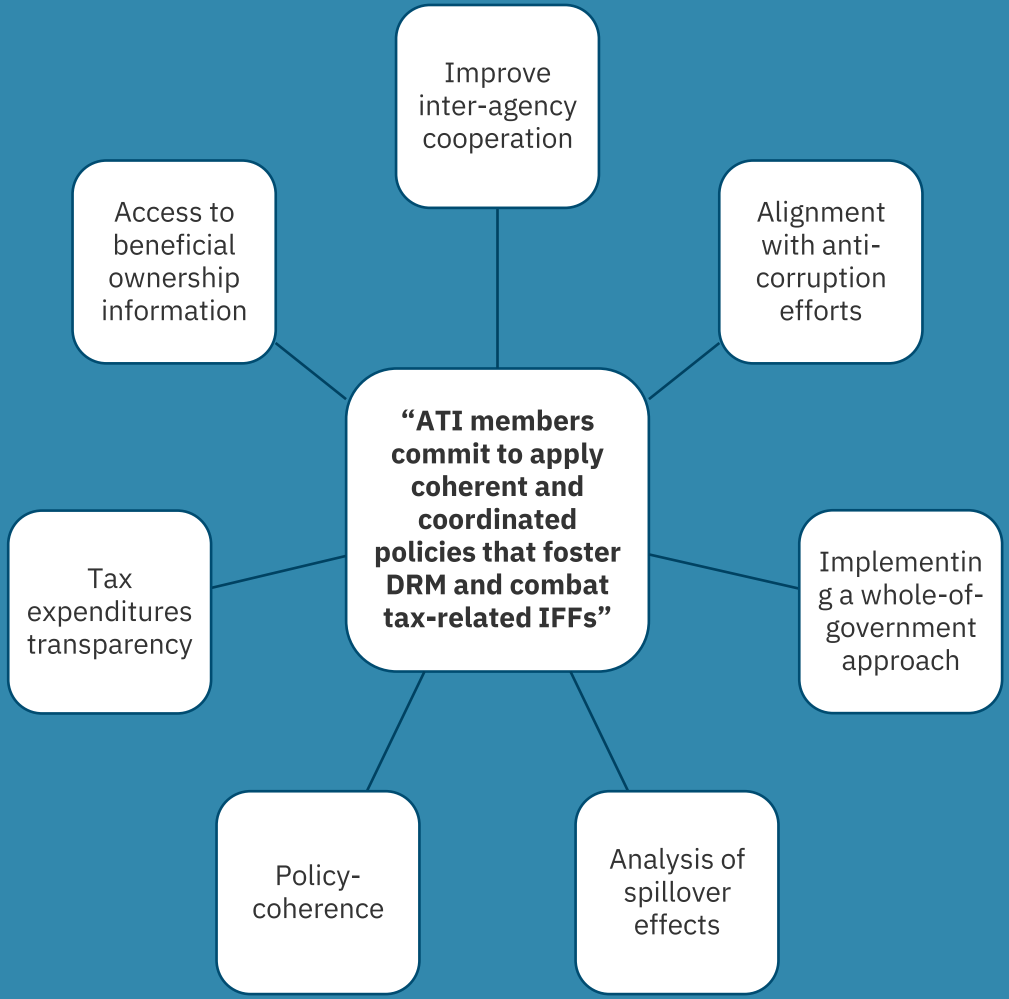
- What more can the ATI do support its member countries' in implementing the ATI Commitment 3?

- *Discussion in **buzz groups: 10 minutes***
- *Plenary discussion: **20 minutes***



THANK YOU FOR YOUR ATTENTION!

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