Tax systems that work for people and advance the Sustainable Development

Addis Tax Initiative

ATI post-2020 Monitoring Framework

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Introduction

In 2021, the **ATI Declaration 2025** entered into force promoting four new commitments that the member states of the Addis Tax Initiative (ATI) pledged to comply with by 2025. To measure progress towards achieving these commitments, members revised the original ATI monitoring framework. The post-2020 ATI monitoring framework aims to keep data collection as simple as possible, using secondary and publicly available data, and building on indicators for former commitments. The goals of the monitoring exercise are twofold:

- Highlight progress towards the achievement of the ATI post-2020 commitments
- Foster peer learning among ATI members and beyond

For the first and main goal, concise indicators that are comparable over time are used wherever possible, following the principle of SMART indicators (Specific, Measurable, Achievable, Relevant, and Time-bound).[1] The target group of the monitoring report and potential additional outputs are ATI members and the wider tax and development community.

From 2020 onwards, the periodicity of reporting changed from previously annual to biennial reporting. Considering the cost of the exercise and the feedback given by ATI members that progress might not be possible or visible after only one year, this framework proposes to have a baseline report for 2020, and to assess accumulated progress towards the ATI post-2020 commitments achieved until 2023 every two years and — subsequently — until 2025. To facilitate this, the presented framework uses 2023-indicators and 2025-indicators. The baseline year will vary based on the nature of each indicator and its data source, but in all cases the baseline year will be 2020 or more recent.[2]

Indicators measuring the commitments of the ATI Declaration 2025

In the following, the monitoring framework displays indicators, data sources, and baselines for each aspect to be measured under the four ATI commitments. Where several indicators are presented within one aspect, it is seen necessary to assess all indicators to get an adequate picture on progress towards the desired goal. The framework clarifies the understanding and focus of the different aspects of each commitment as well as on potential methodological caveats.

[1] Using SMART indicators implies that there is a need to focus and capture those aspects that a) are seen to be the most relevant and b) that can be measured with regularly available data or with a reasonable effort collecting primary data. Some aspects of the ATI commitments will not be directly measurable as data is limited or costs for primary data collection would be too high. In these cases, the framework work with proxy indicators. The nature of a proxy indicator is that it is not as precise as a direct measurement of the goal, yet when considering the balance between accuracy of indicators and efforts needed to collect data, a proxy can be a good enough compromise. Those characteristics of the commitments that are difficult to capture even with proxy indicators, but that countries would like to highlight, can be included in the above-mentioned case study narrations that ATI member countries can submit on a voluntary basis.

[2] It should be noted that the scope of this framework strictly focusses on tax and revenue-related issues.

Commitment 1: ATI partner countries commit to enhance DRM on the basis of equitable tax policies as well as efficient, effective, and transparent revenue administrations. ATI development partners commit to support such reforms.

"enhance DRM"

This aspect measures whether revenues (including tax and non-tax revenues) have increased in ATI partner countries.

Indicator(s)
Total revenue (excluding grants) as a percentage of GDP has increased in all ATI partner countries by the end of 2023/2025. ***Source***: *IMF Government Finance Statistics* ***Baseline***: *IMF data for 2020*

"equitable tax systems"

Equitable tax systems have been defined by ATI members to include socio-economic equality, gender sensitivity, and environmental sustainability.

As for the indicators on the socio-economic side, the progressivity of a tax system is seen as a suitable proxy of an equitable tax system as it supports a redistribution of the national tax burden from lower income households to higher income households.[3] The Commitment to Reducing Inequality Index (CRII) assesses tax progressivity every two years (CRII indicator T1a on tax progressivity). [4]

Regarding gender and environmental impacts of the fiscal system, the framework assesses whether ATI partner countries have a process in place that allows to identify and implement tax measures which improve gender equality and environmental sustainability.

[3] This indicator also follows the logic of the policy commitments of the World Bank's International Development Association (IDA) 20 replenishments.

[4] The caveat here is that the indicator does not include social security contributions, which usually have a regressive effect, and on the other side, it does not include (yet) usually highly progressive taxes, like wealth taxes.

