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G20 Research Group
at Trinity College at the Munk School of Global Affairs in the University of Toronto
with the
International Organisations Research Institute
at the National Research University Higher School of Economics, Moscow
present the

2014 Brisbane G20 Summit Interim Compliance Report

17 November 2014 to 1 March 2015

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“The University of Toronto ... produced a detailed analysis to the extent of which each G20 country has met its commitments since the last summit ... I think this is important; we come to these summits, we make these commitments, we say we are going to do these things and it is important that there is an organisation that checks up on who has done what.”

— *David Cameron, Prime Minister, United Kingdom, at the 2012 Los Cabos Summit*

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15. Development: Tax Administration

“We will work with [developing countries] to build their tax administration.”

G20 Brisbane Summit Leaders’ Communiqué

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina			+1
Australia		0	
Brazil			+1
Canada		0	
China		0	
France	-1		
Germany			+1
India			+1
Indonesia		0	
Italy	-1		
Japan		0	
Korea		0	
Mexico			+1
Russia		0	
Saudi Arabia	-1		
South Africa	-1		
Turkey		0	
United Kingdom			+1
United States		0	
European Union			+1
Average		+0.15	

Background

The G20 launched its development agenda during 2010 Seoul Summit with the adoption of the Multi-Year Action Plan on Development (MYAP). The MYAP established nine pillars where G20 action was identified as necessary to resolve the most significant challenges facing developing countries with respect to inclusive, sustainable and resilient growth. The eighth pillar, domestic resources mobilization, stressed the importance of strengthening “tax regimes and fiscal policies in developing countries to provide a sustainable revenue base for inclusive growth and social equity, as well as to enhance the transparency and accountability of public finances.”¹⁵⁹⁹ The action plan also calls for international organizations such as the Organisation for Economic Co-operation and Development (OECD), United Nations, International Monetary Fund (IMF) and World Bank to support the development of more effective tax systems in developing countries.¹⁶⁰⁰

According to a report published by the OECD, IMF, UN and World Bank for the G20 Development Working Group (DWG), taxation provides governments with the necessary funds

¹⁵⁹⁹ Annex II: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Date of Access: 19 February 2014. <http://www.g20dwg.org/documents/pdf/view/323/>.

¹⁶⁰⁰ Annex II: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Date of Access: 19 February 2014. <http://www.g20dwg.org/documents/pdf/view/323/>.

needed to invest in development, relieve poverty and deliver public services.¹⁶⁰¹ It also allows developing countries to reduce their dependency on foreign aid. Moreover, according to the report, tax system design is closely linked to domestic and international investment decisions, including in terms of transparency and fairness. Thus, a strong tax administration is essential to strengthening domestic resource mobilization. Despite this, half the sub-Saharan African countries still mobilize less than 17% of their gross domestic product in tax revenues, which is well below the 20% minimum level considered by the UN as necessary to achieve the Millennium Development Goals. Therefore, the G20 needs to take greater action in assisting developing countries in building capacity with respect to their tax administrations.

Commitment Features

The commitment requires G20 member countries to assist developing countries in building capacity in the area of tax administration. The report to the DWG focused on supporting the development of more effective tax systems identified two main ways in which G20 members can better assist developing countries to strengthen their tax systems and support their revenue mobilization efforts: leading by example in addressing common issues and furthering common interests, and acting as shareholders or members of the international organizations most closely concerned with taxation and development.¹⁶⁰²

In order to fulfill these two mandates the report developed several recommendations for G20 leaders on capacity building:¹⁶⁰³

Common issues, common interests — leading by example and developing partnerships

6. Estimate and publish tax expenditures, and the cost of special provisions, in regular tax expenditure and budgets. G20 countries could lead and encourage a more rigorous assessment of the costs and benefits of such provisions.
7. Develop analytical frameworks, suitable to the varying needs and circumstances of different countries, to assess the costs and benefits of preferential tax treatments, including in particular tax incentives aimed at foreign direct investment, and provide guidelines for countries which use such incentives.
8. Disclose and consider reducing the scope of tax exemptions required by G20 countries from country recipients of aid-funded projects.
9. Undertake “spillover” analyses of proposed changes to tax law in G20 countries, for example in trade and international taxation — which could have effects on the fiscal circumstances of developing countries.

Acting as shareholders or members in international organizations

1. Encourage international organizations to more thoroughly assess and act upon linkages of tax and expenditure policies in their technical assistance to developing countries.

¹⁶⁰¹ Supporting the Development of More Effective Tax System, A Report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank 2011. Date of Access: 19 February 2014. <http://www.imf.org/external/np/g20/pdf/110311.pdf>.

¹⁶⁰² Supporting the Development of More Effective Tax System, A Report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank 2011. Date of Access: 19 February 2014. <http://www.imf.org/external/np/g20/pdf/110311.pdf>.

¹⁶⁰³ Supporting the Development of More Effective Tax System, A Report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank 2011. Date of Access: 19 February 2014. <http://www.imf.org/external/np/g20/pdf/110311.pdf>.

2. Encourage the IMF and World Bank, working with other international and regional organizations as appropriate, to further develop and make publicly available consistent and detailed revenue data sets for the developing countries.
3. Encourage the international organizations, including the Forum on Tax Administrations, to develop a tool kit of measures to counter tax evasion and avoidance, based on best practices and guidelines adapted to the needs of developing countries.
4. Promote the Multilateral Convention on Administrative Assistance in Tax Matters.