Indicators
On socio-economic equality: The progressivity of the tax structure in X/Y ATI partner countries has increased by 2023/2025. ***Source***: *CRII, indicator T1a on tax progressivity (available biannually)* ***Baseline***: *CRII data for 2020* ***On gender and environmental issues:*** X/Y ATI partner countries have a process in place that allows to identify and implement tax measures which improve gender equality and environmental sustainability by 2023/2025. ***Source***: *Narrations by partner countries a) describing tax measures that improve gender equality and environmental sustainability and how they plan to implement them and b) describing tax measures that harm gender equality and environmental sustainability and how they plan to reduce them.* ***Baseline***: *assessment 2022*

"efficient revenue administration"

The ATI chose to measure the efficiency of tax administrations via the following proxies: withholding tax, VAT refunds, focus on large taxpayers and High Net Worth Individuals (HNWI).[5]

Indicators
Withholding tax: X/Y ATI partner countries increase the percentage of withholding tax in relation to total tax revenues by 2023/2025. ***Source***: *ATAF, African Tax Outlook – only available for African countries* At least PIT, dividends, interest, rents, royalties, and sales/purchases of real estate are subject to withholding tax in X/Y ATI partner countries 2023/2025. "X/Y ATI partner countries increase their percentage of PIT withheld by third parties and subsequently paid to the administration." ***Source***: *ISORA (available annually with a two-year time-lag)* ***Baseline***: *ATAF and ISORA data for 2020* *VAT refunds:* The stock of unprocessed VAT claims has been reduced in X/Y ATI partner countries by 2023/2025, measured as percentage of VAT refunds made in relation to VAT claims made. ***Source***: *ISORA (available annually with a two-year time-lag)* ***Baseline:*** *ISORA data for 2020* *High Net Worth Individuals (HNWI):* X/Y ATI partner countries have one centralised unit for HNWI within the tax administration. ***Source***: *Key Financial Secrecy Indicator (KFSI) 11: Tax Administration Capacity, Tax Justice Network* ***Baseline:*** *2020 data*

[5] The ATI decided not to measure the cost of tax collection (input) in relation to the volume of tax collected (output) as a proxy for efficiency as it implies a series of methodological challenges. For example, some countries include social security payments in the output while others do not (see IMF 2019, p. 36f, on further methodological caveats, and the OECD Tax Administration Series (TAS) publication, 2021).

The percentage of revenue administered under HNWI program in relation to total tax revenue collected has increased in X/Y ATI partner countries by 2023/2025. ***Source***: *ISORA (available annually with a two-year time-lag)* ***Baseline***: *ISORA and TJN data for 2020* *Large Taxpayers:* X/Y ATI partner countries have one centralised unit for large (corporate) taxpayers within the tax administration. ***Source***: *ISORA and Key Financial Secrecy Indicator (KFSI) 11: Tax Administration Capacity, Tax Justice Network* ***Baseline:*** *2020 data* The percentage of revenue administered under large taxpayer office (LTO) program in relation to total tax revenue collected has increased in X/Y ATI partner countries by 2023/2025. ***Source***: *ISORA (available annually with a two-year time-lag)* ***Baseline:*** *ISORA and TJN data for 2020*

"effective revenue administration"

This indicator focusses solely on the effectiveness of tax administrations and does not analyse the effectiveness of a tax system as a whole. To measure this, the framework uses proxies on-time filing and payment rates, the decrease of tax arrears, and the existence of tax gap analysis.

Indicators
On-time filing rate for PIT, CIT, VAT/GST, and PAYE as well as on-time payment rate both by numbers and value for PIT, CIT, VAT/GST, and PAYE have increased in X/Y ATI partner countries by 2023/2025. Closing stock of tax arrears at year-end as percentage of total revenue collected has been reduced by Z% in X/Y ATI partner countries by 2023/2025. ***Source***: *ISORA* (available annually with a two-year time-lag) ***Baseline***: *ISORA data for 2020* X/Y ATI partner countries produce regular (at least every two years) tax gap analysis at least for PIT, CIT and VAT by 2023/2025. ***Source***: *monitoring survey to partner countries* ***Baseline***: *assessment 2022*

"transparent revenue administration"

This indicator focusses solely on transparency of the tax administration and does not consider transparency of tax policies. The latter is covered in the indicators of Commitment 4. The question here is whether the tax administration provides taxpayers with the information needed in order to comply with their tax duties.