Given the important role which international organizations play in enhancing tax capacity of developing countries, the implementation of this commitment will be assessed through monitoring national actions on a bilateral basis and actions through and in partnership with international institutions (OECD, IMF, UN, World Bank, among others). In order to receive full compliance, G20 members must take actions to assist developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or member of international organizations.

Scoring Guidelines

-1	Member does not assist developing countries in capacity building through national actions that address common issues and common interests or as stakeholders or members of international organizations.
0	Member assists developing countries in capacity building through national actions that address common issues and common interests OR as stakeholders or members of international organizations, but not both.
+1	Member assists developing countries in capacity building through national actions that address common issues and common concerns AND as stakeholders or members of international organizations.

Argentina: +1

Argentina has fully complied with the commitment on building tax administration capacity in developing countries.

Argentina has assisted developing countries in capacity building through national actions that address common issues and common interests.

Argentina continues to publish data on taxes collected on a monthly basis.¹⁶⁰⁴

On 11 December 2015, Officials from the National Customs and Tax Administration (SUNAT) of Peru came to Argentina to participate in the internship that gave the Argentinian Federal Administration of Public Revenue. SUNAT agents and their Argentine counterparts discussed the conceptual models, and technological and application architecture that supports tax accounting.¹⁶⁰⁵

¹⁶⁰⁴ Panorama Fiscal, El Diario de la AFIP. 1 April 2015. Date of Access: 7 April 2015.
<http://www.dialogofiscal.gob.ar/panoramaFiscal/recaudacion/marzo2015.aspx>.

¹⁶⁰⁵ La AFIP brindó una pasantía sobre el Sistema de Cuentas Tributarias a su par de Perú, El Diario de la AFIP. 11 December 2014. Date of Access: 7 April 2015.
<http://www.dialogofiscal.gob.ar/internacionales/sistemaCuentasTributarias.aspx>.

On 23 February 2015, it was reported that the Federal Administration of Public Revenue of Argentina held a meeting with the ambassador of Azerbaijan to continue strengthening cooperation in tax and customs spheres.¹⁶⁰⁶

On 17 March 2015, a delegation of officials from the Argentinian Federal Administration of Public Revenue visited Morocco, where they conducted seminars and shares successful experiences in online submission of affidavits, electronic payment, registration system, current accounts and other tax-oriented issues such as electronic monitoring and control tax data.¹⁶⁰⁷

Argentina has assisted developing countries in capacity building as stakeholders or members of international organizations.

According to the Global Forum on Transparency and Exchange of Information for Tax Purposes report delivered to G20 finance ministers, Argentina has been largely compliant with the international standard of transparency and exchange of information on request.¹⁶⁰⁸

On 11-14 December 2015, Argentina organized a workshop “Mega Data in Precise Agriculture,” attended by the representatives of Inter-American Centre of Tax Administrations, Empresa Brasileira de Pesquisa Agropecuária (Embrapa) and researchers from the United States, Uruguay, etc. The purpose of the meeting was to exchange techniques on data analysis in agriculture. The initiative was supported by the participants, and the next meeting is to take place in August in Colombia.¹⁶⁰⁹

On 22-26 March 2015, the Argentinian Federal Administration of Public Revenue organized a course “The tax administration against global taxpayer” in close collaboration with the United Nations Institute for Training and Research. This course provided a solid introduction to the technical aspects of international taxation, as well as the theoretical approach, based on the most updated information.¹⁶¹⁰

Argentina has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or members of international organizations. Thus, it is awarded a score of +1.

Analyst: Anton Markov

Australia: 0

Australia has partially complied with the commitment on assisting developing countries to build their tax administration capacity.

Australia has taken actions to assist developing countries in capacity building through national actions.

¹⁶⁰⁶ Argentina y Azerbaiyán continúan reforzando sus lazos aduaneros y tributarios, El Diario de la AFIP. 23 February 2015. Date of Access: 7 April 2015. <http://www.dialogofiscal.gob.ar/internacionales/lazosAduaneros.aspx>.

¹⁶⁰⁷ La AFIP brinda asistencia técnica a la DGI de Marruecos, El Diario de la AFIP. 17 March 2015. Date of Access: 7 April 2015. <http://www.dialogofiscal.gob.ar/internacionales/dgiMarruecos.aspx>.

¹⁶⁰⁸ Tax Transparency 2014: Report on Progress, Global Forum on Transparency and Exchange of Information for Tax Purposes. Date of Access: 7 April 2015. <http://www.oecd.org/tax/transparency/GFannualreport2014.pdf>.

¹⁶⁰⁹ El CIAT estuvo presente en taller sobre agricultura de precisión en Argentina, CIAT Blog. 10 January 2015. Date of Access: 7 April 2015. <http://www.ciatnews.cgjar.org/es/2015/01/10/el-ciat-estuvo-presente-en-taller-sobre-agricultura-de-precision-en-argentina/>.

¹⁶¹⁰ Echegaray presentó el curso internacional “La administración tributaria frente el contribuyente global”, El Diario de la AFIP. 23 March 2015. Date of Access: 7 April 2015. <http://www.dialogofiscal.gob.ar/gestion/bariloche.aspx>.