Indicators
X/Y ATI partner countries publish a taxpayer service charter by 2023/2025, incl.: • taxpayers' rights (e.g., fair and reasonable assistance for taxpayers, reasonable cost of compliance, a fair and impartial appeal procedure, etc.) • taxpayers' obligations (e.g., a complete and honest disclosure of facts and information, maintain accounting records and documents as prescribed under the income tax law, timely filing, and payment of taxes, etc.) ***Source***: *government website* ***Baseline***: *assessment 2022*

"ATI development partners commit to support such reforms."

This aspect monitors whether ATI development partner countries support equitable tax systems as well as effective, efficient and transparent tax administration.

Indicators
The aggregate amount of DRM support by ATI development partners towards equitable tax systems has increased by 2023/2025 (note: this is amount of DRM cooperation focused on PIT, CIT, property tax, taxation of extractive industries, wealth tax and/or tax expenditures) The aggregate amount of DRM support towards effective, efficient and transparent tax administrations has increased by 2023/2025 (key words still to be refined). ***Source***: *ATI DRM database (drawn from OECD DAC data) – the source will be used for a targeted key word analysis following a three-tiers assessment (see methodology here)* ***Baseline***: *assessment 2022*

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.

"maintain or surpass the 2020 global target level (USD 441.1 million) of DRM cooperation"

This aspect measures whether ODA disbursements by ATI development partners for DRM reforms have increased (or were maintained) in relation to 2020 target levels.

Indicator
Development partners maintain or surpass the 2020 global target level (USD 441.1 million) of DRM cooperation by 2023/2025. ***Source***: *OECD Development Assistance Committee's Creditor Reporting System (DAC CRS), CRS purpose code 15114 (available annually with a two-year time-lag) – data will be complemented by development partners, considering additional DRM from programmes coded under "budget support".* ***Baseline***: USD 441.1 million

“country-owned tax reforms”

This indicator looks at the effort development partners put into increasing country ownership in partner countries.[6]

Indicator
All ATI development partners submit an explanation on how they ensure support for partner countries priorities. This should include as much as possible a description on DRM aid flows, uses and results as well as a narration on stakeholder consultations that have been held before the development cooperation was signed with the partner country. ***Source***: *monitoring survey to development partners* ***Baseline:*** *N/A*

Commitment 3: ATI members commit to apply coherent and coordinated policies that foster DRM and combat tax-related illicit financial flows.

“coherent and coordinated policies”

The measurement of coherent policies focuses on policies that avoid negative impacts on tax mobilisation in ATI member countries. These include a) preventing abusive tax practices through engagement in international tax cooperation and b) reducing harmful tax incentives in partner countries. The framework distinguishes between ATI member countries as follows:

- Development partners should make sure that their tax systems do not harm efforts to raise taxes in partner countries. To measure this the framework will assess the topics defined as BEPS minimum standards: harmful tax practices, treaty shopping, country-by-country-reporting (CBCR), and mutual agreement procedures (see glossary for further explanations).
- Partner countries should make sure that tax expenditures do not disproportionately affect the aim to increase revenues. This will include three aspects: a) transparency of tax expenditures, b) evaluation of their effectiveness, and c) procedural questions, incl. scrutiny of parliament and inter-agency cooperation on tax expenditure decisions.

Indicators for development partners
All ATI development partners have improved their performance in relation to harmful tax practices, treaty shopping, country-by-country-reporting (CBCR), and mutual agreement procedures by 2023/2025. ***Source A***: *annual peer review reports by OECD BEPS members on the minimum standards (on harmful tax practices: the no. of recommendations from the annual peer review reports have been reduced in X ATI development partners compared to 2020/2023; on treaty shopping: the percentage of treaty networks compliant with the Multilateral Instrument to Implement tax treaty related measures to prevent BEPS (MLI) and the percentage of amendments requested by lower-income countries reciprocated by the treaty partner have increased in X ATI development partners compared to 2020/2023; on CBCR: the no. of signatories to the CbC Multilateral Competent Authority Agreement (CbC MCAA) and the*

[6] The efforts by partner country governments to increase broad ownership on tax reforms within their country (e.g., including non-state actors) are covered under commitment 4 on accountability.

no. of activated relationships under the CbC MCAA from ATI development partners to partner countries have increased ; on mutual agreement procedures: the no. of recommendations from the annual peer review reports have been reduced in X ATI development partners compared to 2020/2023) (available annually) ***Baseline***: *OECD data 2020* ***Source B:*** *Tax Justice Network (TJN); on harmful tax practices: CTHI Indicators 1 (lowest available corporate income tax - LACIT), 5 (sectoral exemption), and 6 (tax holidays and economic zones); on CBCR: Haven Indicators 10 and 11 (public CBCR and local filing of CBCR)* ***Baseline:*** *TJN data* for *2020* ***2023-indicator:*** X ATI development partners have defined the goals and scope of a spillover analysis until 2023. ***2025-indicator:*** X ATI development partners have implemented a spillover analysis and shared lessons learnt in the ATI until 2025. ***Source:*** *monitoring survey - spillover analysis by selected development partners* ***Baseline***: *assessment 2022*

Indicators for partner countries
On tax expenditure transparency X/Y ATI partner countries annually publish core data on tax expenditures by 2023/2025, incl.: • Legal basis • Detailed description of the tax expenditure • Policy objectives • Intended beneficiaries (i.e., businesses, households, government agencies, etc.) • Type of tax expenditure (i.e., what mechanism, such as deduction, reduced rate, exemption, etc) • Timeframe of tax expenditure (i.e., sunset clause) • A review framework (i.e., what conditions for reviewing, periodicity, link to [internal] cost benefit analysis) • Revenue foregone (including forecasts for the present fiscal year, provisional estimates for the past fiscal year and final estimates for T-2). ***Source***: *government website, Global Tax Expenditures Database (GTED)* ***Baseline***: *assessment 2022* ***On parliamentary scrutiny of tax expenditure*** X/Y ATI partner countries present information on all existing tax expenditure for at least the budget year by 2023/2025 as part of the Executive's Budget Proposal. ***Source***: *OBS, question 45, complying with a) or b) as stated below:* *a. Yes, information beyond the core elements is presented for all tax expenditures.* *b. Yes, the core information is presented for all tax expenditures.* *c. Yes, information is presented, but it excludes some core elements or some tax expenditures.* *d. No, information related to tax expenditures is not presented.* *e. Not applicable/other (please comment).* ***Baseline***: *OBS data for 2020* ***On inter-agency coordination and parliamentary scrutiny of tax expenditure***

X/Y ATI partner countries i) have designated the Ministry responsible for Fiscal Policy as the lead ministry for the process of granting and monitoring of tax expenditures AND ii) ensure that all existing and new tax expenditures are provided for in the tax legislation by 2023/2025. ***Source***: *monitoring survey to partner countries* ***Baseline***: *assessment 2022*

"combat tax-related illicit financial flows"

An important area to increase the potential for revenue mobilisation is the fight against IFFs. Africa, for example, is one of worst-affected world regions: an estimated USD 88.6 billion in IFFs leave Africa every year, far exceeding annual ODA receipts (UNCTAD 2020). These outflows not only limit the levels of finance available for investment, they also negatively impact efforts to raise public revenues in partner countries, as much of this finance should be taxed.

Especially under the umbrella of the OECD, initiatives combatting IFFs have been evolving in the last decade. These include the Base Erosion and Profit Shifting (BEPS) initiative, the Global Forum on Transparency and Exchange of Information for Tax Purposes, including the agreements and reporting standards detailing the implementation of the processes. As the BEPS minimum standards, including CBCR, are being used to measure the aspect of "coherent and coordinated policies", the indicators measuring combatting IFFs focus on the Automatic Exchange of Information (AEoI) and the EoI on Request (EoIR) for Tax Purposes as well as on the existence of beneficial ownership (BO) registers.