Since 2009, Australia has been providing broad governance assistance to Nauru, aimed at helping the country's government to improve fiscal management, strengthen public financial management, improve government communications and enhance data collection. Australia is funding the recruitment and salaries of three deputy Secretaries in the Department of Finance, responsible for revenue collection including customs revenue, debt management, public expenditure policy, as well as broad fiscal management.¹⁶¹¹

No Australian actions to assist developing countries in tax administration capacity building within the international institutions have been registered.

During the compliance period Australia has taken steps aimed at assisting developing countries in building their tax administration capacity through national actions but not as a member of international organization. Thus, it has been awarded a score of 0.

Analyst: Andrei Sakharov

Brazil: +1

Brazil has fully complied with the commitment on building tax administration capacity in developing countries.

Brazil has assisted developing countries in capacity building through national actions that address common issues and common interests.

On 26 November 2014, the Ministry of Justice of Brazil participated in the Launch Workshop Asset Recovery Network for West Africa. Brazil's participation in the forum aims to expand the partnership of cooperation in asset recovery and tax evasions fighting with the African continent. The network is an informal platform to assist in locating, identifying, freezing and confiscation of assets in the West African region. Brazil also participates in other forums and networks on the subject, such as the Asset Recovery Network of Financial Action Task Force of South America (RRAG) and the Asset Recovery Network (StAR Interpol).¹⁶¹²

Brazil has assisted developing countries in capacity building as stakeholders or members of international organizations.

On 22 December, the Administrative Council for Economic Defence (CADE) of the Federative Republic of Brazil and the Integrity Vice Presidency of the World Bank Group signed a memorandum of understanding. Under the memorandum the parties create transparent information exchange system by providing each other with relevant for financial frauds detection and prevention data which can facilitate elimination of tax evasions.¹⁶¹³

¹⁶¹¹ Governance assistance in Nauru, Australian Government. Date of Access 14 May 2015.

<http://dfat.gov.au/geo/nauru/development-assistance/Pages/governance-assistance-nauru.aspx>.

¹⁶¹² Ministério da Justiça Busca Intensificar Cooperação Jurídica com Gana e Paraguai, Brazilian Ministério da Justiça 26 November 2014. Date of Access: 4 April 2015. <http://www.justica.gov.br/noticias/ministerio-da-justica-busca-intensificar-cooperacao-juridica-com-gana-e-paraguai>

¹⁶¹³ The Administrative Council for Economic Defence 22 December 2014. Date of Access: 4 April 2015. [http://www.cade.gov.br/upload/MoU%20CADE%20-%20INT%20\(English\).pdf](http://www.cade.gov.br/upload/MoU%20CADE%20-%20INT%20(English).pdf)

On 6 January 2015, the CADE and the Inter-American Development Bank signed an agreement for cooperation and information sharing. It involves information exchange in spheres of such financial frauds as tax evasions, money laundering and corruption.¹⁶¹⁴

As of March 2015, Brazil is admitted to be largely compliant with the international standard of transparency and exchange of information in both phase 1 and phase 2.¹⁶¹⁵

Brazil has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or members of international organizations. Thus, it is awarded a score of +1.

Analyst: Sergey Burok

Canada: 0

Canada has partially complied with the commitment on tax administration.

The Canada Revenue Agency is committed to take advantage of emerging opportunities and to address the realities of the current global environment for reinforcing strategic partnerships with key countries and organizations and leveraging new networks of influence with developing and emerging economies.¹⁶¹⁶

Canada participates in the Convention on Mutual Administrative Assistance in Tax Matters to tackle tax evasion and avoidance especially in developing countries.¹⁶¹⁷

Canada has assisted developing countries in capacity building through national actions that address common issues and common concerns, but not as stakeholders or members of international organizations during the compliance period. Thus, it has been awarded a score of 0.

Analyst: Vitaly Nagornov

China: 0

China has partially complied with the commitment on tax administration.

China has assisted developing countries in capacity building through national actions that address common issues and common concerns.

On 26 March 2015, Indonesian President Joko Widodo visited the Boao Forum for Asia Annual Conference in China. During the visit China and Indonesia agreed to improve taxation cooperation, combat international tax evasion, help developing countries and low-income countries increase capabilities related taxation, develop favourable taxation environment for investment, economic cooperation and trade between the two countries. China and Indonesia signed the Protocol to and

¹⁶¹⁴ The Administrative Council for Economic Defence of Brazil 6 January 2015. Date of Access: 4 April 2015. <http://www.cade.gov.br/upload/Conv%C3%AAnio%20CADE-BID.pdf>

¹⁶¹⁵ Global Forum on Transparency and Exchange of Information for Tax Purposes, Phase 1 and Phase 2 Reviews, OECD. Date of Access: 4 April 2015. <http://www.oecd.org/tax/transparency/GFratings.pdf>

¹⁶¹⁶ Offshoring Canadian Taxes. Date of Access: 4 April 2015. <http://www.cra-arc.gc.ca/gncy/cmplnc/crprttxdnc/menu-eng.html>

¹⁶¹⁷ Jurisdictions Participating in the Convention on Mutual Administrative Assistance in Tax Matters. Status –8 April 2015. Date of Access: 10 April 2015. http://www.oecd.org/tax/exchange-of-tax-information/Status_of_convention.pdf

Memorandum of Understanding on the Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income.¹⁶¹⁸

No facts of China's assistance to developing countries in capacity building as stakeholders or members of international organizations have been registered during the compliance period. China has assisted developing countries in capacity building through national actions that address common issues and common concerns, but they do not assisted developing countries in capacity building as stakeholders or members of international organizations. Thus, it has been awarded a score of 0.