Indicators
X/Y ATI members take part in the Exchange of Information on Tax Purposes, incl. Automatic Exchange of information (AEOI) and in particular to the Exchange of Information on Request (EOIR) by 2023/2025. ***Sources for AEOI***: *Countries committed and signatories to the CRS Multilateral Competent Authority Agreement (CRS MCAA), OECD list of MCAA signatories (available regularly) + The number of activated AEOI relationships under the CRS MCAA* ***Source for EOIR:*** *No. of ATI countries where the Amended Multilateral Convention on Mutual Administrative Assistance in Tax Matters is in force + no. of ATI countries that are "compliant" in the overall rating of EOIR requirements (including A1 – Availability of Ownership and Identity Information; A2 - Availability of Accounting Information; A3 - Availability of Banking Information; B1 – Access to Information; B2 – Rights and Safeguards; C1 - EOIR Mechanisms; C2 – Network of EOIR Mechanisms; C3 – Confidentiality; C4 - Rights and Safeguards; C5 – Quality and Timeliness of Response) as of the assessment in peer reviews, round 2.* ***Baseline***: *AEOI and EOIR data for 2020* Beneficial ownership (BO) registers are in place and obligatory and bearer shares are not available in X/Y ATI member countries by 2023/2025. ***Source on BO***: *Tax Justice Network, BO information from Financial Secrecy Index (FSI) indicators 3-6* ***Source on Bearer Shares***: *Tax Justice Network, KFSI 15, Component 2* ***Baseline:*** *TJN data for 2020*

Commitment 4: ATI members commit to enhance space and capacity for accountability stakeholders in partner countries to engage in tax and revenue matters.

ATI members agreed to define accountability via three aspects: a) **transparency** - government needs to provide publicly available information on tax issues, b) **engagement** – government needs to provide opportunities to engage different accountability stakeholders, particularly non-state actors such as civil society organisations (CSOs), the media and academia, when coordinating decision making processes concerning tax, and c) **capacity** - accountability stakeholders need resources (finances, staff, and knowledge) to participate in the opportunities provided.

Indicators on transparency
X/Y ATI partner countries have published an explanation of the tax strategy in an easy manner by 2023/2025 (this refers to national and local governments, depending on their mandate to issue a tax). The tax strategy should include: • The goals of the tax policy (e.g., raising revenue, redistribution, or repricing goods and services) • Decisions and explanations on tax base and tax rates • Decisions and explanations on tax expenditures • The government's approach to its tax administration, its management, and its funding. X/Y ATI partner countries publish core tax data by 2023/2025, including.: • Tax revenues raised (by tax; by taxpayer, on average, and by bands of income and tax settled; by sector of the economy, *disaggregated by gender if available*), • Tax revenue forecasts • Tax revenues foregone (i.e., those sums not raised because of the cost of providing tax expenditures) • The tax gap, if available ***Sources***: *government website, GTED (for tax exemptions), IBP Open Budget Survey on tax transparency (e.g., questions 9, 11 and 45; to be further defined). The two indicators are fully met if all aspects mentioned are being published with the exception of gender disaggregated data and the tax gap analysis, these are an add on. Yet the monitoring report must include information whether data on these two points is available.* ***Baseline***: *assessment 2022 / GTED and IBP data* for *2020*

Indicators on engagement[7]
Governments in X/Y ATI partner countries have opened widely accessible, public consultation channels (e.g., via internet or town hall meetings) on tax policies by 2023/2025. ***Source***: *government website and monitoring survey to partner countries* ***Baseline***: *assessment 2022*

7 IBP is planning to develop a module on tax for the Open Budget Survey covering important aspects of accountability towards citizens and CSOs. Once the new data is out, the ATI could consider integrating it as data sources for accountability indicators.

Governments (at national and/or local level) in X/Y ATI partner countries engage with citizens on tax matters during the implementation of the annual budget by 2023/2025. ***Source***: *IBP, OBS questions 127, 130, 131, 137 and 138 (with relation to revenues)* ***Baseline***: *OBS data for 2020*

Indicators on enhancing capacities
Indicator(s) on enhancing capacities The aggregate amount of DRM support by ATI development partners reflecting the importance of accountability and the inclusion of non-state actors has increased by 2023/2025. ***Source***: *ATI DRM database (drawn from OECD DAC data) – the source will be used for a key word analysis following a three-tiers assessment (see methodology here)* ***Baseline***: *assessment 2022* The aggregate amount of DRM support by ATI development partners towards non-state actors (international NGOs, NGOs based in donor countries and NGOs based in developing countries) has increased by 2023/2025. ***Source***: *OECD DAC, Channel Code 20000 (divided for 21000, 22000, 23000)* ***Baseline***: *OECD DAC data for 2020* At least Z groups that are considered accountability stakeholders by ATI members have given input to public consultations on tax issues in X/Y ATI partner countries by 2023/2025. ***Source***: *government website publishing consultation responses and monitoring survey to partner countries* ***Baseline***: *N/A*

Glossary

The glossary aims to give a short explanation of those terms and initiatives that are being used for the assessment of progress towards the commitments under the ATI Declaration 2025.

Term / Initiative	Explanation
CbC Multilateral Competent Authority Agreement (CbC MCAA)	The purpose of the CbC MCAA is to set forth rules and procedures as may be necessary for Competent Authorities of jurisdictions implementing BEPS Action 13 to automatically exchange CbC Reports prepared by the Reporting Entity of an MNE Group and filed on an annual basis with the tax authorities of the jurisdiction of tax residence of that entity with the tax authorities of all jurisdictions in which the MNE Group operates. A particular bilateral relationship under the CbC MCAA becomes effective only if both jurisdictions have the Convention in effect, have filed the required notifications under Section 8 and have listed each other. List of CbC MCAA signatories
CRS Multilateral Competent Authority Agreement (CRS MCAA)	The CRS MCAA is an agreement for the annual Automatic Exchange of Financial Account Information on Tax Matters (AEoI) as defined in Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters (the Convention) and consistent with the reporting and due diligence rules of the Common Reporting Standard. Information exchanged includes among others: the name, address, TIN(s) and date, and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder, the account number, and the account balance or value. List of CRS MCAA signatories
Common Reporting Standard (CRS); long: Standard for Automatic Exchange of Financial Account Information in Tax Matters	The CRS has been developed by the OECD with G20 countries and is the standard for automatic exchange of financial account information in tax matters. It calls on jurisdictions to obtain financial account information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. The information covers the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.
Convention on Mutual Administrative Assistance in Tax Matters (the Convention)	The Convention was developed jointly by the OECD and the Council of Europe in 1988 and amended by Protocol in 2010. It facilitates international co-operation for a better operation of national tax laws, while respecting the fundamental rights of taxpayers. It provides for all possible forms of administrative co-operation between states in the assessment and collection of taxes. This co-operation ranges from exchange of information, including automatic exchanges (see art. VI), to the recovery of foreign tax claims. Chart of participating jurisdictions.
Global Forum on Transparency and Exchange of	The Global Forum is the leading international body working on the implementation of global transparency and exchange of information