Analyst: Svetlana Nikitina

France: -1

France has not complied with the commitment on tax administration.

France is generally paying little attention to specific solutions that will benefit developing countries and has expressed no intention to undertake impact assessments of its international tax policies or its tax treaties to analyze the spillover effects on developing countries.

France has not assisted developing countries in capacity building through national actions that address common issues and common concerns or as stakeholders or members of international organizations. Thus, it has been awarded a score of -1.

Analyst: Vitaly Nagornov

Germany: +1

Germany has fully complied with the commitment on building tax administration capacity in developing countries.

Germany has assisted developing countries in capacity building through national actions that address common issues and common interests.

On 16, 17 February 2015, participants in the Executive Master's in Taxation Programme attended an expert meeting with the Bavarian Tax Administration at the Tax Office in Munich.¹⁶¹⁹ Among the topics under discussion were base erosion and profit shifting, taxation on e-commerce, standards for the automatic exchange of information and other relevant subjects. The main objective was to provide practical exchange of experiences in the field of taxation. The program was launched on 17 October 2014 by Thomas Silberhorn, Parliamentary State Secretary at the Federal Ministry for Economic Cooperation and Development of Germany. The participants are the first cohort of 27 employees of revenue authorities and ministries of finance from across sub-Saharan Africa.¹⁶²⁰ The program was developed jointly by Good Financial Governance in Africa Programme¹⁶²¹ established

¹⁶¹⁸ Joint Statement on Strengthening Comprehensive Strategic Partnership between the People's Republic of China and The Republic of Indonesia, Embassy of the People's Republic of China in the Kingdom of Norway 26 March 2015. Date of Access: 25 April 2015.

http://wza.fmprc.gov.cn/yxsm/index.php?m=proxy&a=show&q_url=http%3A%2F%2Fno.china-embassy.org%2Feng%2F.%2Fzyxw%2Ft1249201.htm

¹⁶¹⁹ News, Executive Master's In Taxation 16 February 2015. Date of Access: 22 April 2015.

<http://www.emtaxation.org/News.aspx>

¹⁶²⁰ Current Cohort, Executive Master's In Taxation 16 February 2015. Date of Access: 22 April 2015.<http://www.emtaxation.org/TheProgramme/CurrentCohort.aspx>

¹⁶²¹ Transparente Und Verantwortungsvolle Nutzung Öffentlicher Finanzen, Deutsche Gesellschaft für Internationale Zusammenarbeit. Date of Access: 22 April 2015. <https://www.giz.de/en/worldwide/17668.html>

by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), which supports the German government in achieving its objectives in the field of international cooperation for sustainable development,¹⁶²² the African Tax Administration Forum (ATAF) and the Berlin School of Economics and Law. It is designed to respond to partner needs of African tax officials, policy makers and tax practitioners to help them expand their expertise in tax policy and tax administration.¹⁶²³

Germany has assisted developing countries in capacity building as stakeholders or members of international organizations.

In February 2015, a draft field guide of the Tax Administration Diagnostic Assessment Tool (TADAT) was issued.¹⁶²⁴ It contains a structured methodology of this new initiative of the International Monetary Fund. The purpose of the organization is to provide measures to strengthen tax administration effectiveness and ensure fair, efficient, and transparent tax collection through assessing relative strengths and weaknesses of tax administrations. Germany actively participates in the affairs of organization. German representatives hold places in most of its organs. Marion Fleuth-Leferink is a member of TADAT's steering committee, which also means that Germany is among the contributors to TADAT's sub-account.¹⁶²⁵ Apart from that, Ministry for Economic Cooperation and Development of Germany is also one the TADAT international partners.¹⁶²⁶ TADAT carries out its assessment not only in advanced countries, but all over the world. Developing countries are widely engaged into the activities of the organization. ATAF is a member of the Technical Advisory Group, whose aim is to support the technical development and maintenance of the diagnostic tool. Maimbo Nyanga, the Director for Research and Planning of the Zambian Revenue Authority, speaking at the kick-off event, explained that the TADAT assessment was particularly useful for gaining a better understanding of reform needs and priorities.¹⁶²⁷ All current pilot missions of the organization take place in developing countries.¹⁶²⁸

Germany has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or members of international organizations. Thus, it is awarded a score of +1.

Analyst: Sergei Titov

India: +1

India has fully complied with the commitment on building tax administration capacity in developing countries.

India has assisted developing countries in capacity building through national actions that address common issues and common interests.

¹⁶²² Profil, Deutsche Gesellschaft für Internationale Zusammenarbeit. Date of Access: 21 April 2015.

<http://www.giz.de/en/aboutgiz/profile.html>

¹⁶²³ New International Degree To Strengthen Tax Administrations In Africa, Deutsche Gesellschaft für Internationale Zusammenarbeit. Date of Access: 22 April 2015. <http://www.giz.de/en/worldwide/27232.html>

¹⁶²⁴ Draft Field Guide, TADAT February 2015. Date of Access: 22 April 2015.

http://www.tadat.org/files/TADAT_FieldGuide_V5.pdf

¹⁶²⁵ Steering Committee, TADAT. Date of Access: 22 April 2015. <http://tadat.org/overview/SteeringCommittee%20.html>

¹⁶²⁶ TADAT Partners, TADAT. Date of Access: 22 April 2015. http://tadat.org/overview/tadat_partner.html

¹⁶²⁷ New Tool to Improve Tax Administration, IMF 5 March 2014. Date of Access: 22 April 2015.

<http://www.imf.org/external/pubs/ft/survey/so/2014/NEW030314A.htm>

¹⁶²⁸ New, Pilot Missions, TADAT. Date of Access: 22 April 2015. http://tadat.org/news_events/PilotMissions.html

On 23-24 December 2014, the standing committee of the South Asian Association for Regional Cooperation (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka) approved the Report on Avoidance and Double Taxation and Mutual Administrative Assistance in Tax Matters.¹⁶²⁹ All the member countries are referred to developing economies according to the definition given by the World Bank.¹⁶³⁰ The collaboration in the sphere of taxes can thus be seen as the assistance provided by India to developing countries.

India has assisted developing countries in capacity building as stakeholders or members of international organizations.

As of 4 March 2015, India participates in the Convention on Mutual Administrative Assistance in Tax Matters.¹⁶³¹

On 9 February 2015, in his report to G20 finance ministers the Secretary General of the Organisation for Economic Co-operation and Development stated that as of February 2015, the Global Forum on Transparency and Exchange of Information for Tax Purposes finished the second phase of evaluating jurisdictions' compliance with the international standard of transparency and exchange of information on request. India has received the rating of "compliant." Moreover, the report notices that India took the obligation to put into effect the new standard for the automatic exchange of information in 2018. As the member of the Global Forum, India is committed to provide technical assistance to developing countries to implement the new standard.¹⁶³²

India has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or members of international organizations. Thus, it is awarded a score of +1.

Analyst: Anastasiia Matiukhina

Indonesia: 0

Indonesia has partially complied with the commitment on building tax administration capacity in developing countries.

Indonesia has assisted developing countries in capacity building as stakeholders or members of international organizations.

On 12 February 2015, the Indonesian Ministry of Finance informed that at the meeting of the G20 finance ministers and central bank governors that had taken place in Istanbul on 9-10 February, the country had encouraged the implementation of the agreement to address base erosion and profit

¹⁶²⁹ Note by the Secretariat of Economic and Financial Cooperation, South Asian Association for Regional Cooperation 22 January 2015. Date of Access: 7 April 2015. http://www.saarc-sec.org/uploads/document/Note%20on%20Eco%20and%20Fin%20Coop%20-%2022%20January%202015_20150122045846.doc.

¹⁶³⁰ Country and Lending Groups, the World Bank. Date of Access: 7 April 2015. <http://data.worldbank.org/about/country-and-lending-groups>.

¹⁶³¹ Jurisdiction Participating in the Convention on Mutual Administrative Assistance in Tax Matters Status - 4 March 2015, OECD 4 March 2015. Date of Access: 7 April 2015. http://www.oecd.org/tax/exchange-of-tax-information/Status_of_convention.pdf.

¹⁶³² OECD Secretary-General Report to G20 Finance Ministers, OECD 9 February 2015. Date of Access: 7 April 2015. <http://www.oecd.org/tax/transparency/2015-Feb-GF-report-G20.pdf>.

shifting. Additionally, Indonesia expected the international taxation cooperation agenda in the form of taxation information exchange among countries to be realized immediately.¹⁶³³

However, no evidence of Indonesia assisting developing countries in capacity building through addressing common issues and common interests was found during the compliance period.

Indonesia has assisted developing countries in capacity building as stakeholders or members of international organizations. Thus, it is awarded a score of 0.

Analyst: Andrey Shelepov

Italy: -1

Italy has failed to comply with the commitment on assisting developing countries to build their tax administration capacity.

No evidence of Italy's national actions to assist developing countries in tax administration capacity building or Italy's involvement in international institutions' efforts to assist developing countries in tax administration capacity building was registered.

During the compliance period Italy has failed to take steps aimed at assisting developing countries in building their tax administration capacity through national actions and as a member of international organization. Thus, it has been awarded a score of -1.

Analyst: Andrei Sakbarov

Japan: 0

Japan has partially complied with the commitment on tax administration.

Japan has assisted developing countries in capacity building as stakeholders or members of international organizations.

On 7- 9 April 2015, Japanese Ministry of Finance and the International Monetary Fund (IMF) co-hosted the Sixth IMF-Japan High-Level Tax Conference for Asian Countries in Tokyo. The workshop will be financed by the Japan Administered Account for Selected IMF Activities. This conference aimed to build an effective tax system and tax administration in developing countries by exchanging their own experience.¹⁶³⁴

Japan has assisted developing countries in capacity building as stakeholders or members of international organizations, but has not assisted developing countries in capacity building through national actions that address common issues and common concerns. Thus, it has been awarded a score of 0.

Analyst: Vitaly Nagornov

¹⁶³³ Indonesia Encourages Implementation of MGM Agreement in G20, Ministry of Finance of Indonesia 12 February 2015. Access date: 17 April 2015. <http://www.kemenkeu.go.id/en/Berita/indonesia-encourages-implementation-mgm-agreement-g20>.

¹⁶³⁴ The Sixth IMF-Japan High-Level Tax Conference for Asian Countries, "Emerging Tax Issues in Asia", Tokyo, Japan, April 7-9. Date of Access: 22 April 2015. <http://www.imf.org/external/np/seminars/eng/2015/asiatax/>

Korea: 0

Korea has partially complied with the commitment on assisting developing countries in building their tax administration capacity.

From 23 to 29 November 2014, the Korean International Cooperation Agency (KOICA) conducted a Capacity Development of Tax Administration program for the participants from Myanmar. The program was aimed at assisting Myanmar officials in developing “long-term and short-term plans for building taxation capacity in line with the country’s economic development plan.”¹⁶³⁵

On 6 May 2015, KOICA announced a program to develop tax integrated system for 15 participants from Ecuador as part of the Korean government’s grant aid and technical cooperation in 2015. The 16-day program aims to share Korea’s experiences and strategies in tax administration, providing response to current challenges in tax administration sphere, and to assist Ecuador in building master plan for the generation of a system for integrated control of human resources processes.¹⁶³⁶

No facts of Korea’s assistance to developing countries in capacity building as members of international organizations have been registered.

During the compliance period Korea has taken steps aimed at assisting developing countries in building their tax administration capacity through national actions, while failing to provide assistance through multilateral channels. Thus, it has been awarded a score of 0 for partial compliance.

Analyst: Vitaly Nagornov

Mexico: +1

Mexico has fully complied with the commitment on assisting developing countries to build their tax administration capacity.

On 9-13 December 2014, a seminar on exchange of information for tax purposes was held in the Multilateral Tax Centre in Mexico.¹⁶³⁷ The Mexican Secretariat of Finance and Public Credit co-sponsored the event. The seminar was aimed to assist the ministries of finance and the tax administrations of Latin America and the Caribbean in the implementation of the appropriate legal and administrative framework for the effective implementation of information exchange. The seminar was attended by the representatives of tax authorities of developing countries such as Antigua and Barbuda, Costa Rica, El Salvador, Guatemala and Jamaica. The expert panel was composed of representatives from the Interamerican Centre of Tax Administrators (CIAT), the Organisation for Economic Co-operation and Development (OECD), the Global Forum on Transparency and Information Exchange.¹⁶³⁸

¹⁶³⁵ Capacity Development of Tax Administration (Myanmar), Korea International Cooperation Agency 21 November 2014. Date of assess: 16 June 2015. http://www.koica.go.kr/english/board/whats_new/1318746_3545.html.

¹⁶³⁶ Tax Integrated System Development (Ecuador), Korea International Cooperation Agency 6 May 2015. Date of assess: 25 May 2015. http://www.koica.go.kr/english/board/whats_new/1319712_3545.html.

¹⁶³⁷ The LAC Fiscal Initiative. Date of assess: 23 February 2015. <http://www.oecd.org/tax/tax-global/the-lac-fiscal-initiative.htm>.

¹⁶³⁸ The CIAT, OECD, SAT and SHCP of Mexico, AEAT of Spain and Guardia di Finanza of Italy sponsored an activity on information exchange for tax purposes. Date of assess: 23 February 2015.

<http://www.ciat.org/index.php/en/news/archived-news/news/3071-el-ciat-junto-con-la-ocde-el-foro-global-sobre-transparencia-e-intercambio-de-informacion-sat-de-mexico-la-secretaria-de-hacienda-y-credito-publico-de-mexico-shcp-aeat-de-espana-y-la-guardia-di-finanza-de-italia-llevaron-a-cabo-una-actividad-sobre-.html>.

On 13 March 2015, during President of Guatemala Otto Pérez Molina's visit to Mexico, the Agreement on Double Taxation and Tax Evasion Preventing was signed aimed at boosting bilateral trade and investment and information sharing between countries.¹⁶³⁹

During the compliance period Mexico has taken steps aimed at assisting developing countries in building their tax administration capacity through national actions and as a member of international organization (the OECD). Thus, it has been awarded a score of +1.

Analyst: Elizaveta Safonkina

Russia: 0

Russia has partially complied with the commitment to assist developing countries in building their tax administration capacity.

Russia is a member of and donor to the Public Expenditure Management Peer-Assisted Learning (PEMPAL) network, which is "a multilateral effort to develop capacity and share reform experiences among countries in Central Asia and Central and Eastern Europe." PEMPAL supports "the enhancement of domestic capacity in public expenditure and financial management, to play a catalytic role in scaling up aid, and to strengthen institutions and policies."¹⁶⁴⁰ Through a trust fund managed by the World Bank, Russia allocated USD30 million to support PEMPAL in 2010-2014, including USD4 million in 2014.¹⁶⁴¹

Russia has taken actions to assist developing countries in capacity building as stakeholders of international organizations but no facts of assistance through national actions have been registered. Thus, Russia is awarded a score of 0.

Analyst: Mark Rakhmangulov

Saudi Arabia: -1

Saudi Arabia has failed to comply with the commitment on assisting developing countries to build their tax administration capacity.

No evidence of Saudi Arabia's national actions to assist developing countries in tax administration capacity building or involvement into international institutions' efforts to assist developing countries in tax administration capacity building was registered.

During the compliance period Saudi Arabia has failed to take steps aimed at assisting developing countries in building their tax administration capacity through national actions and as a member of international organization. Thus, it has been awarded a score of -1.

Analyst: Andrei Sakharov

¹⁶³⁹ Declaración Conjunta con motivo de la Visita Oficial a México del Presidente de Guatemala, Otto Pérez Molina. Date of assess: 5 April 2015. <http://www.presidencia.gob.mx/declaracion-conjunta-con-motivo-de-la-visita-oficial-a-mexico-del-presidente-de-guatemala-otto-perez-molina/>; México y Guatemala buscan prevenir la evasión fiscal entre ambos países. Date of assess: 5 April 2015. <http://www.jornada.unam.mx/ultimas/2015/03/13/mexico-y-guatemala-firman-acuerdo-para-prevenir-la-evasion-fiscal-entre-ambas-naciones-150.html>.

¹⁶⁴⁰ About PEMPAL, PEMPAL. <http://www.pempal.org/about/about-pempal/>.

¹⁶⁴¹ Government Directive No 222-r of 26 February 2010, Russian Government 2 March 2010. <http://archive.government.ru/gov/results/9565/>.

South Africa: –1

South Africa has failed to comply with the commitment on tax administration.

No South Africa's actions on building developing countries' tax administration capacity have been registered. Thus, it has been awarded a score of –1.

Analyst: Lyudmila Tarasenko

Turkey: 0

Turkey has partially complied with its commitment on building tax administration capacity in developing countries.

Turkey has assisted developing countries in capacity building as stakeholders or members of international organizations.

On 9-10 February 2015, Turkey hosted the meeting of G20 finance ministers and central bank governors in Istanbul, where the Global Forum progress report was delivered. The report provides information on the progress in incorporating beneficial ownership into the Global Forum's standards and on ongoing preparations for monitoring the implementation of the new standard on automatic exchange of information, with a particular focus on helping developing countries build capacities to benefit from the international tax agenda.¹⁶⁴²

On 6-8 May 2015, Turkey hosted the G20 International Tax Symposium organized by the Ministry of Finance. The main aim of the event was to discuss developments in international taxation related to the key items of the G20 tax agenda and to “ensure that developing and low-income countries benefit from the G20's work on tax and other related matters.”¹⁶⁴³

Turkey, however, failed to assist developing countries in capacity building through national actions that address common issues and common interests.

Turkey has assisted developing countries in capacity building as stakeholders or members of international organizations. Thus, it is awarded a score of 0.

Analyst: Nadezhda Sporysheva

United Kingdom: +1

The United Kingdom has fully complied with the commitment on building tax administration capacity in developing countries.

The UK has assisted developing countries in capacity building through national actions that address common issues and common interests.

¹⁶⁴² OECD Secretary-General Report to G20 Finance Ministers Istanbul, Turkey February 2015. Part II, OECD 10 February 2015. Date of Access: 27 April 2015. <http://www.oecd.org/tax/transparency/2015-Feb-GF-report-G20.pdf>.

¹⁶⁴³ G-20 International Tax Symposium, G20 Turkey 2015 12 January 2015. Date of Access: 27 April 2015. <https://g20.org/g-20-international-tax-symposium/>.

In December 2014, the UK Department for International Development (DFID) updated its Operational Plan for 2011-2016. The plan provides for actions to help scale up tax revenue collection in seven developing countries by 2016.¹⁶⁴⁴

DFID is currently implementing a project in Afghanistan worth GBP26 million aimed at increasing its domestic tax revenues, including through capacity building.¹⁶⁴⁵ A similar project worth about GBP7 million will be implemented by 30 June 2016 in Bangladesh.¹⁶⁴⁶

DFID is also implementing a project aimed at generating “knowledge that will help developing (particularly low income and fragile) countries to i) mobilise domestic resources efficiently, effectively and equitably; and ii) develop tax systems that promote pro-poor economic growth and good governance.”

The United Kingdom has assisted developing countries in capacity building as stakeholders or members of international organizations.

DFID is currently engaged in tax capacity building in 22 countries and developing tax capacity building work in a further four countries. These actions include indirect support through multilateral organisations. The DFID-funded tax capacity building unit has provided direct peer-to-peer support in Tanzania, Ghana, Rwanda, Ethiopia, Pakistan, Malawi and Ukraine. Technical assistance to help combat tax avoidance and enhance revenue collection has been provided for Kenya, Uganda, Ghana, Ethiopia, Zambia, Rwanda, South Africa and Liberia through the UK program of funding to the Global Forum, the International Finance Corporation and the Organisation for Economic Co-operation and Development (OECD).

DFID currently funds the tax administration diagnostic tool development projects worth GBP1.785 million in partnership with the International Monetary Fund to help tax authorities in developing countries achieve more effective systems to reduce tax evasion, tax avoidance and tax base erosion.¹⁶⁴⁷

From 10 December 2014 to 31 March 2015, DFID provided GBP500,000 to the African Tax Administration Forum in order to improve tax policy and administration in Africa and build fiscal sustainability.¹⁶⁴⁸

The United Kingdom has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholders or members of international organizations. Thus, it is awarded a score of +1.

Analyst: Andrey Shelepov

¹⁶⁴⁴ Operational Plan 2011-2016. Governance, Open Societies and Anti-Corruption Department, UK Government 18 December 2015. Access date: 17 April 2015. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/389494/GOSAC_Operational_Plan.pdf.

¹⁶⁴⁵ Tax Administration Project, Development Tracker 25 March 2015. Access date: 17 April 2015. <http://devtracker.dfid.gov.uk/projects/GB-1-202311/>.

¹⁶⁴⁶ Tax Administration - Compliance and Taxpayer Services (TACTS), Development Tracker 18 March 2015. Access date: 17 April 2015. <http://devtracker.dfid.gov.uk/projects/GB-1-113287/>.

¹⁶⁴⁷ Tax administration diagnostic tool development (TADAT), Development Tracker 27 February 2015. Access date: 17 April 2015. <http://devtracker.dfid.gov.uk/projects/GB-1-204114/>.

¹⁶⁴⁸ support to the African Tax Administration Forum, Development Tracker 12 March 2015. Access date: 17 April 2015. <http://devtracker.dfid.gov.uk/projects/GB-1-204677>.

United States: 0

The United States has partially complied with the commitment on tax administration.

On 29 January 2015, in its submission on strengthening international tax cooperation, the US assured the United Nations in its strong support of tax collection and management capacity-building assistance for developing countries. According to this document, during the period under review, the US has continued to provide assistance on tax policy and legislation and to support activities increasing the efficiency of tax regimes in Georgia, Egypt and El Salvador.¹⁶⁴⁹

The Tax Reform Project (TRP), funded by the US Agency for International Development, has organized several events on taxation in developing countries.¹⁶⁵⁰ On 11 March 2015, TRP together with the Civil Engagement in Local Governance project held a conference on local taxes and taxation reform in Yerevan, Armenia. TRP experts shed light on international practice of sub-national and property taxation for a number of professionals including top officials from central and local governments.¹⁶⁵¹

However, no actions of the US as a stakeholder or a member of international organizations have been registered.

The United States has taken actions to assist developing countries in capacity building through national actions that address common issues and common interests but failed to do so as a stakeholder or a member of international organizations. Thus, it has been awarded a score of 0.

Analyst: Tatiana Lanshina

European Union: +1

The European Union has fully complied with the commitment on building tax administration capacity in developing countries.

The EU has assisted developing countries in capacity building through national actions that address common issues and common concerns.

On 27 November 2014, the European Commission approved 12 projects, for a total amount of USD133 million, under its new PanAfrican program, which will foster Africa's integration process and support public finance management in the region among the other tasks.¹⁶⁵²

The EU has assisted developing countries in capacity building as stakeholders or members of international organizations.

On 10 February 2015, the European Union and its members stated the position on options for further strengthening the work on international tax cooperation. They acknowledged the need to further promote international cooperation in tax matters and decided to continue to engage on this issue. The EU confirmed supporting developing countries in designing efficient and cooperative tax systems as a priority of its development policy along with the commitment to participate actively in

¹⁶⁴⁹ U.S. Submission on Strengthening International Tax Cooperation, U.S. Mission to the United Nations 29 January 2015. Date of Access: 27 April 2015. http://www.un.org/esa/ffd/wp-content/uploads/2015/03/ICTM2015_USA.pdf.

¹⁶⁵⁰ USAID a U.S. government agency focused at global poverty eradication

¹⁶⁵¹ "Local Taxes : Current Issues and Policy Perspectives " Conference Took Place in Yerevan, Tax Reform Project 11 March 2015. Date of Access: 27 April 2015. <http://trp.am/en/events/49-presentations/193-ltconf>.

¹⁶⁵² EU launches the first projects of the PanAfrican programme, European Commission 27 November 2014. Date of Access: 18 April 2015. http://europa.eu/rapid/press-release_MEX-14-2202_en.htm

the work of international organizations, such as the Organisation for Economic Co-operation and Development (OECD), including the OECD informal taskforce on tax and development, and to engage in extensive dialogue with developing countries through instruments such as the Global Forum on Transparency and Exchange of Information and the Global Forum on development.¹⁶⁵³

In preparation of the international conference on development finance, taking place in Addis Ababa 13-16 July, the European Parliament is working on “Financing for Development” report which has to be completed by 20 April 2015.¹⁶⁵⁴ According to this document, the European Parliament is going to encourage the commission to strengthen the areas of tax administration, financial governance and public financial management through enhanced cooperation and capacity building in developing countries.¹⁶⁵⁵

The European Union has assisted developing countries in capacity building through national actions that address common issues and common concerns and as stakeholder or member of international organizations. Thus, it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

¹⁶⁵³ European Union and its members states position on options for further strengthening the work and operational capacity of the committee of experts on international tax cooperation, with an emphasis on better integrating its work into the Programme of work of the council following its reform and effectively contributing to the financing for development process and to the post- 2015 development agenda, United Nations 10 February 2015. Date of Access: 18 April 2015. http://www.un.org/esa/ffd/wp-content/uploads/2015/03/ICTM2015_EuropeanUnion.pdf

¹⁶⁵⁴ Committee meeting 20 April: development finance, global health, Structured Dialogue, European Parliament 13 April 2015. Date of Access: 18 April 2015. <http://www.europarl.europa.eu/committees/en/deve/home.html>

¹⁶⁵⁵ Draft Report on Financing for Development, European Parliament 2 March 2015. Date of Access: 18 April 2015. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+COMPARL+PE-549.307+02+DOC+PDF+V0//EN&language=EN>