Information for Tax Purposes (the Global Forum)	standards around the world. It promotes the implementation of two complementary international standards: • The standard for the international exchange of information on request (EOIR), where a tax authority can request a particular piece of information to progress a tax investigation. • The standard for the international automatic exchange of information (AEOI), where a pre-defined set of information on financial accounts held by non-residents is automatically exchanged each year based on the Common Reporting Standard.
OECD BEPS action 5 on harmful tax practices	There are two aspects to the Action 5 minimum standard: • A process for reviewing preferential tax regimes, relating to the tax rulings that are in the scope of the transparency framework (see next bullet point), to ensure they are not harmful. • A transparency framework that applies to tax rulings ("the transparency framework"). The transparency framework includes six categories of taxpayer-specific rulings which in the absence of compulsory spontaneous exchange of information could give rise to BEPS concerns. These six categories are (i) rulings relating to preferential regimes; (ii) unilateral advance pricing agreements (APAs) or other cross-border unilateral rulings in respect of transfer pricing; (iii) cross-border rulings providing for a downward adjustment of taxable profits; (iv) permanent establishment (PE) rulings; (v) related party conduit rulings; and (vi) any other type of ruling agreed by the FHTP that in the absence of spontaneous information exchange gives rise to BEPS concerns.
OECD BEPS action 6 on treaty shopping	Treaty shopping typically involves the attempt by a person to indirectly access the benefits of a tax treaty between two jurisdictions without being a resident of one of those jurisdictions. Taxpayers engaged in treaty shopping and other treaty abuse strategies undermine tax sovereignty by claiming treaty benefits in situations where these benefits were not intended to be granted, thereby depriving jurisdictions of tax revenues. The action 6 minimum standard on treaty shopping requires jurisdictions to include two components in their tax agreements: 1. an express statement that non-taxation is not intended (generally in the preamble) and one of the three methods to address treaty shopping: 2. a principal purpose test (PPT) equivalent to paragraph 9 of Article 29 of the 2017 OECD Model Tax Convention together with either a simplified or a detailed version of the limitation on benefits (LOB) rule that appears in paragraphs 1 to 7 of the 2017 OECD Model; or 3. the PPT alone; or 4. a detailed version of the LOB rule together with a mechanism (such as a treaty rule that might take the form of a PPT rule restricted to conduit arrangements, or domestic anti-abuse rules or judicial

	doctrines that would achieve a similar result) that would deal with conduit arrangements not already dealt with in tax treaties. The Multilateral Instrument, MLI, in BEPS action 15 allows governments to modify existing bilateral tax treaties in a synchronised and efficient manner to implement the tax treaty measures developed during the BEPS Project, without the need to expend resources renegotiating each treaty bilaterally.
OECD BEPS action 13 on Country-by-Country Reporting (CBCR)	Under BEPS Action 13, all large multinational enterprises (MNEs) are required to prepare a country-by-country (CbC) report with aggregate data on the global allocation of income, profit, taxes paid and economic activity among tax jurisdictions in which it operates. This CbC report is shared with tax administrations in these jurisdictions, for use in high level transfer pricing and BEPS risk assessments.
OECD BEPS action 14 on Mutual Agreement Procedures (MAP)	The BEPS Action 14 Minimum Standard seeks to improve the resolution of tax-related disputes between jurisdictions. As cross-border business and international labour mobility continues to be commonplace in a 21st century global economy, disputes relating to which jurisdictions can tax what types of income inevitably arise on occasion. Many tax treaties between jurisdictions contain a MAP provision providing for a process used to resolve such disputes. The MAP is of fundamental importance to the proper application and interpretation of tax treaties, notably to ensure that taxpayers entitled to the benefits of the treaty are not subject to taxation by either of the Contracting States which is not in accordance with the terms of the treaty.
OECD BEPS minimum standards	The OECD BEPS minimum standards cover the BEPS actions 5, 6, 13, and 14 (see above). Each of the four BEPS minimum standards is subject to peer review in order to ensure timely and accurate implementation and thus safeguard the level playing field. All members of the Inclusive Framework on BEPS commit to implementing the minimum standards and commit to participating in the peer review.
OECD Development Assistance Committee's Creditor Reporting System (DAC-CRS)	The objective of the CRS Aid Activity database is to provide a set of readily available basic data that enables analysis on where aid goes, what purposes it serves and what policies it aims to implement, on a comparable basis for all DAC members. Data are collected on individual projects and programmes. Focus is on financial data but some descriptive information is also made available.
OECD/G20 Inclusive Framework on BEPS (Inclusive Framework)	The Inclusive Framework is the umbrella for all states and jurisdictions collaborating on the implementation of the 15 BEPS actions to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment.