

GLOBAL FORUM ON  
**TRANSPARENCY AND EXCHANGE OF  
INFORMATION FOR TAX PURPOSES**

# Enabling Global Progress in Tax Transparency

2024 GLOBAL FORUM CAPACITY BUILDING REPORT

## Preface



**Gaël Perraud**  
Chair of the Global Forum

*Ensuring the participation of our members on an equal footing to the work and benefits of the tax transparency agenda is a cornerstone of the Global Forum's mission and a guiding principle in my first year of mandate as Chair. The capacity-building activities offered to all members and, in particular, to developing countries deliver an essential contribution to fulfil what Global Forum Members signed up to when they decided to become part of this global community. I am pleased to witness that again in 2023, the Global Forum capacity-building programme was conducive to concrete improvements and enhanced the ability of our members to foster domestic resource mobilisation and fight illicit financial flows.*



**Zayda Manatta**  
Head of the Global Forum  
Secretariat

*The capacity-building and outreach programme of the Global Forum continues to evolve to offer a more comprehensive assistance to our members. In 2023, ensuring that developing countries that are interested in automatic exchange of information are able to effectively participate in this form of cooperation and consolidating the potential of the regional initiatives were the two most impactful aspects of the programme. Continuing delivering – and updating – our training offer also ensures our capacity-building programme stays in line with our members' needs. The encouraging figures of the additional revenue collected in 2023 thanks to exchange of information showcase that building capacity on exchange of information can have a real impact.*

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# Abbreviations and acronyms

<b>ADB</b>	Asia Development Bank
<b>AEOI</b>	Automatic Exchange of Financial Account Information
<b>APRG</b>	Automatic Exchange of Information Peer Review Group
<b>ATAF</b>	African Tax Administration Forum
<b>AU</b>	African Union
<b>BEPS</b>	Base Erosion and Profit Shifting
<b>CARF</b>	Crypto-Asset Reporting Framework
<b>CBAR</b>	Cross-Border Assistance in the Recovery of Tax Claims
<b>CBO</b>	Capacity Building and Outreach
<b>CIAT</b>	Inter-American Centre of Tax Administrations
<b>CDS</b>	Confidentiality and Data Safeguards
<b>CREDAF</b>	Cercle de Réflexion et d'Échange des Dirigeants des Administrations Fiscales
<b>CRS</b>	Common Reporting Standard
<b>CRS MCAA</b>	Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information
<b>DGI</b>	General Directorate of Taxes (Direction Générale des Impôts)
<b>ECOWAS</b>	Economic Community of West African States
<b>EOI</b>	Exchange of Information
<b>EOIR</b>	Exchange of Information on Request
<b>Global Forum</b>	Global Forum on Transparency and Exchange of Information for Tax Purposes
<b>GRS</b>	Revenue Service of the Ministry of Finance of Georgia
<b>IFFs</b>	Illicit financial flows
<b>IRC</b>	Internal Revenue Commission of Papua New Guinea
<b>ISM</b>	Information security management
<b>KSP</b>	Knowledge Sharing Platform
<b>LRA</b>	Liberia Revenue Authority
<b>MAAC</b>	Multilateral Convention on Mutual Administrative Assistance in Tax Matters
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PRG</b>	Peer Review Group
<b>PRO</b>	Public Revenue Office of North Macedonia
<b>SARS</b>	South African Revenue Service
<b>Secretariat</b>	Global Forum Secretariat
<b>SRI</b>	Internal Revenue Service of Ecuador (Servicio de Rentas Internas)
<b>STS</b>	State Tax Service of Ukraine
<b>UEMOA</b>	West African Economic and Monetary Union (Union économique et monétaire ouest-africaine)
<b>VAT</b>	Value Added Tax
<b>WB</b>	World Bank
<b>Wider Use</b>	Use of information exchanged for tax purposes for other purposes than tax
<b>WLITT</b>	Women Leadership in Tax Transparency
<b>Working Group</b>	Working Group on Cross-Border Assistance in Tax Recovery

## Executive summary

The uncertain international landscape spawned by multi-pronged crisis continued to put pressure on the finances of jurisdictions all over the world, with more intensity for developing countries. In a scenario of limited or slower economic growth and the persisting plague of illicit financial flows (IFFs), mobilising domestic revenues remains a priority for governments. Tax transparency and exchange of information (EOI) have played and continue to play an important role in mobilising domestic resources. The Secretariat of the Global Forum on Transparency and Exchange of Information for Tax Purposes (Secretariat) supports the implementation and the use of two international tax transparency standards: the Standard on Transparency and Exchange of Information on Request (EOIR) and the Standard on Automatic Exchange of Financial Account Information (AEOI). Its extensive capacity-building and outreach programme contributes to the domestic, regional and international efforts to fight tax evasion and other IFFs.

*In 2022, at least EUR 76.6 million of additional revenue was identified in Africa, EUR 3.9 billion in Asia, and EUR 708 million in Latin America due to EOI.*

Significant progress was achieved in 2023. Through the implementation of the tax transparency standards, Global Forum members, including developing countries, have mobilised domestic resources. They reported the identification of EUR 126 billion of additional revenue in the 2009-2022 period through offshore tax investigations, including EOIR, the use of CRS data and AEOI-related voluntary disclosure programmes or alike. Overall, developing members reported around one third of this amount (EUR 41 billion). In 2022, at least EUR 76.6 million of additional revenue was identified in Africa, EUR 3.9 billion in Asia, and EUR 708 million in Latin America due to EOI.

These impressive figures are the result of several years of awareness-raising and capacity-building activities to support the implementation of the tax transparency standards and foster effective administrative co-operation between jurisdictions.

The regional approach to build capacity remains a strong instrument to share experience and spread the benefits of implementing the tax transparency standards.

### KEY FIGURES

- **EUR 41 billion** in additional revenue identified by developing members since 2009 due to EOI
- **75 developing countries** have received bilateral technical assistance in 2023
- **Developing country members** are the majority of Global Forum membership, i.e. 55% of the membership (94 members)
- **2 700 requests for information** sent by developing countries in 2022
- **48 developing country members** committed to start AEOI by 2026 (out of which 34 have already started exchanging)
- **Technical assistance and training programmes** rated 4.7 / 5 and 4.4 / 5 respectively
- **Over 9 500 officials trained** in 2023
- **71 developing country members** participating in the MAAC, which is in force for 66 of them
- **24 female officials from developing country members** benefited from a nine-month training and mentoring programme.



The participation of developing countries in Global Forum bodies and processes kept growing. Five additional developing countries joined the Global Forum (Angola, Democratic Republic of the Congo, Fiji, Sierra Leone and Zimbabwe) in 2023, bringing the membership to 170, over 55% of which are developing countries. Through their active engagement in the tax transparency work, they contributed to carry out the peer review processes, to steer the work of the Global Forum, including its future direction, to develop the policies of the different Global Forum bodies and to share valuable experience and expertise in all areas of the implementation of the standards.

To respond to the growing needs of its members, and primarily developing countries, a high level of bilateral support has been maintained: 91 jurisdictions benefitted from a form of bilateral technical assistance, with intensive support provided to 75 developing countries, in all areas of the implementation and the use of the tax transparency standards. The technical assistance programme of the Secretariat has been rated 4.7 out of 5 by the beneficiaries.

In particular, the implementation of the Strategy to unleash the potential of AEOI for developing countries has continued to have a positive impact. Three new jurisdictions committed to implementing AEOI by a specific date, with an overall 30% increase of committed jurisdictions since the Strategy was proposed in 2021. As a result, over 52% of the developing members are now implementing AEOI. In addition, Thailand started its first automatic exchanges, bringing to 34 the number of developing countries currently exchanging automatically financial account information.

Another impact of the technical assistance programme is the growth of the global EOI network with more jurisdictions joining the Convention on Mutual Administrative Assistance in Tax Matters (MAAC) to which 147 jurisdictions participate (over 48% being now developing countries). With Benin, Papua New Guinea and Viet Nam depositing their instrument of ratification, the MAAC is in force for 141 jurisdictions (including 66 developing countries).

*The financial support from donor partners has been critical to respond to the needs of developing countries and to provide them with quality, comprehensive and impactful assistance.*



Developing the knowledge and skills of officials, in particular tax auditors and EOI officers, is critical to ensure the effective use of the EOI infrastructure implemented by member countries. This year, the programme contributed to build the capacities of over 9 500 officials through training events led by the Secretariat (5 113 officials), e-learning courses (2 086 officials), and the training led by the laureates of the Train the Trainer programme (2 342 officials). Participants to the training activities delivered by the Secretariat rated them 4.4 out of 5.

16th Global Forum plenary meeting, 29 November-1 December 2023, Lisbon, Portugal.

This diversified training support has contributed over the years to increasing the number of requests for information sent by developing countries to support their tax investigations and audits. In 2022, at least 2 700 requests for information were sent by developing countries to support their cross-border investigations (+12.5% compared to 2021).

The development of knowledge tools remained an essential axis of the capacity-building programme. Through these tools local knowledge and skills are built. They are also integrated as a component of the bilateral technical assistance activities to facilitate the implementation and the use of the tax transparency standards.

While the goals set in the 2023-2027 capacity-building strategy are on track, the demand for technical assistance is continuously increasing with the expanding membership, and more resource-intensive capacity-building activities, in particular with the implementation of AEOI by developing countries. This includes support on information security management, and possibly, in the very near future, the implementation of other forms of automatic exchanges (e.g. crypto-assets). The financial support from donor partners has been critical to respond to the needs of developing countries and to provide them with quality, comprehensive and impactful assistance. With their renewed engagement, the progress achieved so far by developing countries will be consolidated and extended.

# Introduction

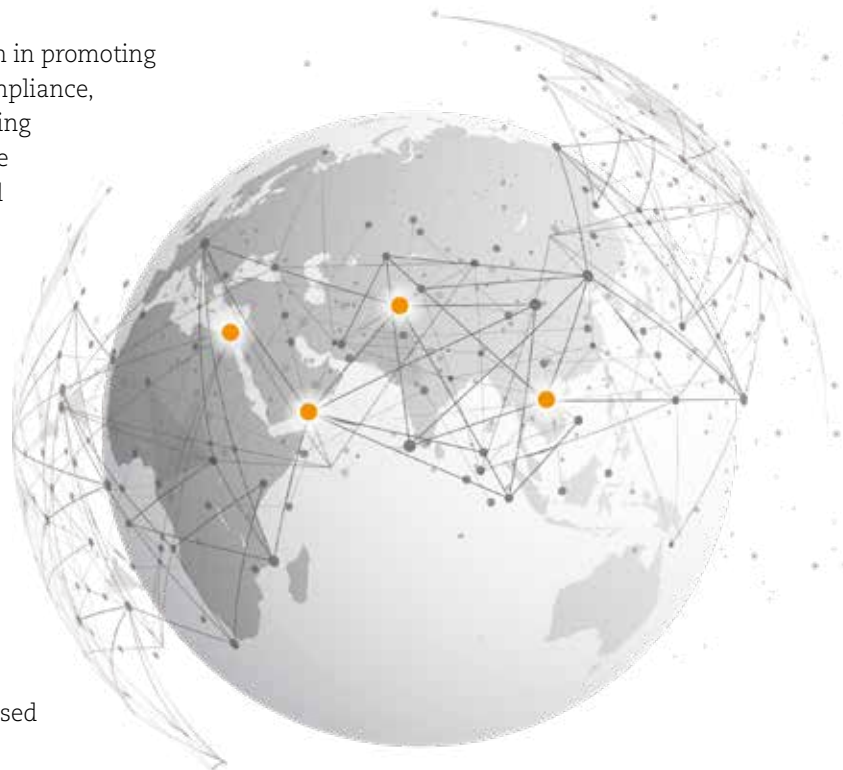
Since 2009, the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) has been instrumental in facilitating an effective international co-operation to tackle cross-border tax evasion. Through the monitoring and peer review of the implementation of the international tax transparency standards, i.e. the Transparency and Exchange of Information on Request (EOIR) and the Automatic Exchange of Financial Account Information (AEOI) standards, decisive results were reached with increased transparency and tangible impact on domestic resource mobilisation.

With more developing countries joining the tax transparency journey, the Secretariat of the Global Forum (Secretariat) has been deploying a capacity-building programme since 2011. Supporting the implementation of the tax transparency standards and their effective use to fight tax evasion and other IFFs (IFFs) has progressively become a fundamental part of the Global Forum work.

The current global landscape makes the fight against tax evasion and other IFFs more pressing: the aftermath of the COVID-19 pandemic, the effects of the global warming and the geopolitical crisis resulted in many countries in slower economic growth, increased government expenditure on public health, social and economic support, ecological transition and other areas. Mobilising revenue is a priority. In this context improving the fight against tax evasion and other IFFs is essential.

The relevance of the tax transparency dimension in promoting the fairness of the tax system and voluntary compliance, reducing tax deviance and defiance, and mobilising additional revenue is widely acknowledged in the literature. It has increased the need for technical support, including in the more technically complex aspects of the standards, and intensified the demand to strengthen domestic capacities. The Secretariat has pursued a comprehensive and multi-pronged capacity-building approach. Raising awareness of decision-makers and senior officials, building knowledge and skills, and supporting the implementation and the use of exchange of information (EOI) remained key axis.

This report highlights the most remarkable achievements in 2023, underlining an increasing use of EOI tools by jurisdictions and which goes in parallel with additional revenues being mobilised thanks to EOI.





# 1 | Making a difference with tax transparency

The Secretariat's capacity-building programme aims to prompt not only a successful implementation of the tax transparency standards but, above all, to allow all Global Forum members to reap the fruits of their implementation (see Box 1).

The Secretariat devotes resources to the engagement of all members but most prominently seeks the active participation and involvement of developing countries, whose share in the membership of the Global Forum keeps on growing. The regional approach of the capacity-building programme expanded further in delivering technical assistance and engaging jurisdictions.



## 1. Making a difference with tax transparency

### BOX 1. SOUTH AFRICA – Exchange of information as a tool for enhancing domestic resource mobilisation

**South Africa is a member of the Global Forum since 2009 and is committed to implementing the EOIR and AEOI standards. In 2022, South Africa was one of the African countries that reported identifying additional revenues (tax, penalties and interest) through the use of EOIR. What steps has South African Revenue Service (SARS) taken to enhance the effective use of these standards in the fight against cross-border tax evasion?**

In order to ensure efficient implementation and use of both standards, (SARS) had to review its tax compliance initiatives' strategy and ensure that it incorporated all available tools to further increase tax revenues. Initial training initiatives to encourage the use of EOI was presented by the EOI Unit to top management. Due to specific cases having yielded increased revenue as a result of the use of EOI, top management committed to have all investigators and auditors, including debt collectors, trained by the EOI Unit. A partnership between the EOI Unit and SARS' Training Academy ensured that the training reached a broader audience of employees. As a result, during the 2023 calendar year, more than 200 auditors were trained. The knowledge and skills gained during the training interventions equipped the auditors to proficiently participate in a simultaneous tax examination with a treaty partner that is currently underway. Overall, the training of auditors, their inclusion in case discussions with other jurisdictions and maintaining good relationships with treaty partners have seen an increased number of outgoing requests, as well as inquiries on the use of EOI.

#### **What strategy has SARS adopted for translating the information received under the EOIR standard into additional revenues?**

SARS has adopted a multi-pronged approach that includes:

- escalating to the Compliance Risk Division relevant information received from treaty partners including incoming EOIR, Spontaneous EOI and tax rulings from partner jurisdictions
- encouraging auditors to make use of skills transfer or knowledge sharing between South Africa and other jurisdictions on complex investigations
- embedding a reporting framework between SARS' Audit Divisions and the EOI Unit in order to track any assessments that have been raised as a result of information received through EOI
- capacitating the Debt Unit on the effective use of assistance in the recovery of tax claims.

#### **What are the challenges that SARS has faced in its quest to request and use the information received and what steps has SARS taken to overcome these challenges?**

The main challenges experienced by SARS include:

- resistance to participate in training initiatives because of short-term revenue targets
- case deliverables are often not aligned to the response times when a request is made which negatively impacts Key Performance Indicators of the auditors
- the EOI Unit identifying that domestic resources have not been exhausted, and
- ensuring that the EOI process is not abused and that the EOIR standard is adhered to.



*The knowledge and skills gained during the training interventions equipped the auditors to proficiently participate in a simultaneous tax examination with a treaty partner that is currently underway.*

To address these challenges, SARS has taken the following steps:

- creating awareness and receiving top management support for the EOI process
- developing a sound Standard Operating Procedure (EOI manual) to provide guidance to all SARS officials involved in the EOI processes
- continuously supporting auditors throughout the EOI process (e.g. analysis of cases where EOI may be useful and drafting of the requests)
- educating auditors on assistance in the recovery of tax claims to ensure that tax assessments raised translate to money in the bank
- implementing a reporting framework to measure the impact of EOI
- using AEOL data to identify other treaty partners and/or other financial instruments where the taxpayer under investigation may have links.

### **What lessons can SARS share with its peers in making effective use of EOIR and enhancing domestic resource mobilisation?**

SARS has learnt that EOI can also be a powerful tool for detecting tax fraud in indirect taxes.

For instance, SARS was in the process of conducting a value added tax (VAT) audit for the VAT periods August 2014 to March 2016, based on large value refund VAT returns filed during these periods. The VAT vendor also had a history of non-compliance and had been subject to a VAT and Income Tax audit in 2011 for financial years 2003 to 2009. When questioned the vendor submitted that the refund returns were of exports operations to foreign countries. For SARS to confirm with certainty that all exports claimed qualified for the VAT zero rate and ensure that the vendor was compliant, and no fraudulent activities were taking place, the VAT Audit Team submitted a request for information to the EOI Unit. In turn, the EOI Unit send EOI requests to a sample of six jurisdictions seeking a confirmation that the goods had indeed been received in the destination countries.

The six treaty partners submitted partial responses with the last response received within nine months of the first request. As a result of the responses received from the treaty partners the Audit Team was able to raise assessments to the value of EUR 3.6 million (ZAR 71.6 million) which included a capital amount of EUR 1.6 million (ZAR 32.6 million) and understatement penalties of EUR 2 million (ZAR 39 million).

However, to harness the power of EOI, the country needs to:

- be specific about the information required to finalise the audit
- limit the request to necessary information relevant to the audit/investigation
- use all resources available domestically before making a request
- make use of available enabling international legal instruments and, if necessary, highlight the need to broaden the country's network of EOI agreements with jurisdictions with which it has close economic ties.

**Source:** provided by South African Revenue Service (SARS).

## 1. Making a difference with tax transparency

### MONITORING THE IMPACT OF TAX TRANSPARENCY ON DOMESTIC REVENUE MOBILISATION

Sharing the benefits of tax transparency has been a strategic axis of the Global Forum's capacity building and outreach programme at international, regional and national levels. Member jurisdictions have been key contributors to these efforts, by providing information and sharing experience and good practices, which have informed several Global Forum's reports and events.

Global Forum members reported the identification of EUR 126 billion of additional revenue in the 2009-2022 period through offshore tax investigations, including EOIR, use of data received automatically under the Common Reporting Standard (CRS) and voluntary disclosure programmes or alike set in the context of AEOI implementation. This includes EUR 1.69 billion in additional revenue in Africa, EUR 27.8 billion in Latin America and EUR 20.1 billion in Asia. Overall, developing members reported a third of this amount (EUR 41 billion, see individual country experiences in Boxes 2, 3 and 4).

#### BOX 2. ECUADOR – Using CRS data to enforce tax compliance

The Internal Revenue Service (*Servicio de Rentas Internas – SRI*) of Ecuador has undertaken several control actions to make effective use of the financial account information received automatically. This, together with capacity-building activities, has enabled it to achieve significant results in collection. The strategy includes:

- **Voluntary disclosure programme (VDP) and pilot control plan:** Ecuador launched in 2021 a VDP (Voluntary, Unique and Temporary Tax Regime for the Regularisation of Assets Abroad – *Régimen Impositivo Voluntario, Único y Temporal para la Regularización de Activos en el Exterior*). Taxpayers adhering to the programme would benefit from a reduced tax rate and would not be subject to proceedings for the taxes that are declared through the programme nor to administrative penalties, fines or interests derived from non-compliance with the formal duties related to such taxes. However, they would be subject to proceedings on the correct application of the programme and could lose benefits if an incorrect application is verified.

The SRI carried out controls under a pilot plan that used CRS data as input to determine the amounts to be regularised by taxpayers in relation to their assets maintained abroad. Under this pilot plan, the controls included the sending of official letters and subpoenas. These controls also made it possible to request taxpayers to regularise the payment of the Post-COVID 19 Solidarity Contribution on Assets. This tax was temporary, to be paid in March 2022 and March 2023. For individuals with assets between EUR 1 million and EUR 1.2 million the rate is 1%, which increased to 1.5% for assets above EUR 1.2 million. In the case of companies, the rate is 0.8% for assets above EUR 5 million. The contribution was levied on the assets declared in Ecuador. The regularisation of the assets held abroad using CRS data made it possible to rectify the total amount of taxpayer's assets and therefore collect an additional contribution.

- **Mass controls:** the SRI sent mass persuasive letters to taxpayers requesting the regularisation of their tax obligations. With the CRS data, the most relevant cases were selected, and an informative communication was sent to the taxpayers identified, to persuade them to regularise their assets held abroad and pay the respective taxes.
- **Training to audit areas:** auditors were trained on the importance of EOI in control processes and to use and treat information with appropriate confidentiality. In particular, auditors were trained to use and understand the information fields and codes used to label CRS data.



*The SRI carried out controls under a pilot plan that used CRS data as input to determine the amounts to be regularised by taxpayers in relation to their assets maintained abroad.*

## 1. Making a difference with tax transparency

The pilot control plan and the mass controls generated directly and indirectly results in tax collection:

- The total amount of regularised assets due to the strategy amounted EUR 1.7 billion with a collection of more than EUR 84 million, and it is estimated that the VDP contributed, directly, with 30% of those results. One case stands out in which a taxpayer regularised assets of more than EUR 93 million and paid EUR 5.3 million in taxes.
- An indirect impact was also generated thanks to the regularisation of foreign assets, resulting in a collection of more than EUR 5.6 million in the Post-COVID 19 Solidarity Contribution on Assets.

The SRI continues to carry out controls on taxpayers to make their assets transparent, so they duly comply with their tax obligations. It is expected that the results of these controls will continue to be reflected in increased tax collection in 2023.

**Source:** provided by Internal Revenue Service of Ecuador.

### BOX 3. PERU – Boosting taxpayers compliance thanks to AEOI

In 2021, Peru began receiving their resident taxpayers' financial account information from other jurisdictions within the framework of the AEOI standard, after qualifying as reciprocal jurisdiction in 2020.

Thanks to this valuable information for tax compliance risk assessment (account number, balances and financial returns), a data management process was developed as of 2021 that included: i) the broad understanding of this information; ii) the search for the best match with taxpayers' internal identification bases; iii) the quality of the information received which involved smooth communication with reporting jurisdictions; iv) the exchange of experiences with other countries to learn about their progress, a challenge in which the Secretariat provided important technical assistance; v) training of audit staff in the use of the information; and vi) maintenance of security measures throughout the data life cycle, considering that the data would now be accessible to a larger number of Tax Administration officials.

Under these conditions we have estimated, based on the financial information received, a large potential for identifying individuals who have omitted to declare foreign source income and who must comply with paying the corresponding taxes in Peru. Thus, for the 2022 financial year, around 100 000 reported individuals with accounts abroad were identified and of those, only around 10 000 individuals complied with declaring the foreign source income. This would represent an omission gap of around nine times the number of declarants, making this a segment of great interest in the investigation of possible undeclared income. Further, if we consider only the accounts with yields, the gap would be two times the number of declarants.

This segment has been tackled by the Peruvian Tax Administration through a comprehensive strategy involving the notifications to taxpayers presumed to have failed to file foreign source income tax returns, the investigation of other sources of information on assets and consumption available in the country (register of properties, remittances from abroad, migratory movements, corporate shareholdings, investments, among others), requests for information from possible defaulters and income tax audits for those who did not voluntarily regularise their outstanding obligations. The strategy also included the exchange of information upon request, to corroborate the operations that would be included in the determination of the unfulfilled tax obligation, which has led to an increase from an average of seven requests of this type per year between 2014 and 2020 to 107 in 2023, which represents an increase of more than 1 400%.



*For the 2022 financial year, around 100 000 reported individuals with accounts abroad were identified and of those, only around 10 000 individuals complied with declaring the foreign source income.*

**Source:** provided by National Superintendency of Tax Administration, Peru.

## 1. Making a difference with tax transparency

### BOX 4. PAPUA NEW GUINEA – Tackling tax evasion through exchange of information

Papua New Guinea joined the Global Forum in 2016. Since then, it benefited from an Induction Programme, a comprehensive capacity-building initiative of the Global Forum Secretariat to support Papua New Guinea in the implementation and use of the tax transparency standards. In this context, Papua New Guinea has undertaken several improvements in its domestic legal framework and practice to strengthen, among other requirements, the availability and access to legal and beneficial ownership information in the jurisdiction. These improvements led to Papua New Guinea being rated Largely Compliant in the EOIR Peer Review in 2020.

While the number of exchanges between Papua New Guinea and its EOI partners has been modest so far, the impact of the information received due to EOIR has been significant. Despite its limited EOI experience and a treaty network covering only 10 jurisdictions, Papua New Guinea has been able to successfully collect additional revenue of EUR 35.5 million (PGK 143.5 million) in a few tax audit cases where information requested from EOI partners substantially helped in determining the final audit position paper. This additional revenue was generated almost wholly by the transfer pricing audit of a single taxpayer (see the description of the case below).

The potential of additional revenue the Internal Revenue Commission (IRC) should be able to pursue using information obtained from its EOI partners also encourages EOI officers to learn more about the standard and its implementation to ensure compliance and combat tax evasion and other IFFs. The entry into force of the MAAC in 2023, with effect from 1 January 2024 will enable Papua New Guinea access to the wide EOI network of over 140 member jurisdictions, and the IRC's participation in the 2022 Train the Trainer programme may be important catalysts in unleashing this potential. Since completing the Train the Trainer programme in October 2022, two IRC officers have conducted four training sessions for five divisions building EOI capacities of 53 IRC officers. Other capacity-building programmes over the years have assisted IRC officers to develop EOI Manuals, establish processes and systems to enable effective EOI, and adopt best practices to protect confidentiality and security of information handled by the EOI team.

While the IRC identifies several challenges that it has had to overcome on its journey to effective implementation of EOIR, including with communicating with EOI partners and garnering the support of senior officials, it continues to move forward. Papua New Guinea is seeking to further strengthen the collection of beneficial ownership information by including this as a requirement in the new Income Tax Act which should repeal and replace the current Act in 2024 or 2025. With EOIR as an enabling tool, the IRC vows to continue the work to improve its efforts and protect domestic revenue.

#### The case

The IRC detected that “Company X”, a 50-year-old tax resident company in Papua New Guinea engaged in the logging business, had declared substantial losses for income tax purposes for over 10 consecutive years. The IRC decided to initiate an audit and learned that:

- nearly all of Company X production is sold to “Company Y”
- the production is shipped directly to companies in Jurisdictions A, B and C
- the expenses of Company X were five times as big as its turnover, and almost half of the payables are owed to Company Y.



*The entry into force of the MAAC in 2023, with effect from 1 January 2024 will enable Papua New Guinea access to the wide EOI network of over 140 member jurisdictions.*

## 1. Making a difference with tax transparency

These findings led the IRC to suspect that (i) Company Y was re-selling the timber purchased from Company X to entities in Jurisdictions A, B and C, and (ii) Company X and Company Y are associated enterprises, in which case the transfer pricing rules would apply, requiring Company X to demonstrate that the payments received from and made to Company Y were agreed at arm's length, and allowing the IRC to make the necessary adjustments.

The IRC made inquiries with Company X about its relationship and transactions with Company Y. Company X maintained that Company Y is a company domiciled in Jurisdiction Y and is not an associated enterprise. However, further investigations in Jurisdiction Y's commercial register and internet searches led the IRC to suspect that these assertions were false.

Following the exhaustion of domestic means, the IRC sent EOI requests to the Competent Authority of Jurisdiction Y asking, among other information, whether Company Y was domiciled in Jurisdiction Y, as well as the identity of the beneficial owners, including the chain of ownership, and directors of Company Y.

Thanks to the information received from Jurisdiction Y, the IRC found that:

- Company Y is not domiciled in Jurisdiction Y but in Jurisdiction W
- Company Y Authorised Company Z, which is resident in Jurisdiction Y, to sign documents and engage in business in its name
- Company X, Y and Z share the same directors, connected through a company in Jurisdiction A.

The IRC concluded that (i) Company X and Company Y are associated enterprises, since the same persons (directors) participate in the management of both entities; and (ii) Company X had provided false or misleading information to the IRC.

Consequently, the IRC applied transfer pricing adjustments on the transactions between Companies X and Y, as well as sanctions for false declarations, which resulted in the collection of EUR 35 million covering a six-year period.

Source: provided by Internal Revenue Commission, Papua New Guinea

**“** *As a developing nation we will continue to work to safeguard our national revenue from harmful tax evasions that pose a risk to our country's development. We will continue to work with our domestic stakeholders, our international partners such as the Global Forum, the OECD and others to improve our capacity and ability to track and investigate offshore tax evasion and taxpayer behaviours of shifting assets offshore enabled by aggressive tax planning and the rapid technology advancements.*

*The IRC remains resolute in its commitment to uphold international tax standards, foster cooperation, and contribute to the integrity of the global tax landscape.* **”**

**Sam Koim**, OBE, Commissioner General, Internal Revenue Commission, Papua New Guinea



## 1. Making a difference with tax transparency

Tax transparency has already had a significant impact on domestic revenue mobilisation, including for developing members. With the strong support received, the increased cross-border co-operation through EOIR and AEOI, and sustainable skills developed locally, this trend should continue. In 2022 alone, African, Asian and Latin American jurisdictions respectively identified EUR 76.6 million, EUR 3.9 billion and EUR 708 million of additional revenues. A recent study focused on Africa concluded that exchange of information for tax purposes has a positive and statistically significant impact on tax revenue and estimated that exchange of information could increase tax revenue collection by a magnitude ranging from 5 to 19 percent of GDP.<sup>1</sup>

This additional revenue is the translation of the efforts engaged in implementing the tax transparency standards and using them effectively. For instance, in 2022, developing countries sent over 2 700 requests for information to their EOI partners to support their cross-border investigations, an increase of 12.5% compared to 2021.

Considering that most of the developing members have joined relatively recently the Global Forum and are in the learning curve, the potential of tax transparency on domestic resource mobilisation is still to be fully exploited. To realise this potential, raising awareness of decision-makers and senior officials and building a long-term and trust-based partnership with jurisdictions in the development and implementation of the capacity-building programme are instrumental.

### ACTIVE CONTRIBUTION OF DEVELOPING COUNTRIES TO THE GLOBAL FORUM WORK

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The Secretariat has continued to raise awareness and engage with high-level officials to maintain a strong political commitment to tax transparency and to reach out to non-members. It has also monitored and supported the participation of developing countries in the work of the Global Forum.

#### **Maintaining and expanding commitments to tax transparency**

The dramatic changes in the tax transparency landscape over the last decade have been the result of a strong political commitment from a growing number of jurisdictions around the world.

To maintain and extend these commitments, the Secretariat has continued to proactively engage with ministers, heads of tax administration and senior officials of member and non-member jurisdictions. In 2023, 83 high-level meetings took place to:

- inform potential new members on the commitments entailed by the Global Forum membership and the associated benefits, including the entitlement to the Global Forum's induction programme, a multi-year comprehensive capacity-building programme
- support the progression of bilateral programmes, including by designing, setting a timeline and objectives of technical assistance activities, and reporting on the implementation of actions
- promote an active involvement in the Global Forum's work.

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1. M. Traore, S. Coulibaly, and Y. Arvanitis (2023), *Cross-Border Exchange of Information and Tax Revenue Mobilization in Africa*, World Bank Group, Policy Research Paper 10299, <https://doi.org/10.1596/1813-9450-10299>.



## 1. Making a difference with tax transparency

Through the combination of high-level engagements and capacity-building activities, commitments to the tax transparency agenda continued to raise in 2023:

- Angola, the Democratic Republic of the Congo, Fiji, Sierra Leone and Zimbabwe joined the Global Forum, bringing the membership to 170 jurisdictions (including 94 developing countries).
- The Study Group on Asia-Pacific Tax Administration (SGATAR) became an observer to the Global Forum, thus consolidating a longstanding and effective co-operation to support Asian countries and Pacific Islands in implementing and benefiting from tax transparency.
- Viet Nam signed the Convention on Mutual Administrative Assistance in Tax Matters (MAAC), to which 147 jurisdictions (including 71 developing jurisdictions) are now participating. Additionally, Benin, Papua New Guinea and Viet Nam deposited their instrument of ratification. The MAAC is now in force in 141 jurisdictions (including 66 developing countries). In addition, several developing countries initiated the process to join the MAAC.
- New Members committed to starting AEOI by a specific date: Armenia and Mongolia committed to first exchanges by 2025 and 2026, respectively. The number of jurisdictions committed to starting AEOI by a specific date reached 123 (including 48 developing countries).

**“ Our commitment to implementing the automatic exchange of financial account information, beginning in September 2026, is a testament to Mongolia’s full support for the global tax transparency initiatives advocated by the Global Forum. This move will significantly enhance our efforts to combat tax evasion, detect undeclared financial wealth maintained abroad, and bolster transparency in our financial system. Embracing these initiatives underscores Mongolia’s role as a responsible and trustworthy member of the global financial community, dedicated to providing a level playing field for all taxpayers. We are grateful for the Global Forum Secretariat’s support and assistance in establishing all necessary internal and international confidentiality frameworks. This preparation is crucial not only for initiating our first automatic exchanges but also for setting the stage for future exchanges under the country-by-country reporting framework. Our active participation in these global efforts reflects our commitment to international cooperation and the promotion of fair and transparent financial practices worldwide. ”**

**Javkhlan Bold**, Minister of Finance, Mongolia



### **Growing participation of developing countries in the Global Forum activities**

Developing members also continued to take an active part in the Global Forum work in contributing to its technical and governance activities. The participation of developing countries in all Global Forum’s subsidiary bodies has grown,<sup>2</sup> and several of them have already joined the newly established Crypto-Asset Reporting Framework (CARF) Group (see Box 5 and Box 6). They provided technical inputs and precious insight during discussions and in the decision-making process of the Global Forum (see Table 1). Thanks to the technical support of the Secretariat, developing jurisdictions are better equipped to provide input. In addition, developing countries contribute to the peer review process by providing assessors and input, and to the capacity-building activities by sharing experience and expertise (see Table 2).

2. Steering Group, the Peer Review Group (PRG) and the Automatic Exchange of Information Peer Review Group (APRG).

## 1. Making a difference with tax transparency

### BOX 5. ARMENIA – An early adopter of the CARF

Armenia has recently committed to implement the CRS and to start exchanging financial account information in 2025. In December 2023, Armenia also stated its intention to implement the CARF and to start exchanges under this standard in 2027.



#### Why has Armenia decided to be a first mover for the implementation of CARF?

Rapidly growing and borderless digital world gives no chance to countries but to elaborate universal approaches to tackle IFFs and ensure an appropriate level of revenue mobilisation. To address these challenges, I do believe that countries need accurate and well-protected information. In this regard, for sure, Global Forum's international EOI standards had a paramount role for countries to receive information about their residents to ensure effective and fair taxation. Armenia was not an early adopter for the implementation of the CRS. While it allowed us to take more time to understand better what the implementation of such standard entails and to benefit from the technical support of the Global Forum Secretariat, it also prevented us to benefit from the use of this standard earlier to bring most likely additional revenue and raise tax compliance level in the country.

Having learned the lessons from implementing later than other Global Forum members the CRS, Armenia has decided to be among the first countries to commit to implement the CARF with first exchanges in 2027 and to also join the CARF Group to benefit as early as possible of its impact on the fight against tax evasion and other IFFs, building also on the synergies with the CRS. We therefore encourage all countries to commit to the CARF standard to tackle the tax challenges deriving from crypto assets. Broad participation to the CARF by Global Forum members will ensure that experience is shared and bears fruit for revenue mobilisation, and the technical support of the Secretariat will be instrumental.



**Rustam Badasyan**,  
Chairman of State  
Revenue Committee,  
Armenia

**Table 1. Participation of developing jurisdictions in Global Forum's working groups**

Global Forum bodies	Function	Composition
Global Forum Plenary	It constitutes the decision-making body of the Global Forum. The Plenary may establish subsidiary bodies as deemed appropriate.	94 developing countries (55% of the members). Kenya is Vice-Chair of the Global Forum Plenary.
Steering Group	The Steering Group prepares and guides the future work of the Global Forum (20 members).	7 developing countries are members of the Steering Group (35% of the members): Brazil, China (People's Republic of), Colombia, India, Indonesia, Kenya (Vice-Chair), and Togo.
Peer Review Group (PRG)	The PRG reviews the EOIR standard (30 members).	12 developing countries are members of the PRG (40% of the members): Argentina, Brazil, China (People's Republic of), Colombia, Eswatini, Georgia, India (Vice-Chair), Indonesia, Kenya, Pakistan, Samoa, and Uganda.
Automatic Exchange of Information Peer Review Group (APRG/APRG+)	The APRG reviews the AEOI standard (30 members). The APRG+ is an extended formation of the APRG which reviews the confidentiality and data safeguards AEOI requirements (33 members).	7 developing countries are members of the APRG (23% of the members): Argentina, Brazil, India (Chair), Jamaica, Malaysia, Mauritius, and Panama. 9 developing jurisdictions are members of the APRG+ (27% of the members): Argentina, Brazil, Georgia, India (Chair), Jamaica, Malaysia, Mauritius, Panama, and Uganda.
Crypto-Asset Reporting Framework Group (CARF Group)	The CARF Group is responsible for the implementation of the CARF (45 members and the EU). It is a voluntary group which can be joined at any time by any member.	So far, 7 developing countries have joined the CARF Group (16% of the members): Argentina, Armenia, Brazil, India, South Africa (Co-Chair), Uganda and Ukraine.

**Table 2. Participation of developing jurisdictions in peer reviews and capacity-building activities**

Contribution	Role	Participation
Assessors on EOIR	The EOIR assessors are responsible for conducting the peer review of jurisdictions against the EOIR standard.	23 developing jurisdictions provided EOIR assessors (43% of the jurisdictions providing assessors): Argentina, Armenia, Azerbaijan, Brazil, Cameroon, Costa Rica, Eswatini, Georgia, Ghana, India, Kenya, Liberia, Mali, Mauritius, Morocco, Nigeria, Panama, Paraguay, Senegal, Tanzania, Tunisia, Türkiye and Uganda.
Assessors on AEOI	The AEOI assessors are responsible for conducting the peer review of jurisdictions against the AEOI standard.	10 developing jurisdictions provided AEOI assessors (23% of the jurisdictions providing assessors): Azerbaijan, Brazil, Colombia, Ghana, India, Indonesia, Malaysia, Mauritius, Panama, and Türkiye.
Assessors on confidentiality	The assessors on confidentiality and data safeguards are responsible for conducting the assessments on confidentiality and data safeguards.	10 developing jurisdictions provided assessors for the confidentiality peer reviews (42% of the jurisdictions providing assessors): Argentina, Brazil, Dominican Republic, Ecuador, India, Kenya, Lesotho, Mauritius, Panama, and South Africa.
Experts in capacity-building activities	Experts from Global Forum members contribute to capacity-building activities carried out, providing expertise and sharing experience.	45 developing jurisdictions shared their expertise and experience in capacity-building activities (61% of the jurisdictions sharing their experience): Albania, Algeria, Angola, Argentina, Armenia, Belize, Benin, Brazil, Burkina Faso, Cabo Verde, China (People's Republic of), Colombia, Costa Rica, Cote d'Ivoire, Dominican Republic, Ecuador, El Salvador, Georgia, Ghana, Honduras, India, Indonesia, Jamaica, Kenya, Liberia, Malaysia, Maldives, Mauritius, Mongolia, Niger, Nigeria, North Macedonia, Pakistan, Paraguay, Peru, Philippines, Rwanda, Senegal, South Africa, Thailand, Togo, Tunisia, Uganda, Ukraine, and Zimbabwe.

**“** *With the signing and ratification of the MAAC in 2023, Viet Nam has not only consolidated and expanded its network of partners for administrative cooperation in tax matters but also reaffirmed its strong commitment to transparency and exchange of information for tax purposes. With this instrument, Viet Nam will further enhance the use of exchange of information to fight tax evasion and boost domestic resource mobilisation. This will also give Viet Nam access to automatic exchange of information and help Viet Nam conducting more complex tax audits.* **”**

**Ho Duc Phoc**, Minister of Finance, Viet Nam



Developing jurisdictions members of the Global Forum's bodies actively participate in the meetings and make substantial contributions to their ongoing work (see Box 6):

- While they represent 32% of the membership of the subsidiary bodies, they catered over a fourth of the inputs (either written comments or substantial oral inputs made during the meetings) that contribute to shaping the policy, the direction and the results of the Global Forum's work.
- Developing jurisdictions provided 31% of all peer inputs, which are critical to ensure the proper assessment and monitoring of the implementation of the standards. While most of them have recent EOI network and culture, or sometimes a narrow network of EOI relationships, they

## 1. Making a difference with tax transparency

### BOX 6. BRAZIL – The importance of participating in the Global Forum work on tax transparency

Brazil participates actively in Global Forum work and activities. Brazil is a member of all Global Forum working groups: the Steering Group, the PRG, and the APRG/APRG+. Brazil has also provided many assessors for the peer review process and supported the Global Forum Secretariat capacity-building efforts, by providing its expertise and sharing its experience.

#### What is the importance of participating in Global Forum’s working groups and activities, and how has it helped Brazil advance EOI implementation?

Tax transparency is high on the list of Brazilian Federal Revenue’s priorities. Regarding the challenges on this journey, the search for knowledge and implementation of good practices in terms of EOI is constant. Participation in international events, forums and working groups of the OECD and the Global Forum allows Brazil to learn from exchange experiences with its partners, understand the limitations that are often the same as those faced by other jurisdictions, and solve issues.

The participation in the Steering Group, the PRG, the APRG/APRG+ allows Brazil to take part in discussions about strategic direction and innovation on topics under the responsibility of the Global Forum. Particularly in the PRG and APRG, Brazil contributes from its experience, but also has the opportunity of learning from debates related to the peer reviews of other jurisdictions. Ultimately, Brazil is better prepared to overcome its own issues when it comes to complying with the Global Forum’s EOI standards.

#### Brazil started its first AEOI exchanges in 2018. This year, Brazil committed to implement the CARF by 2027 and joined the recently-established CARF Group. Why has Brazil decided to be an early adopter of this new standard and joined the CARF Group? What are the priorities for Brazil on transparency and EOI for its G20 Presidency?

Brazil is truly committed to implementing the CARF because it believes that the EOI related to crypto-assets will bring great benefits to tax administrations to avoid tax evasion and tax fraud committed in this sector. Brazil has joined the CARF Group to be well prepared to start the exchange in 2027, as well as to learn from the experiences of other members who participate in the group. As example of the importance of this issue for Brazil is that it has already in place an obligation to provide information regarding operations carried out with crypto-assets to the Special Secretariat of the Brazilian Federal Revenue Service since 2019. Brazil has also started to share some spontaneous information related to crypto-assets in 2023.

In addition of the work to complete the implementation of the new automatic exchange on crypto-assets, the Brazilian G20 Presidency is committed to furthering the agenda of transparency, building on the legacy of previous Presidencies, focusing on the exchange of information on beneficial owners and real estate properties:

- **Beneficial owner:** The exchange of beneficial owner information is critical in combating money laundering and tax evasion. The G20 will focus on possible ways to facilitate access to relevant information regarding beneficial owners, whether through the EOI on request, automatically or through the development of a system that allows the various tax administrations to access information regarding beneficial owners.
- **Real estate:** The Brazilian G20 Presidency will continue the work developed during India’s Presidency to improve transparency in real estate properties, through the development of a short-term solution that includes the automated EOI and the development of a multilateral agreement between competent authorities, with the view to long-term structural solutions.



*Ultimately, Brazil is better prepared to overcome its own issues when it comes to complying with the Global Forum’s EOI standards.*



**Robinson Sakiyama Barreirinhas,**  
Special Secretary of the Federal Revenue Service, Brazil

## 1. Making a difference with tax transparency

contributed to 31% of the EOIR peer inputs on their EOI partners. They also provided 31% of the AEOI peer inputs while they represent 32% of the AEOI peers.<sup>3</sup>

- The assessors made available by Global Forum members are central to the delivery of the peer review process and its integrity. Developing countries represent 35% of the Global Forum members providing assessors: they represent 43%, 23% and 42% of the jurisdictions that provided assessors for EOIR, AEOI and confidentiality and data safeguard, respectively.

The strong and growing engagement of developing members and their investment in the Global Forum's work highlights the importance of global tax transparency and EOI on domestic resource mobilisation. It testifies of their engagement at a political and technical level to back up the tax transparency agenda, to implement the international standards and to ensure a proper monitoring of their implementation by other members and relevant non-members. While the trend is encouraging and reflects the increased participation of developing countries, the continued provision of technical assistance and broader support to those members will remain a strategic axis to ensure that they gain more experience and knowledge on EOI. This should translate into even greater contributions to the tax transparency work over the near future.

**“ Being part of the Global Forum on Transparency and Exchange of Information for Tax Purposes puts Zimbabwe on course to its vision 2030 of transforming the country into an upper middle class economy by ensuring an increase in tax revenue through combating tax evasion and fighting corruption whilst making significant improvement in tax transparency with various tax jurisdictions and maintaining a fair level field in domestic tax frameworks. ”**

**Regina Chinamasa**, Commissioner General, Zimbabwe Revenue Authority



### COMMUNICATING ON IMPACTFUL PROGRESS: THE CASE OF AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION

With the launch of its Strategy to unleash the potential of AEOI for developing countries in 2021, the Secretariat had revamped its capacity-building offering into a comprehensive and modular approach covering all the building blocks of the implementation of the AEOI standard in a coherent and progressive manner (see Box 7).

At the request of the Indian G20 Presidency, a report from the Secretariat released in July 2023 provided a detailed analysis of the outcomes of the last two years of work on enhancing AEOI implementation by developing countries.<sup>4</sup>

AEOI has been very beneficial for the implementing developing countries. While they represent less than 32% of the jurisdictions exchanging automatically, they have identified 38% of the EUR 95 billion of additional revenue (tax, interest, and penalties) identified worldwide between 2014 and 2022 due to AEOI (i.e. over EUR 36 billion) (see Figure 1).

3. All jurisdictions committed to implementing the AEOI standard by a specific date and that have passed domestic legislation to that effect.

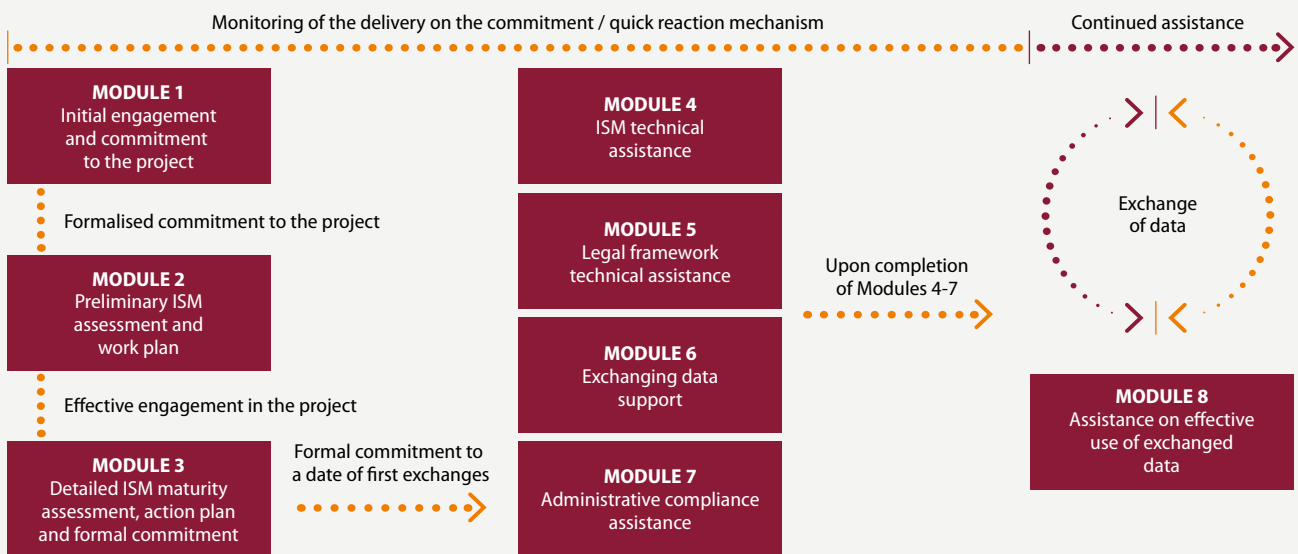
4. OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/update-on-implementation-of-2021-aeoi-strategy-for-developing-countries.pdf>.

## 1. Making a difference with tax transparency

### BOX 7. Unleashing the potential of AEOI for developing countries, 2021 Strategy

The Strategy is based on a modular approach that divides technical assistance programmes into several coherent and logical modules with specific targets to be achieved in order to move from one module to another. In line with the Global Forum’s broader 2020 Capacity-Building Strategy, the modular approach is implemented to ensure a better allocation of resources and improved monitoring.

#### Modular approach for the CRS-AEOI implementation

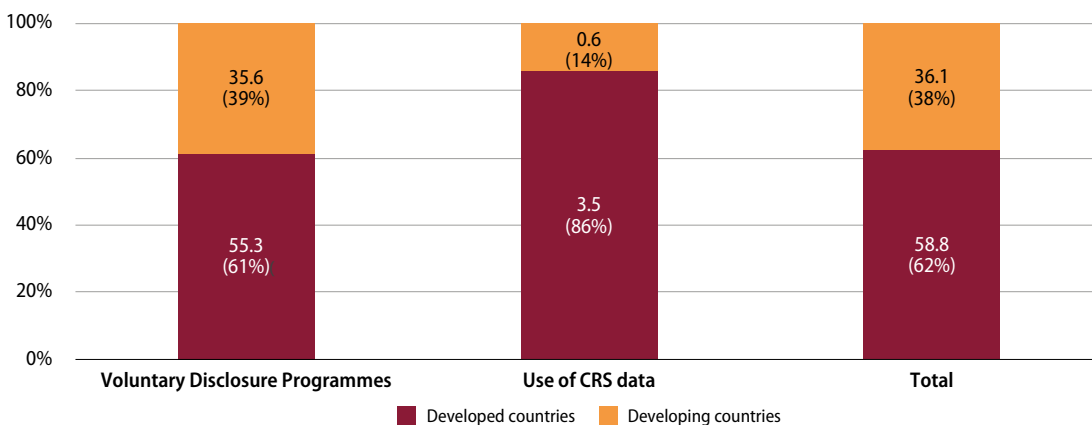


Modules 1-3 are successive

Modules 4-7 can be initiated simultaneously or consecutively, and in the relevant order, depending on the circumstances of the jurisdiction

While modules 1 to 3 take place successively, modules 4 to 7 can be initiated simultaneously or consecutively, and in the relevant order, based on the particular circumstances of the jurisdiction. As for module 8 on assistance on effective use of exchanged data, it can be provided over time.

**Figure 1. Additional revenue identified through automatic exchange of financial account information between 2014 and 2022, in EUR billion, and relative share of developed and developing countries**

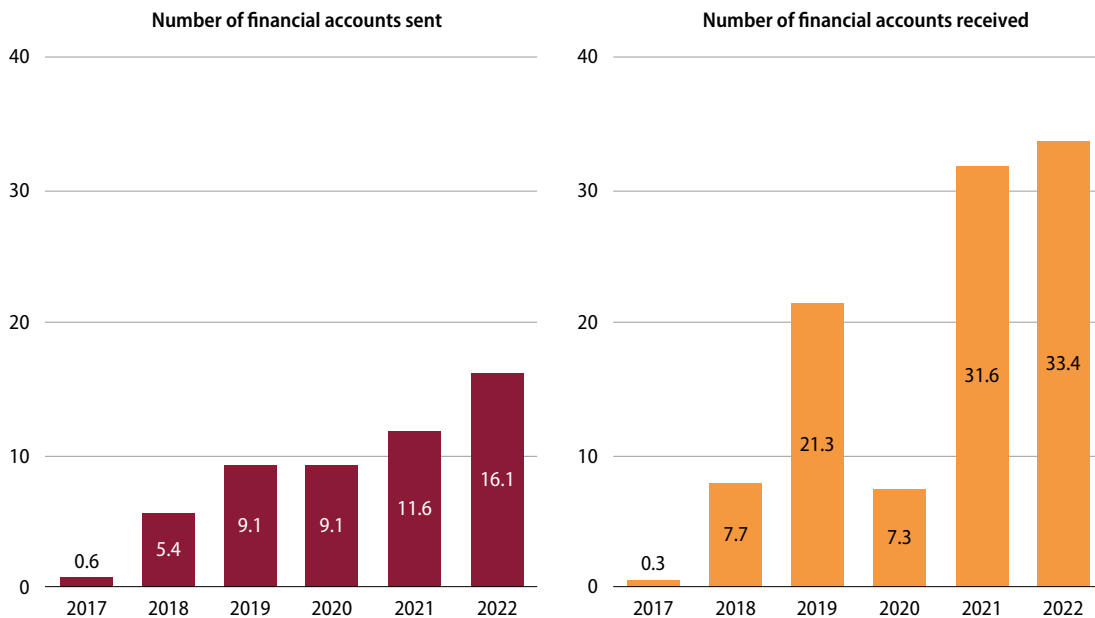


*AEOI has been very beneficial for the implementing developing countries.*

**Note:** The labels show the aggregate additional revenue identified through Voluntary Disclosure Programmes and the use of the CRS data between the years of 2014-2022, as well as the total additional revenue identified by these jurisdictions.

**Source:** OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, op. cit.

**Figure 2. Number of financial accounts on which information was sent and received by developing countries between 2017 and 2022, in millions**



**Note 1:** Since not all jurisdictions worldwide participated in the survey, there are gaps between the number of financial accounts sent and received. The number of financial accounts received may for instance include information on financial accounts that were sent by a jurisdiction that did not respond to the survey. The graphs show the evolution of the number of accounts sent and received by developing countries between 2017 and 2022.

**Note 2:** In 2020, not all jurisdictions were able to provide data due to the COVID-19 pandemic.

**Source:** OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, op. cit.

The major contribution for both developed and developing countries comes from the voluntary disclosure programmes<sup>5</sup> launched in the context of the implementation of AEOI. The use of the CRS data received has already helped obtain about EUR 600 million in additional revenue (tax, interest, and penalties) for developing jurisdictions. While this represents 14% of the more than EUR 4 billion identified worldwide, 28% of the developing jurisdictions received their first CRS data in 2021 or 2022.

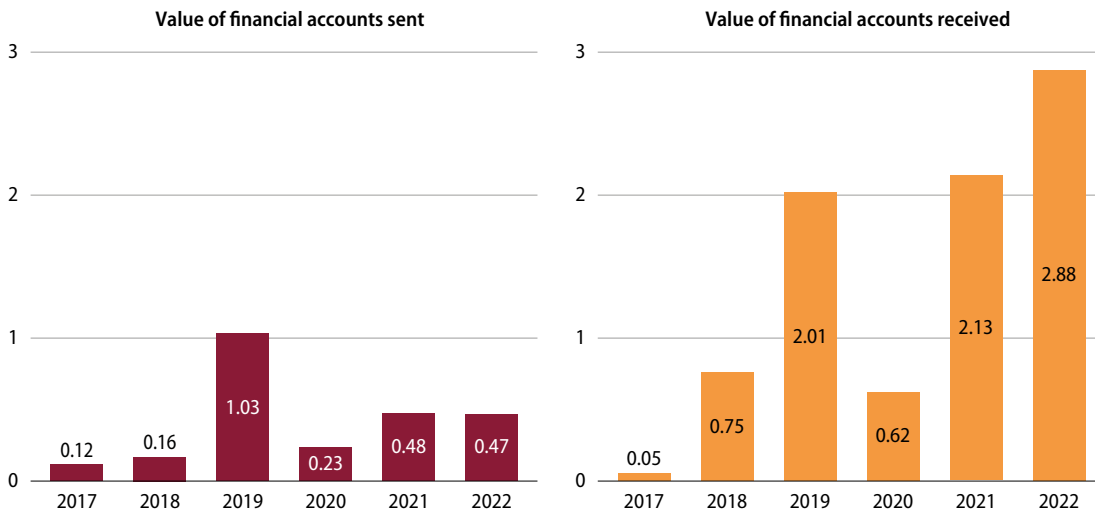
The number and value of the financial accounts on which information is received by developing countries have also considerably increased since 2017, reflecting the growing number of implementing jurisdictions (see Figure 2 and Figure 3). As more developing countries participate in AEOI, they are receiving an increasing proportion of CRS data: 27% of the financial accounts received in 2022, over twice what they provided. Developing countries received information on over 33 million financial accounts covering assets of nearly EUR 2.9 trillion in 2022, while they sent information on over 16 million financial accounts, representing nearly EUR 0.5 trillion in assets.

The majority of the developing country members are now implementing the AEOI standard. As on 31 December 2023, 48 developing countries committed to starting AEOI by a defined date and 34 have already started exchanging. They represent 39% of the 123 committed jurisdictions and 51% of the 94 developing members of the Global Forum.

5. A voluntary disclosure programme is a last window of opportunity offered by a jurisdiction for non-compliant taxpayers to come forward and regularise their tax affairs under favourable conditions.

## 1. Making a difference with tax transparency

**Figure 3. Value of the financial accounts on which information was sent and received by developing countries between 2017 and 2022, in EUR trillion**



**Note 1:** Since not all jurisdictions worldwide participated in the survey, there are gaps between the value of financial accounts sent and received. The graphs show the evolution of the value of financial accounts sent and received by developing countries between 2017 and 2022.

**Note 2:** In 2020, not all jurisdictions were able to provide data due to the COVID-19 pandemic.

**Source:** OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, op. cit.

However, 46 developing members are yet to define a suitable starting date for AEOI (see Figure 4). Amongst these members:

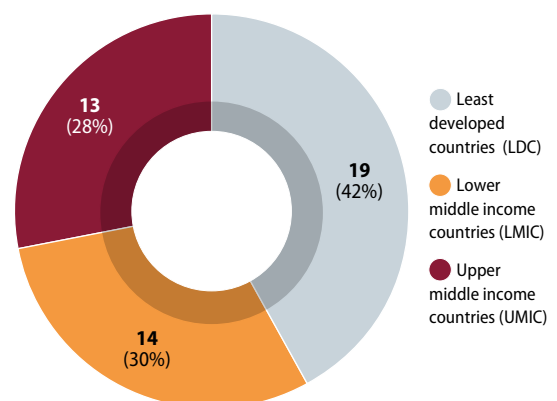
- 12 have joined the Global Forum recently and are first prioritising the implementation of the EOIR standard, which provides a critical foundation to all forms of EOI, before moving to the implementation of the AEOI standard.
- 11 are receiving AEOI pre-commitment assistance.

Most of these developing countries have lower resources and capacities and will need extensive technical support (see Figure 4).

Developing jurisdictions which had committed early to implementing AEOI by a specific date were either G20 countries, developing countries hosting a financial centre or had been identified as a jurisdiction of relevance,<sup>6</sup> and were thus requested to commit to a starting date to ensure the level playing field and the proper functioning of the AEOI standard. The progressive implementation of the Strategy marked a turning point with a significant increase of developing countries, including those with lower capacities, committing voluntarily to a date for first automatic exchanges (see Figure 5 and Figure 6).

6. The Global Forum has established a process aimed at identifying jurisdictions of relevance for the implementation of the Standard in order to maintain a level playing field. Where a jurisdiction is considered relevant, this jurisdiction is expected to commit to exchanging under the AEOI standard according to a particular timeline.

**Figure 4. Developing members not yet committed to AEOI (by category)**

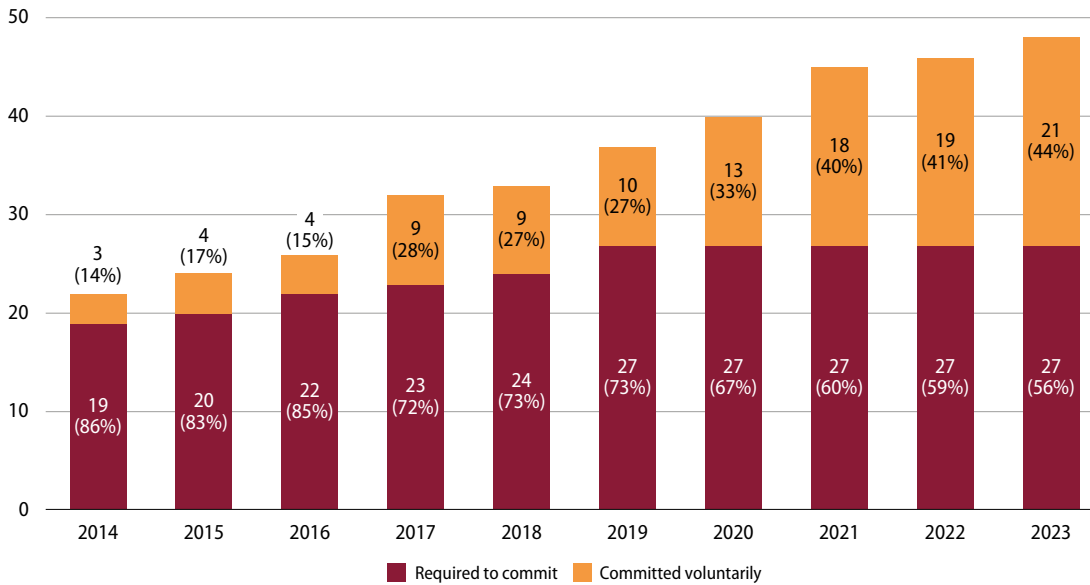


**Note:** Classification of the OECD Development Assistance Committee for its list of countries and territories eligible to receive official development assistance (<https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/daclist.htm>): Upper Middle Income countries and territories (UMIC), Lower Middle Income countries (LMIC) and Least Developed countries (LDC)

**Source:** Global Forum Secretariat.



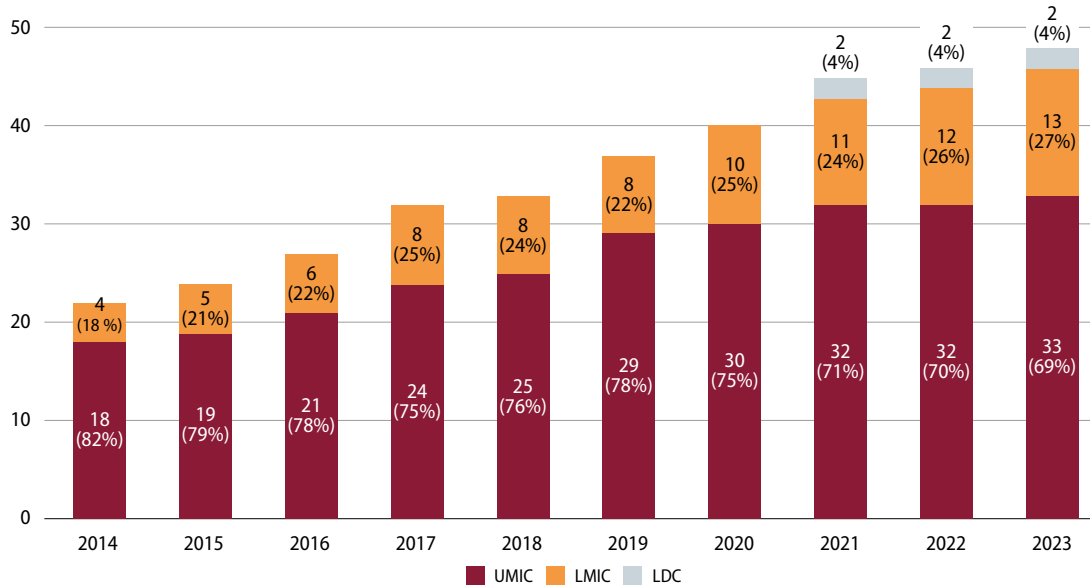
**Figure 5. Cumulative number of developing countries committed to AEOL by year and nature of commitment**



**Note:** This graph shows the evolution of the commitment of developing countries to AEOL from 2014-2023 by distinguishing the number of countries that were required to commit and those that committed voluntarily.

**Source:** OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, op. cit.

**Figure 6. Cumulative number of developing members committed to AEOL by year of commitment and category of developing countries**



**Note:** This graph portrays the evolution of the commitment of developing countries to AEOL from 2014-2023 and uses the classification of the OECD Development Assistance Committee for its list of countries and territories eligible to receive official development assistance (<https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/daclist.htm>): Upper Middle Income countries and territories (UMIC), Lower Middle Income countries (LMIC) and Least Developed countries (LDC).

**Source:** OECD (2023), *Update on the implementation of the 2021 Strategy on Unleashing the Potential of Automatic Exchange of Information for Developing Countries*, op. cit.

## 1. Making a difference with tax transparency

Overall, the main challenges experienced implementing AEOI relate to: (i) a discontinuity in the political support, (ii) passing the required legal framework,<sup>7</sup> and (iii) the establishment of the IT infrastructure, in particular the procurement of the AEOI portal. The implementation of the confidentiality and data safeguard requirements has not been an obstacle for the jurisdictions which benefitted from the enhanced support on information security management provided by the Secretariat. Indeed, between 2020 and 2023, 11 developing jurisdictions successfully passed their confidentiality and data safeguard peer reviews and qualified for reciprocal exchanges (see Box 8).

The successful implementation of AEOI by developing countries sends a positive signal to others and dispels the myth that tax co-operation through AEOI is unattainable for them. Aware of the benefits and reassured by the comprehensive support available from the Secretariat, more developing countries are taking steps toward its implementation.

Enhanced capacity building will be more critical than ever to ensure that developing countries with lower resources are effectively participating in AEOI in the near future. These jurisdictions represent 72% of the 46 Global Forum members not yet committed to a specific date for their first automatic exchanges, and most of the new members of the Global Forum in the future will probably fall in this category. They will need strengthened support in all the components of the AEOI standard, not only for its implementation, but also for the effective use of the data received.

7. In particular, the coordination between the ministry of finance / tax administration and the ministry of justice (or alike) has in many instances delayed the adoption of the legal framework and therefore led to a limited postponement.

### BOX 8. THAILAND – The successful implementation of AEOI

#### Motivations for Thailand's commitment to implement AEOI

Thailand's commitment to implementing the AEOI standard is deeply rooted in a global resolve to combat tax evasion and enhance financial transparency. During the launch mission of its induction programme in September 2017, the Government of Thailand expressed strong dedication to meeting international standards on transparency and EOI. Senior officials and stakeholders conveyed a commitment to joining the international community in the collective effort against tax evasion. In 2020, Thailand formally pledged to implement the AEOI standard, articulating a proactive stance against tax evasion. The pledge included a clear timeline for the first exchanges under the AEOI standard, set for the year 2023.

#### Leadership's role in Thailand's commitment

Politically, the commitment to AEOI has been consistently supported by our government officials; our tax authorities and financial regulators have played instrumental roles in adopting this commitment into practice. The journey began with the EOI Bill in 2021, enabling us to ratify the MAAC. Despite surrounding political changes and national elections, our commitment remained. By March 2023, the EOI Decree came into effect, reinforcing our alignment with international standards and enhancing access to financial and third-party information together with the legal basis for CRS.

#### Key steps in Thailand's AEOI journey

AEOI is a novel mission for the Revenue Department. Incorporating global AEOI standard posed challenges, requiring a transformative journey that necessitated a complete development in our legislation operation and technical system. At the initial stage, our officials and tax auditors lacked knowledge of the CRS standard, the workflow, infrastructure needed and the purpose of such implementation. Hence challenges for us mainly are the resources and expertise.



*The integration of AEOI data with tax returns aims to enhance effectiveness of our tax audit and investigation procedures, allowing for a more accurate depiction of taxpayers' financial profiles.*

## 1. Making a difference with tax transparency

We face challenges due to a shortage of trained and experienced professionals in the field. Therefore, adequate support from international organisations, such as the Global Forum, is crucial for the successful implementation of the AEOI standard in Thailand.

The technical assistance sessions and virtual workshop for financial institutions in collaboration with the Global Forum served as foundational pillars, providing the necessary skills and useful knowledge whereas the capacity-building programme ensured the sharing of best practices and insights for the AEOI adoption in Thailand's context. As a result of all the important efforts, 2023 emerged as a hallmark year for Thailand. We undertook a comprehensive evaluation of confidentiality and data safeguards to ensure that our systems were aligned with international expectations on data security and protection. Later in September, we delivered on our political commitment to AEOI. This year, Thailand proudly commenced its first CRS exchange. This is evidence of our commitment and dedication, made possible through substantial resource allocation, training programmes in early stage for financial institutions to get on board, and the establishment of internal reforms to respect our international commitments.

### Lessons learned to date that Thailand could share with other countries

The lessons learned from Thailand's successful AEOI implementation can be listed into three main perspectives. Firstly, recognising the importance of expertise, Thailand strategically invested in early capacity-building and training programmes for officials and tax auditors. Collaborating with international organisations, particularly the Global Forum, became substantial to address resource and expertise gaps, especially considering the standards as an entirely new frontier. Secondly, understanding the complexity of the AEOI standard requires continuous learning and substantial resource allocation in the EOI Unit, encompassing both human resources, budget and technical aspects focused on system implementation. Also, successful implementation significantly relied on financial institutions' capacity to understand the scope of the AEOI standard and the due diligence rule. Accordingly, engagement to stakeholders early in the implementation process is a key for effectiveness and a smooth adaptation nationwide. Lastly, treating AEOI implementation as a tax reform calls for a comprehensive overhaul in all perspectives, including workflows and infrastructure. The inclusion of all relevant stakeholders inside and outside the department at each stage of adaptation emphasises the significance of comprehensive planning, intergovernmental collaboration, and adaptability. These collective efforts converge towards the effective implementation of AEOI, ensuring a complete integration of new standards and practices.

### Expectations of Thailand with the use of the data received

On the domestic front, we anticipate leveraging the implementation of EOI as a powerful tool to combat offshore tax evasion, ultimately contributing to greater transparency and a fairer tax system. The integration of AEOI data with tax returns aims to enhance effectiveness of our tax audit and investigation procedures, allowing for a more accurate depiction of taxpayers' financial profiles. This synergy can potentially open new opportunities for targeted risk analysis and focused audits leading to domestic resource mobilisation.

Source: provided by Revenue Department, Thailand.

**“Exchange of information is a powerful tool to address tax evasion. Co-operation towards realising the full potential of this tool is an important objective of SGATAR. SGATAR sees its observership to the Global Forum on Transparency and Exchange of Information for Tax Purposes as a strong mean to enhance collaboration among partners on tax transparency and to strengthen the capacity building offered to our respective members.”**

**Kulaya Tantitemit**, Director General of the Revenue Department of Thailand, and Chair of SGATAR



## 2 | Bolstering regional dynamics on tax transparency

The regional approach is a key component of the Global Forum's capacity-building programme. The Secretariat has been progressively promoting four regional initiatives. Creating and developing regional dimensions within the main assistance programme was a strategic choice, to advance the tax transparency agenda by multiplying learning and knowledge-sharing opportunities and ensuring ownership of the programme. The strong dynamics initiated through these regional initiatives reflect a genuine enthusiasm and a strong commitment of their members.

The regional approach helps identify solutions, which would not necessarily emerge in the context of jurisdiction-specific assistance, and respond to regional-specific interests and concerns. It also contributes to measuring members' progress within the region and highlights common positive patterns and concrete results, as well as remaining challenges in implementing and benefitting from tax transparency. Regional differences also call for tailor-made technical assistance solutions at jurisdiction and regional level.



## 2. Bolstering regional dynamics on tax transparency

**“** In addition to the standard setting, peer reviews and monitoring, the greatest value proposition of the Global Forum and its regional initiatives is its unwavering commitment to capacity building and outreach aimed at enhancing tax transparency across the globe. The year under review is no different, and the impressive work of the Global Forum in these areas is evidenced by the continued enhancements in exchange of information processes, requests and responses and the resultant much needed additional revenues being collected. Africa Initiative members have benefitted from direct assistance by the Global Forum, as well as participation in its expert offerings of Train the Trainer and Women Leaders in Tax Transparency Programmes. It is only through such activities that tax transparency can be imbedded as part of tax ecosystems and tax administrations’ arsenal of tax tools, which is essential to support the developmental needs of many developing countries. No smart, modern tax administration can be complete without effective cross-border information sharing and cooperation. Collaboration is essential if we are to serve our shared ambition for effective resource mobilisation to fight poverty, unemployment and inequality. As co-chair of the Africa Initiative it gives me great personal satisfaction to see the impact that the Global Forum is making in building, enhancing and supporting these capabilities within tax administrations. **”**



**Edward Kieswetter**, Commissioner, South Africa Revenue Authority, and Co-Chair of the Africa Initiative

### EXPANSION OF THE TAX TRANSPARENCY WORK IN AFRICA

The Africa Initiative shows a strong dynamic fostered by jurisdictions. Since its inception almost a decade ago (see Box 9), a steady improvement in tax transparency and exchange of information has been noticed for African countries. These positive developments in tax transparency have been displayed in the *Tax Transparency in Africa 2023: Africa Initiative Progress Report*.

#### Encouraging progress in Africa

Co-produced by the Global Forum, the AU Commission and ATAF, the *Tax Transparency in Africa 2023* report<sup>1</sup> was released during the 13<sup>th</sup> Africa Initiative meeting held in Cape Town, South Africa, in July 2023.<sup>2</sup> With contributions from 38 African countries, including non-members of the Global Forum, this report provides an in-depth analysis of the progress accomplished by African countries under the Africa Initiative. This fifth edition highlights the improvements on the implementation of the tax transparency standards, as well as the contribution to domestic resource mobilisation in Africa in 2022. It also shows that, despite these advances, progress remains uneven in the region as some countries are not yet using their broadened EOI networks and established infrastructure effectively:

- Five African countries reported the identification of EUR 76.6 million in additional revenue making it the highest amount since the launch of the Africa Initiative in 2014. This brings the total additional revenue gains since 2009 at over EUR 1.69 billion in Africa.
- The Africa’s EOI network continued to grow and reached over 3 070 EOI relationships, of which 80% were created under the MAAC.



1. OECD (2023), *Tax Transparency in Africa 2023: Africa Initiative Progress Report*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/tax-transparency-in-africa-2023.pdf>.

2. The meeting was attended by 120 participants, including representatives from 26 African countries and 9 Africa Initiative partners and invitees. Statement of outcomes available at <https://www.oecd.org/tax/transparency/documents/13th-meeting-of-the-africa-initiative-statement-of-outcomes.pdf>.

## 2. Bolstering regional dynamics on tax transparency

**“** The creation of the Africa Initiative was prompted by the need to make tax transparency a lever for increasing public resources in African countries. This can only be achieved through strong political support and, above all, capacity building that enables tax administrations to make effective use of international information exchange in the fight against international tax evasion and avoidance.



In 2023, the Global Forum's African member countries benefited from numerous support initiatives under the Africa Initiative. The technical assistance provided by the Global Forum Secretariat was decisive in further strengthening the quality of national legislation on transparency and exchange of information. It has also enabled the transfer of knowledge and know-how through the training of tax administration officials, including the training of trainers, which has already provided 27 African countries with local, long-term expertise in information exchange training. The publication of the Toolkit for Establishing a Function for Cross-Border Assistance in the Recovery of Tax Claims gives our administrations the means to use this other form of international tax cooperation to ensure that tax due is collected even when the taxpayer or his assets are located abroad. These efforts strengthen African tax administrations in their mission to mobilise tax revenues.

I would like to congratulate the Secretariat team and encourage them to continue this support, given that most of our tax administrations are just beginning their path towards the use of international information exchange as an essential component of their tax revenue mobilisation strategy.”

**Philippe Kokou Tchodie**, Commissioner General, Togolese Revenue Office, and Co-Chair of the Africa Initiative

- The number of both requests sent and received increased. While there is a slight decline in the number of requests sent in 2022 with 531 requests, the general trend remains positive. The number of incoming requests increased by 9% to 683 in 2022 when compared to the previous year.
- More African countries are committing to implementing AEOI. While five African countries were already exchanging information, five others are committed to do so by 2025.<sup>3</sup>
- While not all African members of the Global Forum are yet participating in AEOI and most of those participating are still in the early stages in the use of the CRS data received automatically, one country identified over EUR 10.6 million in additional revenue from the data received automatically, underlining the potential of AEOI to African countries.
- Five African countries sent eight requests for cross-border assistance in the recovery of tax claims, while three African countries received nine requests for such assistance.

During their 14<sup>th</sup> meeting<sup>4</sup> which took place in Lisbon, Portugal, on 28 November 2023, the members took stock of the progress achieved since the launch of the Africa Initiative in 2014 and renewed its mandate for the 2024-2026 period to provide a platform for assisting all African countries fully unlock the potential of transparency and EOI. Noting that African countries are not yet using EOI at its full potential, they discussed strategies to improve the usage of the established EOI infrastructure and agreed to consider appropriate measures during their next meeting in 2024.

3. Kenya and Tunisia are committed to start AEOI in 2024, and Morocco, Rwanda and Uganda in 2025.

4. The meeting was attended by 66 delegates from 23 African countries, including 3 non-members and 7 partners and donors of the Initiative. Statement of outcomes available at <https://www.oecd.org/tax/transparency/documents/14th-meeting-of-the-africa-initiative-statement-of-outcomes.pdf>.

## 2. Bolstering regional dynamics on tax transparency

### BOX 9. The Africa Initiative and the Yaoundé Declaration

First launched in 2014, the Africa Initiative aims at unlocking the potential of tax transparency and EOI for Africa by ensuring that African countries are equipped to exploit the improvements in global transparency to better tackle tax evasion. The Initiative is a partnership between the Global Forum, its African members and partner organisations and is open to all African countries. With Angola, the Democratic Republic of the Congo, Sierra Leone and Zimbabwe's adherence to the Global Forum and the Africa Initiative, the Africa Initiative now counts 38 members, representing 69% of African countries. It is also supported by 18 partners and donors, including the African Union Commission (AU Commission).



The Africa Initiative led to the Yaoundé Declaration, which is a call to fight tax evasion and other IFFs through transparency and EOI in the region. Launched during the 10<sup>th</sup> plenary meeting of the Global Forum held in Cameroon in 2017, the Declaration encourages African countries to collaborate with regional partners for the implementation of tax transparency standards and EOI tools. The Declaration is currently supported by 34 African Ministers of Finance and the African Union Commission.

For the period 2023-2024, the Africa Initiative is led by two Co-Chairs, Mr. Edward Kieswetter, Commissioner of the South African Revenue Service and Mr Philippe K. Tchodie, Commissioner General of the Togolese Revenue Authority.

#### 38 members

Algeria • Angola • Benin • Botswana • Burkina Faso • Cabo Verde • Cameroon • Chad • Congo • Côte d'Ivoire • Democratic Republic of the Congo • Djibouti • Egypt • Eswatini • Gabon • Ghana • Guinea • Kenya • Lesotho • Liberia • Madagascar • Mali • Mauritania • Mauritius • Morocco • Namibia • Niger • Nigeria • Rwanda • Senegal • Seychelles • South Africa • Sierra Leone • Tanzania • Togo • Tunisia • Uganda • Zimbabwe.

#### 18 partners

African Development Bank (AfDB) • African Tax Administration Forum (ATAF) • AU Commission • Cercle de Réflexion et d'Échange des Dirigeants des Administrations Fiscales (CREDAF) • Commonwealth Association of Tax Administrators (CATA) • European Union • France • Germany • International Finance Corporation (IFC) • Ireland • Netherlands • Norway • Senegal • Sweden • Switzerland • United Kingdom • West African Tax Administration Forum (WATAF) • World Bank (WB).

#### 34 signatories of the Yaoundé Declaration

AU Commission • Algeria • Benin • Botswana • Burkina Faso • Cabo Verde • Cameroon • Chad • Comoros • Congo • Côte d'Ivoire • Djibouti • Egypt • Eswatini • Gabon • Ghana • Guinea-Bissau • Kenya • Lesotho • Liberia • Madagascar • Mali • Mauritania • Mauritius • Morocco • Niger • Nigeria • Rwanda • Senegal • Seychelles • South Africa • Togo • Tunisia • Uganda.



📍📅 14th meeting of the Africa Initiative, 28 November 2023, Lisbon, Portugal.



## 2. Bolstering regional dynamics on tax transparency

### ***Delivering on cross-border assistance in the recovery of tax claim***

Developing capacities to ensure an effective cross-border assistance in the recovery of tax claims for African countries has been a priority for the Africa Initiative during the 2021-2023 period. In 2023, the Africa Initiative has continued to develop its work on cross-border assistance in tax collection, which started in 2021 with the establishment of a dedicated Working Group<sup>5</sup> and the adoption of a fact finding note to understand the current position of African countries and ascertain the conditions necessary for effective cross-border assistance in the region.<sup>6</sup> In particular, a work plan was adopted to address the main recommendations made in the note:

- strengthening domestic tax debt recovery functions
- developing a strategy for cross-border recovery of tax claims
- adopting an appropriate international legal basis for cross-border recovery of tax claims.

Following through with the needs expressed by African countries to strengthen the international tax co-operation framework by ensuring effective cross-border assistance in the recovery of tax claims, a Toolkit for Establishing a Function for Cross-Border Assistance in the Recovery of Tax Claims<sup>7</sup> was published to provide tax authorities with practical guidance for participating in this form of administrative assistance.

Following a successful workshop delivered in Tunisia in 2022, the Secretariat provided further support to African countries in setting up a function for cross-border assistance in the recovery of tax claims and build capacities in this area. Two regional workshops were organised:

- The Secretariat and ATAF jointly delivered the first regional workshop on this form of administrative assistance for African countries. The workshop took place from 27 to 29 March 2023 in Kampala, Uganda and brought together 61 tax officials from 19 African countries.
- The Secretariat, the CREDAF and the International Association of Treasury Services partnered to deliver a second workshop from 10 to 12 July 2023 in Noisy-le-Grand, France. This workshop was attended by 46 representatives from 18 countries.

These events successfully raised awareness and facilitated peer-to-peer learning among African tax administrations on the best practices for cross-border assistance in tax claims recovery.

### **NEW STEPS REACHED IN LATIN AMERICA**

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Building upon the launch of the Latin America Initiative in 2018 (see Box 10), the tax transparency agenda is progressing in the region with an impact on domestic revenue mobilisation.

### ***Fifth anniversary of the Punta del Este Declaration***

A high-level working dinner was organised in the eve of the 8<sup>th</sup> meeting of the Punta del Este Declaration held in Asuncion, Paraguay, in June 2023, to celebrate its fifth anniversary.<sup>8</sup>

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5. The Working Group is comprised of 23 officials from 12 African countries and received support from partner countries (Belgium and Japan).

6. A summary of the findings of the Working Group is available at <https://www.oecd.org/tax/transparency/documents/cross-border-assistance-recovery-of-tax-claims-african-countries.pdf>.

7. OECD (2023), *A Toolkit for Establishing a Function for Cross-Border Assistance in the Recovery of Tax Claims*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/a-toolkit-for-establishing-a-function-for-cross-border-assistance-in-the-recovery-of-tax-claims.pdf>.

8. The working dinner gathered 38 participants representing 11 Latin American countries, including 4 ministers and vice -ministers of finance and 4 tax commissioners, along with regional partners and invited organisations.



## 2. Bolstering regional dynamics on tax transparency

“ 2023 marked the 5th anniversary of the signing of the Punta del Este Declaration. In these five years, the Latin American region has made great progress in the fight against tax evasion and other IFFs, including the expansion of Latin American countries EOI networks, the increasing use of EOI to support tax audits and investigations, and the signature by interested countries of the pilot project for the wider use on treaty-exchanged information. EOI has demonstrated to be a powerful tool for domestic revenue mobilisation in the region, and in the next years, all Latin American members should continue working to effectively implement the standards and release the full potential of EOI. ”



**Oscar Orué Ortiz**, National Director of the National Directorate of Tax Revenues of Paraguay, and Chair of the Latin America Initiative

During this meeting, participants reflected on the progress made under the Latin America Initiative and on the remaining challenges to meet the objectives of the Declaration. The discussions took stock of the five years of the Declaration and highlighted the role of the Latin America Initiative in being a valuable forum to share experiences, strengthen co-operation and build capacities in tax transparency. The discussions also highlighted, however, the need to take full advantage of the EOI infrastructures and networks to ensure that the implementation of the tax transparency standards translates effectively into additional revenue to finance development. A key element of the discussion was also the wider use of treaty-exchanged information, and participants emphasised the importance of this mechanism for fighting IFFs transcending tax evasion.<sup>9</sup>

### **More progress reported on the implementation and impact of tax transparency in Latin America**

Launched during the 8<sup>th</sup> meeting of the Punta del Este Declaration Initiative,<sup>10</sup> the Tax Transparency in Latin America 2023: Punta del Este Declaration Progress Report<sup>11</sup> presents the accomplishments achieved in the region by 16 Latin America countries, including those participating in the Latin America Initiative and Bolivia in 2022.

This third edition of the report highlighted the role of the Initiative as a steppingstone in the fight against tax evasion and other IFFs, and its impact on domestic resource mobilisation. However, the progress is uneven as Latin American countries face different challenges and have different level of experience with the implementation and use of the EOI standards. The main findings for 2022 were as follows:



- EUR 708 million of additional revenue was reported by Latin American respondents. Since 2009, Latin American countries have identified EUR 27.8 billion in additional revenue through offshore tax investigations (including EOIR and use of CRS data) and AEOI related voluntary disclosure programmes.
- In 2022, AEOI enabled tax administrations to identify a significant amount of unreported revenues. Only a year after starting its first exchanges, Ecuador implemented a comprehensive strategy around the use of CRS data. The total amount of regularised assets amounted to

9. The statement of outcomes of the high-level working dinner of ministers of Finance and heads of tax administrations is available at <https://www.oecd.org/tax/transparency/documents/PdE-statement-outcomes-working-dinner-26062023.pdf>.

10. The meeting was attended by 60 participants, including representatives from 12 signatories, 1 observer country and 5 partners of the Punta Del Este Declaration. Statement of outcomes available at <https://www.oecd.org/tax/transparency/documents/8th-meeting-of-the-Punta-del-este-declaration-outcomes.pdf>.

11. OECD (2023), *Tax Transparency in Latin America 2023: Punta del Este Declaration Progress Report*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/tax-transparency-in-latin-america-2023.pdf>.

## 2. Bolstering regional dynamics on tax transparency

**“** *Achieving efficient and transparent management of public resources and combating tax fraud in all its manifestations are essential steps towards fairer, more equitable and inclusive societies. At AECID, we believe that the best way to achieve this is by working together, in alliance, generating knowledge and shared challenges.* **”**

**Antón Leis**, Director, AECID



EUR 7 billion, with a collection of more than EUR 84 million. One case stands out in which a taxpayer regularised assets of more than EUR 93 million and paid EUR 5.3 million in taxes. In another country, Peru, the use of the CRS data allowed the increase in the number of taxpayers reporting their foreign source income by 53% in 2022 compared to the average of the previous four years. These results emphasise yet again the potential that AEOI holds for other countries in the region as a revenue mobilisation tool.

- 15 Latin American countries are now signatories of the MAAC, bringing the EOI relationships of these countries to over 1 900.<sup>12</sup>
- 735 requests were sent while 382 were received. Out of these, six Latin American respondents reported increasing requests for information during 2022, with four countries showing notable to moderate increases.
- 10 Latin America Global Forum members have commenced AEOI. Other five members are yet to commit to start AEOI by a specific date. The Global Forum and its partners will continue to raise awareness on the benefits of AEOI and support countries in their implementation process. The participants.

At their 9<sup>th</sup> meeting<sup>13</sup> held in Lisbon, Portugal, on 28 November 2023, the members took stock of the progress made during 2023, including on the drafting of the competent authority agreement for the wider use of treaty-exchanged information, and welcomed the participation of the Dominican Republic to the related pilot project. They also approved a work plan for 2024-2026. and agreed to maintain the current governance framework, with a Chair and Vice-Chair. Finally, they welcomed two new partners of the Latin America Initiative: IEF and AECID.

**“** *In recent years we have seen countries' tax policy makers aligning themselves to fight international tax fraud. One of the most powerful measures has been the network of exchange of information agreements between jurisdictions. But it is essential to go a step further and ensure that the human talent of the institutions acquires the knowledge, skills and competences to make use of all the tools for the fight against fraud. For this reason, the Spanish Institute of Fiscal studies, as a centre for training and research in public finance, is at the disposal of the Global Forum and the countries of the Punta del Este Declaration in its mission to disseminate and train in best practices in tax transparency and information exchange.* **”**

**Alain Cuenca**, Director, IEF



12. Honduras signed the MAAC in July 2023 and the ratification is pending.

13. The meeting was attended by over 25 delegates, including representatives from 9 signatories and 6 development partners of the Punta Del Este Declaration. Statement of outcomes available at <https://www.oecd.org/tax/transparency/documents/9th-meeting-of-the-Punta-del-este-declaration-outcomes.pdf>.

## 2. Bolstering regional dynamics on tax transparency

### BOX 10. Latin America Initiative and the Punta del Este Declaration

The Punta Del Este Declaration was signed in November 2018 by four Latin American countries and now has been endorsed by the 15 Latin America countries that are members of the Global Forum. In order to unlock the potential of EOI for tax compliance and facilitate the broader fight against corruption and other IFFs, the Punta del Este Declaration focuses on: (i) fully and effectively implementing the international standards of transparency and EOI; and (ii) maximising the effective use of the information exchanged, including by considering a wider use of treaty-exchanged information for non-tax purposes, to improve international tax co-operation and to tackle corruption and other financial crimes.

The Declaration also aims at ensuring that jurisdictions in the region can fully and swiftly benefit from transparency and EOI for tax purposes and translate it into effective domestic resource mobilisation.

To meet the objectives of the Declaration, a Latin America Initiative has been organised which gathers the signatories of the Declaration, one observer (Bolivia) and six partners. The Initiative is currently oriented by its 2021-2023 work plan, which takes into consideration the distinct implementation stages and technical capacity levels of its members and is divided between (i) baseline activities for all members, and (ii) complementary actions of an optional nature for interested jurisdictions.

In 2023, the Initiative was led by Mr Oscar Orué Ortiz, National Director of the National Directorate of Tax Revenues of Paraguay, as Chair, and Mr Luis Carlos Reyes Hernández, Director General of the National Directorate of Taxes and Customs of Colombia, as Vice-Chair. During the 9<sup>th</sup> meeting of the Initiative held in Lisbon, participants agreed to maintain the current governance framework, with a Chair and a Vice-Chair, and delegates appointed Mr. Oscar Orué Ortiz as Chair for 2024. Following a call for nominations, Mr Robinson Sakiyama Barreirinhas, Special Secretary of the Federal Revenue of Brazil, was appointed as Vice-Chair for year 2024, with a commitment to assume the Presidency in 2025.

#### 15 members / signatories

Argentina • Brazil • Chile • Colombia • Costa Rica • Dominican Republic • Ecuador • El Salvador • Guatemala • Honduras • Mexico • Panama • Paraguay • Peru • Uruguay.

#### 6 partners

Spanish Agency for International Development Cooperation (*Agencia Española de Cooperación Internacional para el Desarrollo* - AECID) • Institute of Fiscal Studies (*Instituto de Estudios Fiscales* – IEF) • Inter-American Centre of Tax Administrations (Centro Interamericano de Administraciones Tributarias – CIAT) • Inter-American Development Bank (IDB) • IFC • WB.

#### 1 observer

Bolivia.



📅 9<sup>th</sup> meeting of the Punta del Este Declaration, 28 November 2023, Lisbon, Portugal.



## 2. Bolstering regional dynamics on tax transparency

### BOX 11. Framework for the pilot project on wider use of treaty-exchanged information in Latin America

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The developed framework contains the following components:

- an administrative framework of tailored draft agreements and templates:
  - A draft Competent Authority Agreement that provides the overarching framework for wider use. It explores possible authorisation models and templates to streamline the authorisation process and for other useful communications between Competent Authorities.
  - A draft Memorandum of Understanding between the tax administration and domestic non-tax law enforcement agencies. It defines the manner in which co-operation between the tax administration and the non-tax law enforcement agencies will take place, as well as the provisions for ensuring that the treaty-exchanged information is handled with proper confidentiality. It also includes templates to streamline the process for on-sharing treaty-exchanged information.
- a pilot project to implement the wider use framework between interested countries.
- a confidentiality and data safeguards training programme, to raise awareness and strengthen knowledge among non-tax law enforcement agencies.

As part of this framework, the Secretariat has developed a training programme on confidentiality and data safeguards taking the form of three training modules:

- Module 1: General confidentiality and data safeguards training
- Module 2: Workshop for handling treaty-exchanged information and doing wider use in practice
- Module 3: Overview of the core components for protecting the confidentiality of tax treaty-exchanged information.

#### *Advancing the wider use of treaty-exchanged information*

Exploring the use of the information exchanged through tax-treaty channels for non-tax purposes is a key objective of the Punta del Este Declaration, as it contributes to a whole-of-government approach to tackle IFFs. The Latin America Initiative has been working in this area since 2021.

Building on a baseline study that concluded that most countries in the region have the international and domestic legal basis to do wider use of treaty-exchanged information, a milestone framework was adopted in 2022. It consists of administrative arrangements, procedures and technical assistance to support interested countries in facilitating this form of co-operation and to streamline the processes involved in obtaining consent for the use of such information by non-tax authorities, as permitted by the MAAC, while ensuring the confidentiality of such information (see Box 11). The framework includes the signature of a pilot project, as well as the design and delivery of a confidentiality and data safeguards programme for law enforcement non-tax agencies.

In March 2023, the second module of the training programme on confidentiality and data safeguards was delivered to 194 officials from tax and non-tax agencies (including financial intelligence units, customs agencies and public prosecutor's offices) from Argentina, Costa Rica and Paraguay.

During the 8<sup>th</sup> meeting of the Punta del Este Declaration held in Paraguay in June 2023, Brazil and Colombia joined Argentina, Costa Rica and Paraguay in the pilot project. Dominican Republic joined

## 2. Bolstering regional dynamics on tax transparency

the pilot during the 9<sup>th</sup> meeting held in Lisbon in November 2023. Other Global Forum members from Latin America have also shown interest in this project (see Box 12).

At the request of the Indian G20 Presidency and building on the experience of the Latin America Initiative, the Secretariat delivered a report, which highlights the benefits, the conditions and the challenges of using the information exchanged through tax-treaty channels for purposes other than tax, and then suggests a possible approach that could be implemented by interested jurisdictions to facilitate this form of co-operation and to streamline the related processes.<sup>14</sup>

14. OECD (2023), *Facilitating the Use of Tax-Treaty-Exchanged Information for Non-Tax Purposes: A contribution to a whole-of government approach to tackling IFFs*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/facilitating-the-use-of-treaty-exchanged-tax-information-for-non-tax-purposes.pdf>.

### BOX 12. DOMINICAN REPUBLIC – An experience in exploring the wider use of tax-treaty-exchanged information

**The Dominican Republic joined the pilot project for the wider use of tax treaty-exchanged information in November 2023, becoming the 6<sup>th</sup> Latin American country participating in this project, which intends to tackle IFFs that transcend tax evasion, such as money laundering, corruption, or those related to customs matters. Why is it important for the Dominican Republic to join this pilot project?**

Adherence to this important project is part of the Dominican Republic's commitment to transparency, with the objective of creating an environment of cooperation to unite efforts to pursue and identify corruption schemes that affect the region and negatively impact investment.

In addition, it allows other competent authorities to use the information exchanged for tax purposes to support the fight and investigation of non-tax illicit acts, such as corruption, following previously agreed guidelines on confidentiality, which becomes a revolutionary and necessary tool for tax and non-tax agencies in the Dominican Republic.

**What do you expect from this pilot project in the next years? What would you say to other Latin American countries to encourage them to join this initiative?**

As a nation widely committed to transparency, we hope this project will allow us to strengthen cooperation in the Latin American region, and thus individually strengthen our tax administrations.

The Dominican Republic expects this to be achieved through assistance in the implementation of measures for the use for non-tax purposes of the information received for tax purposes and that will serve our authorised non-tax organisations in their work of supervision, review, prosecution or collection, to identify mechanisms of tax evasion and others that result in IFFs.

With our participation, we reiterate the country's continued commitment to the implementation and compliance with international standards and good practices.

As for the other countries in the region, we encourage them to be part of this initiative that allows us to present a united front of cooperation against corruption, fraud, evasion, and tax avoidance. The individual fight against a global malicious situation is not won with isolated actions, and by presenting ourselves as Latin American countries working in concert, we are setting an example in the international investment field together with developed countries that have also taken measures to take advantage of the incomparable importance of the information exchanged for tax purposes.



**Ruth de los Santos Mazara**, Former Acting Director General, Directorate General for Tax Policy and Legislation, Ministry of Finance of the Dominican Republic

## 2. Bolstering regional dynamics on tax transparency

### Latin America

➤ **8th meeting of the Punta del Este Declaration**  
27-28 June 2023, Asunción, Paraguay

60 delegates, including representatives from 12 signatories of the Punta Del Este Declaration, one observer country and 5 partners attended the meeting.



### Africa

➤ **13th meeting of the Africa Initiative**  
6-7 July 2023, Cape Town, South Africa

120 delegates attended the meeting, including representatives from 26 African countries and 9 Africa Initiative partners and invitees.

### Asia

➤ **4th meeting of the Asia Initiative**  
27-28 April 2023, New Delhi, India

51 participants from 14 members of the Asia Initiative and 4 development partners were present.



## 2. Bolstering regional dynamics on tax transparency

### TRANSLATING POLITICAL OBJECTIVES INTO CONCRETE ACTIVITIES IN ASIA

Members of the Asia Initiative started the implementation of the activities aimed at meeting the objectives set in the Bali Declaration (see Box 13). 2023 also marks the launch of the first edition of the Tax Transparency in Asia: Asia Initiative Progress Report,<sup>15</sup> a key output of the Bali Declaration.

**“** *The first report of the Asia Initiative - ‘Tax Transparency in Asia 2023’ gives us a very good first-hand vision document for the short term and the medium term. While it highlights the importance of the Asia Initiative and the benefits that have come about, it also captures the challenges faced by members, whether on capacities, resources or technology. Both widening and deepening the whole tax transparency agenda will be the priority for the Asia Initiative insofar as I am concerned.*

**Sanjay Malhotra**, Revenue Secretary, Department of Revenue, Ministry of Finance, India, and Co-Chair of the Asia Initiative

**”**



#### First progress report dedicated to Asia

The Tax Transparency in Asia 2023 Report is the first progress report of the Asia Initiative established a year prior through the signature of the Bali Declaration<sup>16</sup>(see Box 13). The report was published during the fourth meeting of the Asia Initiative, held in New Delhi, India, in April 2023.<sup>17</sup> Based on the contributions of 22 Asian members of the Global Forum, the report highlights the progress made in the region and displays how they have benefited from the Global Forum’s capacity-building programme to implement the EOI and mobilise domestic revenues:

- Since 2009, an additional revenue of EUR 20.1 billion has been identified by Asian countries.
- Although Asian members have significantly expanded their EOI networks, 94% of the requests sent are from five Asian members.
- The implementation of the AEOI standard is gaining ground with 14 Asian members exchanging financial account information in 2022. In 2023, Armenia and Mongolia committed to start AEOI in 2025 and 2026, respectively.
- With an increased number of Asian members starting to use EOIR to support domestic investigations and to implement AEOI, additional revenues are expected to be generated in the future.



While this first edition shows great results, significant work still needs to be accomplished to ensure that all countries in the region participate in and benefit from the tax transparency agenda.

15. OECD (2023), *Tax Transparency in Asia 2023: Asia Initiative Progress Report*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/tax-transparency-in-asia-2023.pdf>.

16. Bali Declaration (Asia Initiative Declaration), A Call to Enhance the Use of Tax Transparency for a Sustainable Mobilisation of Domestic Resources, <https://www.oecd.org/tax/transparency/documents/Bali-Declaration.pdf>.

17. The meeting was attended by 51 participants from 14 members of the Asia Initiative and 4 development partners. Statement of outcomes available at <https://www.oecd.org/tax/transparency/documents/4th-asia-initiative-meeting-outcomes.pdf>.



## 2. Bolstering regional dynamics on tax transparency

### BOX 13. The Asia Initiative and the Bali Declaration

The Asia Initiative was launched by the Global Forum at its 2021 plenary meeting with the firm support of Ms Sri Mulyani Indrawati, Minister of Finance of Indonesia, and Mr Masatsugu Asakawa, President of the Asia Development Bank (ADB).

The Asia Initiative seeks to replicate the benefits and proven synergy generated by other regional capacity-building programmes, while benefitting from the momentum created by Indonesia's 2022 and India's 2023 G20 Presidencies.

The political impulse to the Asia Initiative was given by the endorsement at ministerial level by 13 Asian members of the Asia Initiative Declaration in July 2022, in the margin of the third G20 Finance Ministers and Central Bank Governors' meeting in Bali. The Bali Declaration is a call to enhance the use of tax transparency for sustainable domestic resource mobilisation in the Asian region. With The Philippines endorsing the Bali Declaration in January 2023, 17 Asian jurisdictions have joined the Asia Initiative. In addition, five organisations joined the Initiative as partners.

The Asia Initiative offers a framework to foster tax co-operation and aims to promote the implementation of the tax transparency standards and their utilisation to counter tax evasion and other forms of IFFs in the Asian region. The Initiative has been devised to address the uneven participation of Asian countries in the multilateral efforts towards tax transparency.

In 2023, the Initiative was led by two Co-Chairs: Mr Sanjay Malhotra, Revenue Secretary of the Ministry of Finance, India, and Mr Suryo Utomo, Director General of the Directorate General of Taxes, Indonesia. In 2024, the Initiative will continue under the leaderships of Mr Sanjay Malhotra but will also welcome a new Co-Chair, Mr Rustam Badasyan, Chairman of the State Revenue Committee, Armenia.

#### 17 members

Armenia • Brunei Darussalam • China (People's Republic of) • Hong Kong (China) • India • Indonesia • Japan • Kazakhstan • Korea • Macau (China) • Malaysia • Maldives • Mongolia • Pakistan • Philippines • Singapore • Thailand.

#### 5 partners

ADB / Asia Pacific Tax Hub • CATA • SGATAR • IFC • WB.

**“** *Advancing tax transparency leans on a combination of several factors: strong commitment to the tax transparency which must always be maintained and echoed for the inclusiveness of the tax transparency within the region.*

*Although my mandate as Co-Chair of the Asia Initiative is ending, I will continue voicing out for more Asian countries to join the Initiative.*

**Suryo Utomo**, Director General, Directorate General of Taxation, Indonesia, and Co-Chair of the Asia Initiative

**”**



*The Asia Initiative seeks to replicate the benefits and proven synergy generated by other regional capacity-building programmes.*

#### Delivering on the objectives of the Bali Declaration

During the meeting held in New Delhi in April 2023, The Philippines, which endorsed the Bali Declaration in January 2023, was welcomed as the 17<sup>th</sup> member.

## 2. Bolstering regional dynamics on tax transparency

The participants concurred on an annual work plan for the Asia Initiative consisting of baseline and complementary actions. The baseline actions aim at ensuring that all members implement the requirements for effective EOI, such as, for example, participating to the MAAC or setting up an efficient EOI function. The complementary actions, which are optional areas of collaboration between interested members, cover topics such as effective use of CRS data, recovery of tax claims, wider use of EOI data, EOI on VAT/Goods and Services Tax, as well as other forms of administrative tax co-operation as provided by the MAAC.

As part of the work plan, the Asia Initiative members engaged in several activities to be carried out until early 2024:

- a virtual experience-sharing workshop on tools and best practices to monitor the impact of EOI on revenue collection took place in June 2023 with 36 participant taking part to the workshop.
- establishing a working group on the use of CRS data.
- experience sharing events on wider use of treaty-exchange information and assistance in the recovery of tax claims to be jointly held with the Africa and Punta del Este Initiatives.

Finally, India hosted the first two in-person training seminars for tax auditors and EOI officials of Asia Initiative members in its National Academy of Direct Taxes in Nagpur.

- In March, the training focused on the connection between domestic tax investigations, the information-gathering framework and the infrastructure for EOI.
- In September, the training focused on the concept of foreseeable relevance.

At the 5<sup>th</sup> Asia Initiative Meeting<sup>18</sup> held in Lisbon, Portugal on 28 November 2023, members welcomed the participation for the first time of two observers<sup>19</sup>, as an achievement of one of the milestones of the Bali Declaration. They also discussed both the importance of the Working Group on Effective Use of CRS Data launched in November 2023 and the topics for which capacity-building activities will be organized in 2024.

### CONTINUED AWARENESS-RAISING AND SUPPORT ACTIVITIES IN THE PACIFIC

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The Pacific Initiative aims at promoting international tax co-operation, while taking full consideration of the specific challenges faced by Pacific Islands. The objective is to support these jurisdictions in strengthening their own domestic tax systems by implementing and using international tax standards, including the tax transparency standards. The Pacific Initiative is based on a phased approach for the gradual implementation of these standards to strengthen domestic resource mobilisation (See Box 14).

In 2023, the main focus was to: (i) continue to raise awareness among non-member jurisdictions in the region, which should translate in increasing their participation in the tax transparency work in the near future, and (ii) provide bilateral support to Pacific Islands members in preparation of their upcoming peer reviews.

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18. The meeting was attended by 65 delegates from 15 Asian members of the Global Forum and 2 non-members, and 6 development partners. Statement of outcomes available at: <https://www.oecd.org/tax/transparency/documents/5th-asia-initiative-meeting-outcomes.pdf>.

19. Lao PDR and Tajikistan.

**BOX 14. The Pacific Initiative**

The Pacific Initiative was launched in October 2020 to support efforts of Pacific jurisdictions in the phased implementation of tax transparency standards to prevent tax evasion and avoidance and to strengthen domestic resource mobilisation. As with other regional initiatives, the Pacific Initiative takes into account the specific circumstances and particular needs of Pacific Islands.

The Initiative, which covers 16 countries from the region, half of them being Global Forum members, is a joint initiative by ADB, Australia, the Global Forum, New Zealand, OECD, Pacific Islands Tax Administration Association and the WB.

**16 participating jurisdictions**

Cook Islands • *Federated States of Micronesia* • Fiji • Kiribati • Nauru • Niue • Palau • Papua New Guinea • Marshall Islands • Samoa • *Solomon Islands* • Timor-Leste • Tokelau • Tonga • Tuvalu • Vanuatu.

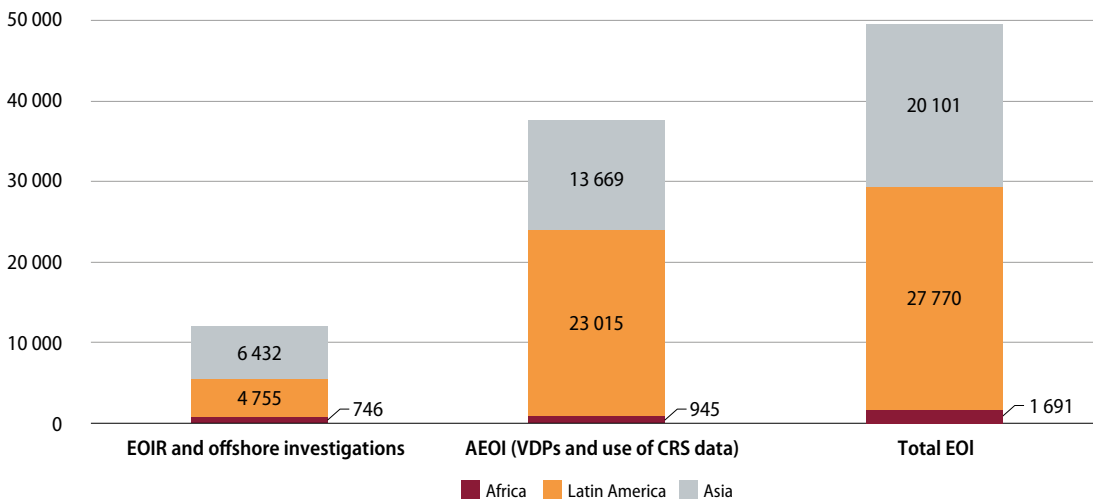
**Note:** Jurisdictions that are not Global Forum members are indicated in italics.

**COMMON PATTERNS AND LESSONS FROM THE REGIONAL INITIATIVES**

The Africa, Asia and Latin America Initiatives have been progressively created to foster a cohesive approach between jurisdictions belonging to the same region and enhance learning and knowledge-sharing opportunities. Despite the different timeframes for their creation, these initiatives show large commonalities both in terms of results achieved and remaining challenges. This reflects the overall strategy of the capacity-building programme which aims at improving the use of EOI tools in order for jurisdictions to fully benefit from the implementation of the tax transparency standards to increase domestic revenue mobilisation.

Through the uncovering of misreported, undeclared or hidden assets and revenues in the three regions, significant domestic revenues have been effectively identified, confirming the benefits of implementing and using tax transparency tools (see Figure 7). The different levels of implementation of the standards and experience in using them, and their uneven economic and

**Figure 7. Revenue identified as a result of EOI, in EUR million since 2009**



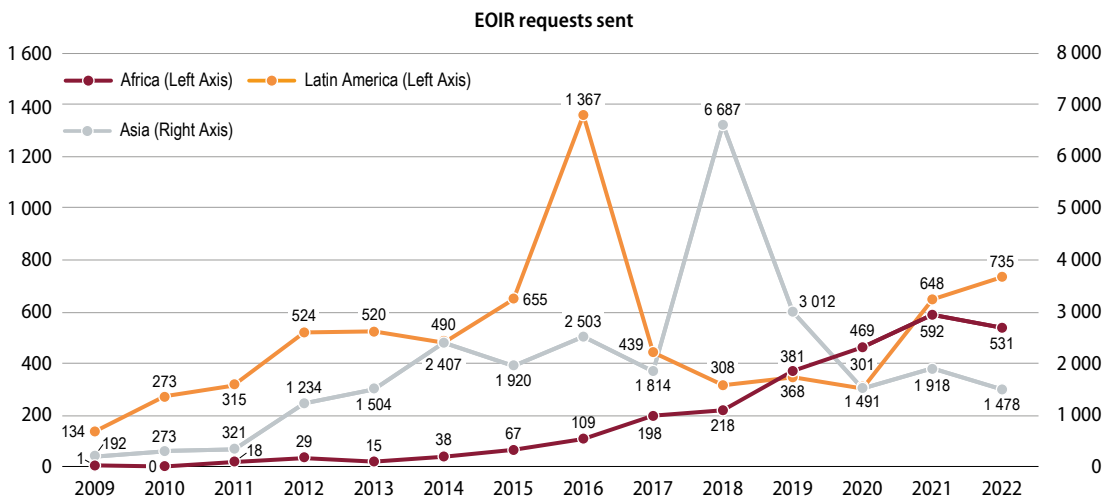
Source: Regional Initiative reports.

## 2. Bolstering regional dynamics on tax transparency

social environments explain the difference in the amounts of mobilised revenues. Nevertheless, the figures demonstrate the potential and relevance of the tax transparency standards. They reinforce the call to support developing countries in defining and implementing strategies to incentivise the use of tax transparency to fight and deter tax evasion and other IFFs.

Zooming on the positive effect of EOIR on domestic revenue mobilisation, it emerges that the number of requests sent to and received from EOI partners has been increasing in all the three regions. Between 2020 and 2022, the number of requests sent rose by 32% in Africa, 69% in Latin America and 13% in Asia. The number of requests received, on the other hand, has remained substantially stable in the last two years after it dropped because of the COVID-19 related restrictions (see Figure 8 and Figure 9).

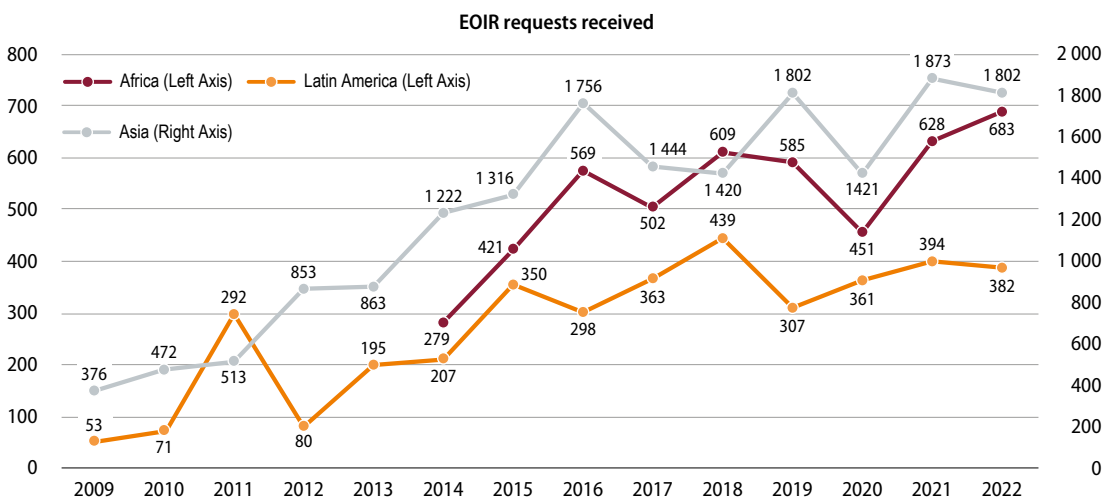
**Figure 8. Number of requests for information sent to treaty partners**



**Note:** The steep increase of requests for information in 2016 in Latin America was the consequence of the advancement of requests made by one Latin American country, triggered by an international leak of financial account information. The fluctuation in the number of requests sent in 2018 in Asia results from leaks that prompted investigations and the first AEOI exchanges in 2017 and 2018.

**Source:** Regional Initiative reports.

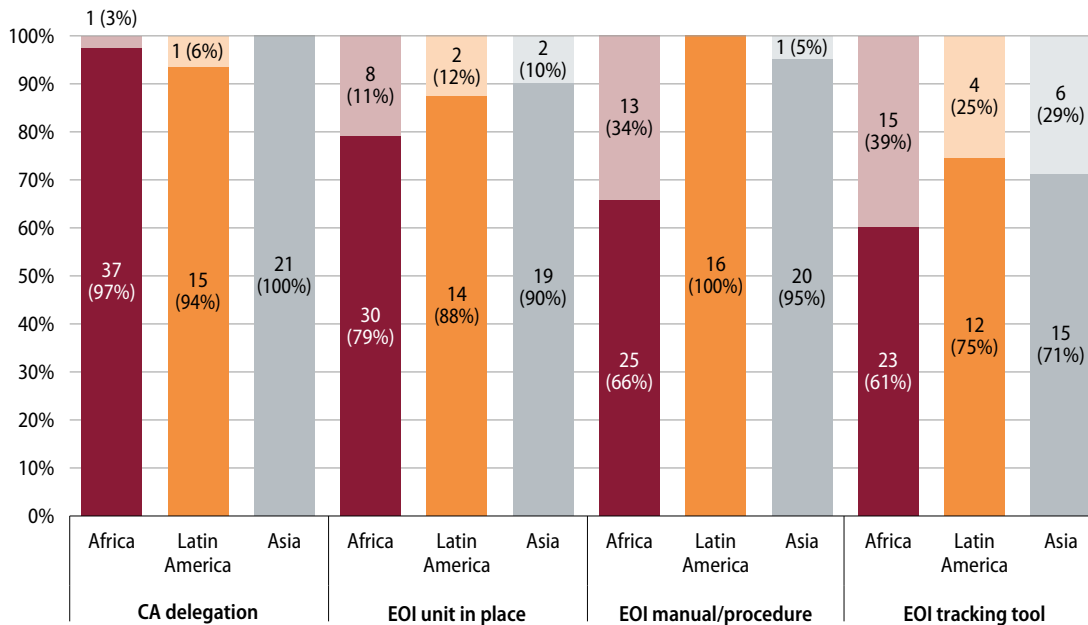
**Figure 9. Number of requests for information received from treaty partners**



**Source:** Regional Initiative reports.

## 2. Bolstering regional dynamics on tax transparency

**Figure 10. Share of jurisdictions with EOI organisational arrangements and technical tools**



**Note:** CA means Competent Authority for cross-border exchange of information for tax purposes.

**Source:** Regional Initiative reports.

The implementation of a sound EOI infrastructure is a pre-requisite to conduct cross-border investigations and fully exploit EOI. Supporting developing countries in this area has been since 2011 a critical area of the Global Forum's capacity-building programme. Figure 10 provides a snapshot of where Africa, Asia and Latin America stand regarding the key elements of an EOI infrastructure.

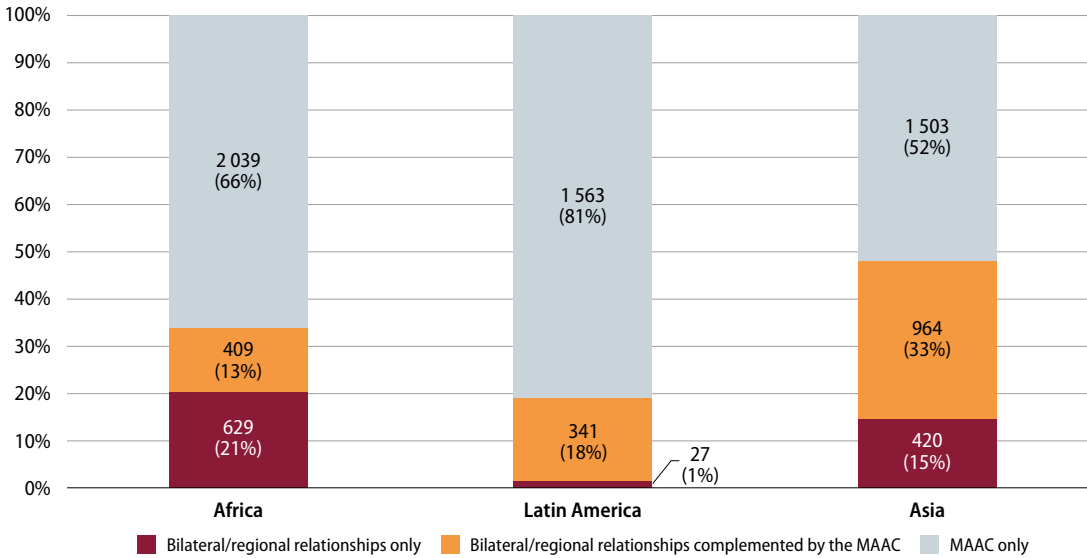
The fact that new countries from these regions joined the Global Forum relatively recently explains the additional efforts required in certain areas for them to fully implement and benefit from the EOI infrastructure. This is particularly the case in Africa.

While the delegation process of the competent authority function, which is essential for an agile and effective EOI function, has reached a high level of maturity in all three regions, some areas require further progress in one or more regions. The establishment of an EOI unit, as well as the drafting and the implementation of an EOI manual, is progressing, but it has not yet reached an optimal level, in particular in Africa. Yet, all the three regions have a relatively lower level of implementation of a tool to track the exchanges. The Secretariat will continue to work to support the jurisdictions addressing these issues.

Another fundamental element of cross-border co-operation between tax authorities is the development of a sufficiently broad treaty network to cover all relevant jurisdictions with which information can be sought and obtained to support domestic tax investigations and audits. For all three regions, the participation to the MAAC by a growing number of jurisdictions has visibly been a game-changer. Figure 11 shows that the majority, or even the vast majority for Latin America, of the EOI bilateral relationships established in the regions was created through joining the MAAC. One of the benefits brought by the MAAC is complementing existing bilateral treaties, in particular pre-2012 treaties, which may not be in line with the tax transparency standards.

## 2. Bolstering regional dynamics on tax transparency

**Figure 11. Bilateral exchange of information relationships in force**



*The majority, or even the vast majority for Latin America, of the EOI bilateral relationships established in the regions was created through joining the MAAC.*

Source: Regional Initiative reports.

These results show the same positive trend, although not all jurisdictions have reached the same level yet. They also point out to areas for further improvements in establishing the EOI network, infrastructure and capacity in all the regions to use EOI at its full potential.



5th meeting of the Asia Initiative, 28 November 2023, Lisbon, Portugal.

### 3 | Supporting the implementation of the tax transparency standards

Enabling the effective implementation of the tax transparency standards is a core mission of the Global Forum. To achieve this objective, the Secretariat focuses on the needs of its members and develops assistance programmes and activities to meet those needs. The Secretariat is constantly seeking to innovate and develop new methods to address the members' needs – both in the early stages and further down the road as the standards are effectively implemented.



### 3. Supporting the implementation of the tax transparency standards

In 2023, the demand for technical assistance remained at a high level and covered all areas of the implementation of the tax transparency standards: 91 jurisdictions benefitted from bilateral technical support, including 75 developing ones, which were provided with a more extensive support. The main drivers have been:

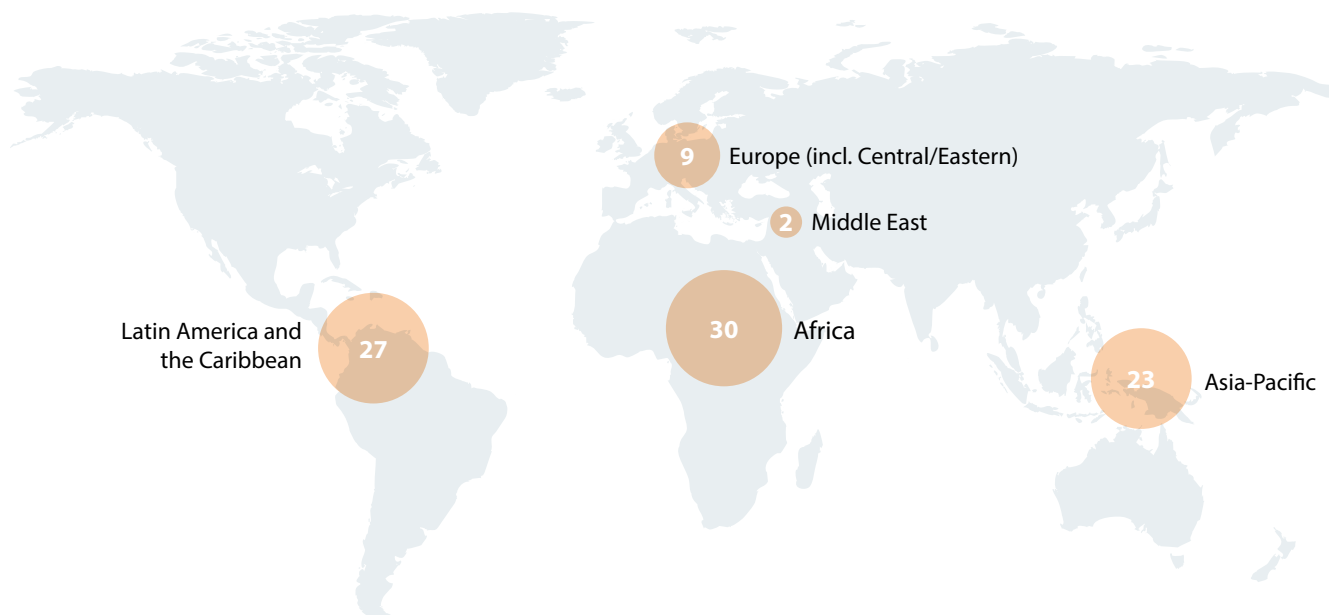
- the increase in membership in recent years and the support to non-members in reaching an informed decision about joining the Global Forum.
- the preparation of EOIR, AEOI and ISM peer reviews or the implementation of the recommendations issued in these reviews, including the continuation and extension of the programme launched in 2022 on AEOI compliance.
- the implementation of structural reforms aimed at increasing domestic revenues.
- the successful implementation of the AEOI standard by more developing jurisdictions, demystifying the common belief that AEOI is not accessible to them.
- the benefits of tax transparency shared by developing countries within regional initiatives meetings and other Global Forum events.

*91 jurisdictions benefitted from bilateral technical support, including 75 developing ones, which were provided with a more extensive support.*

To meet this demand, the Secretariat continues to follow a hybrid approach that combines remote assistance, complemented by knowledge tools, to advance technical support as far as possible before providing in-country assistance focused on addressing remaining issues and key aspects that could not be covered in another way.

The scope and intensity of the technical support provided varied from one jurisdiction to another. The geographical distribution was as follows: Africa (33%), Latin America and the Caribbean (30%), Asia-Pacific (25%), Europe (10%) and Middle East (2%) (see Figure 12).

**Figure 12. Number of jurisdictions supported by the Secretariat in 2023, by region**





### 3. Supporting the implementation of the tax transparency standards

In 2023, at least 27 developing country members have adopted legal or administrative changes to implement or improve the implementation of the tax transparency standards. Eighteen of them strengthened the availability of beneficial ownership information.

The technical assistance programme of the Secretariat was rated 4.7 out of 5 by the beneficiaries. Table 3 provides some key figures on the technical assistance activities carried out in 2023.

**Table 3. Scale of the technical assistance provided by the Secretariat in 2023**

Technical assistance activity	Number of activities performed
Jurisdictions receiving technical assistance (including developing jurisdictions)	91 (75)
Technical assistance reports	161
Technical assistance meetings (including virtual)	337 (287)
Technical assistance missions	72

#### A CUSTOMISED TECHNICAL ASSISTANCE

The Secretariat provides technical assistance to member jurisdictions and other jurisdictions considering a potential membership application. For its members, the assistance is provided in the form of comprehensive long-term Induction Programmes for jurisdictions that joined the Global Forum after 2015 (see Box 15), and as tailored assistance in response to specific needs of other member jurisdictions.

The level of political and organisational engagement of a member country in relation to a technical assistance programme is the most significant factor for its success. Countries that benefit from a strong political support for the technical assistance programme are able to make the required reforms for the implementation of the standards, develop true ownership of the process and better benefit from the Global Forum membership.

In 2023, 37 of the 47 induction programmes made good progress. In addition, 48 members benefited from tailored technical support.

Finally, pre-membership support was offered to six non-member jurisdictions which have been exposed to awareness-raising activities, showing the benefits of implementing the tax transparency standards. This type of support previously offered to five countries (Angola, Democratic Republic of the Congo, Fiji, Sierra Leone and Zimbabwe) translated in their membership in 2023.

#### Box 15. Countries benefitting from an Induction Programme (47)

Algeria • Angola<sup>(2)</sup> • Armenia • Belarus<sup>(1)</sup> • Benin • Bosnia and Herzegovina • Cabo Verde • Cambodia • Chad • Congo • Côte d'Ivoire • Democratic Republic of the Congo<sup>(2)</sup> • Djibouti • Ecuador • Egypt • Eswatini • Faroe Islands • Fiji<sup>(2)</sup> • Greenland • Guinea • Guyana • Haiti • Honduras • Jordan • Kuwait • Lebanon • Madagascar • Maldives • Mali • Moldova • Mongolia • Montenegro • Namibia • Niger • Oman • Palau • Papua New Guinea • Paraguay • Rwanda • Serbia • Sierra Leone<sup>(2)</sup> • Tanzania • Thailand • Togo • Uzbekistan • Viet Nam • Zimbabwe<sup>(2)</sup>.

1. Programme on hold. 2. Programme to be launched shortly.

### 3. Supporting the implementation of the tax transparency standards

#### FOCUS ON THE SUCCESSFUL FISCAL TRANSITION SUPPORT PROGRAMME IN WEST AFRICA

Since September 2020, under a programme funded by the European Union,<sup>1</sup> the Global Forum Secretariat has been supporting the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (UEMOA) implement and benefit from key components of tax transparency.<sup>2</sup>

**“ The combined efforts of the UEMOA and ECOWAS Commissions, working with the Global Forum and with the essential support of the European Union, embody the vision of a West Africa determined to adopt the best international tax transparency standards. The significant advances made with the Directive on beneficial ownership and the Supplementary Act on administrative cooperation in tax matters demonstrate our collective determination to ensure that every company and every individual makes a fair tax contribution to the development of our region. ”**

**Habasso Traore**, Director of Public Finance and Internal Taxation, UEMOA Commission



This programme seeks to support the implementation of fiscal transition programmes in West Africa, following the implementation of regional trade liberalisation policies. In particular, the programme aims to specifically achieve three outcomes:

1. broaden the tax base to increase the level of domestic tax revenue
2. strengthen the co-ordination and institutional capacity of ECOWAS and UEMOA for the implementation, monitoring and evaluation of fiscal transition programmes
3. strengthen advocacy and analysis by civil society, the private sector, and academia and promote public debate on domestic taxation.

With the ongoing support of the ECOWAS and UEMOA Commissions and in close cooperation with their representatives, the Global Forum Secretariat has worked with experts from the 16 West African States,<sup>3</sup> using a collaborative and inclusive approach, to develop two Community tax instruments dealing respectively with beneficial ownership and mutual administrative assistance in tax matters. These instruments effectively adapt the most recent international standards to regional needs and circumstances, providing West Africa with tailored and effective tools in the fight against tax evasion and other IFFs.<sup>4</sup>

- The Directive C/DIR.2/07/23 on the harmonisation of rules on beneficial ownership of legal entities within ECOWAS Member States enables the identification of the individuals who ultimately own or control a legal person or a legal arrangement such as a trust. The Directive imposes strict obligations to identify beneficial owners and requires the establishment of a register, kept by the

1. West African Tax Transition Support Programme (PATF), <https://www.patf-ao.org/>.

2. OECD (2023), *Combating tax evasion, avoidance, and illicit financial flows to mobilise domestic resources in West Africa*, OECD, Paris, <https://www.oecd.org/tax/transparency/documents/combating-tax-evasion-avoidance-and-illicit-financial-flows-to-mobilise-domestic-resources-in-west-africa.pdf>.

3. West African States comprise the following 15 ECOWAS Member States (Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo) and Mauritania.

4. The OECD also delivered capacity building on other tax areas such as transfer pricing and tax treaty negotiations.

### 3. Supporting the implementation of the tax transparency standards

national authorities, containing the identity of beneficial owners. Timely access to the information contained in the register by all relevant domestic authorities is also ensured. This Directive provides ECOWAS Member States with an appropriate Community framework for collecting and maintaining vital information to combat tax fraud and evasion, money laundering, financing of terrorism, and other illicit activities, whether in a domestic or cross-border context.

- The Supplementary Act A/SA.3/07/23 on Mutual Administrative Assistance in Tax Matters between ECOWAS Member States establishes an advanced legal framework for administrative cooperation between the tax administrations of ECOWAS Member States. This framework covers not only the exchange of information for tax purposes, whether on request, spontaneous or automatic, but also more advanced forms of cooperation, such as simultaneous tax audits or cross-border assistance in the recovery of tax claims. This Community instrument thus provides ECOWAS Member States with a comprehensive mechanism for obtaining information to combat tax evasion and other forms of IFFs in West Africa and should help increase public revenue. As part of the work on the Supplementary Act, a model set of legislative and regulatory provisions relating to the introduction of AEOI was also developed to support the gradual adoption of this type of exchange in the region, while taking into account the specific situation of each ECOWAS Member State.

The Directive was adopted by the ECOWAS Council of Ministers at their 90<sup>th</sup> ordinary session on 6-7 July 2023 in Bissau (Guinea-Bissau) and Supplementary Act by the ECOWAS Conference of Heads of State and Government at their 63<sup>rd</sup> ordinary session on 9 July 2023 in Bissau (Guinea-Bissau). ECOWAS Member States must transpose the Directive into domestic law by 1 January 2027.

This technical work was accompanied by a related training programme. More than 100 tax auditors and EOI unit officers from 16 West African countries were trained in three regional events attended by the ECOWAS and UEMOA Commissions to strengthen the effective use of EOI mechanisms in the region. The last training took place in Abidjan in 2023. These trainings were focused on the connection between the domestic tax investigation, the information-gathering framework and the international infrastructure for EOI.

In addition, in July 2023 in Accra (Ghana), the Secretariat organised a dedicated workshop attended by 27 representatives of tax authorities, anti-money laundering and counter-terrorist financing units from 12 West African countries, together with civil society organisations from the region, to discuss the progress made under the PATF in terms of tax transparency with the two Community instruments and to initiate a discussion between the various stakeholders in the fight against IFFs. The workshop provided an opportunity for tax and anti-money laundering experts to discuss their activities and the obstacles encountered in the fight against IFFs, as well as to build connections

**“ The legal texts adopted reflect the determination of ECOWAS to strengthen tax transparency, integrity and cooperation in West Africa. They enhance the availability of beneficial ownership information in our countries and enlarges the instruments at our disposal to correctly assess profits of multinational enterprises. This will tremendously help our community to fight against tax base erosion and profit shifting and IFFs and confirms concretely our commitment to responsible and fair tax governance in the region. ”**

**Salifou Tiemtoré**, Director of the Customs and Taxation Union, ECOWAS Commission



### 3. Supporting the implementation of the tax transparency standards

in terms of domestic exchange of information and share best practices. Civil society organisations shed light on the social and economic impact of IFFs in West Africa.

With the programme's extension until December 2024, the next steps will include technical support to the ECOWAS and UEMOA Commissions to monitor the implementation of these regional instruments, to develop a guide on beneficial ownership and to raise awareness on the newly adopted beneficial ownership obligations. On the basis of the significant progress achieved by West African countries through their collaboration, but also aware of the challenges they still face to improve domestic resource mobilisation, the ECOWAS and UEMOA Commissions have also expressed their wish to continue to benefit from technical assistance from the Secretariat after the end of the current programme.

#### JOINING THE CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS

The MAAC provides an international legal framework for exchanging information and co-operating in tax matters with a view to countering international tax evasion and avoidance. Currently, 147 jurisdictions participate in the MAAC.

Promoting the benefits of the MAAC to jurisdictions that are not yet party is a structuring step of the technical assistance programme. When a jurisdiction joins the Global Forum, one of the first steps of the Induction Programme is to work towards becoming party to the MAAC, if the jurisdiction wishes to do so. Technical assistance, in liaison with the Secretariat of the Co-ordinating Body, is provided on all the steps of the signature and ratification, including the request to become a Party, completing the tax confidentiality questionnaire, preparing the notifications, declarations and reservations. The Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters is central to the support provided.<sup>5</sup>

**“ Benin decided to become a party to the MAAC in order to strengthen its international cooperation in tax matters and promote transparency domestically. By acceding to this convention, Benin undertakes to collaborate more closely with other jurisdictions on tax matters, thereby helping to combat tax evasion, tax fraud and other harmful practices.**

**The entry into force of this convention for Benin on 1 May 2023 means that the country now fully participates to international tax cooperation. This reinforces Benin's credibility as a committed partner in the fight against abusive tax practices, and facilitates the exchange of tax information with other signatory jurisdictions.**

**To make the most of this convention, Benin's tax administration intends to implement several initiatives such as setting up domestic mechanisms to facilitate the exchange of information, assigning dedicated staff to the EOI Unit and training staff to ensure effective use of the instruments provided for in the MAAC. In addition, Benin's General Directorate of Taxes is planning awareness-raising activities to inform taxpayers and stakeholders of the implications and benefits of joining the MAAC. All these measures will strengthen Benin's international cooperation in tax matters and promote more transparent and efficient tax administration.**

**Nicolas Yenoussi**, Director General of Taxes, Benin



5. OECD (2020), *A Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters*, Global Forum on Transparency and Exchange of Information for Tax Purposes, OECD, Paris, [https://www.oecd.org/tax/transparency/documents/MAAC-toolkit\\_en.pdf](https://www.oecd.org/tax/transparency/documents/MAAC-toolkit_en.pdf).

### 3. Supporting the implementation of the tax transparency standards

In 2023, the Global Forum supported 19 jurisdictions on the various steps for becoming a Party to the MAAC. As a result of the support provided over time, Viet Nam signed the MAAC in March 2023 and deposited the instrument of ratification in August 2023. Benin and Papua New Guinea deposited their instrument of ratification in May and August 2023, respectively. The MAAC entered into force for Burkina Faso in April 2023, in May 2023 for Benin and in December 2023 for Papua New Guinea and Viet Nam. This brings to 71 the number of developing jurisdictions participating to the MAAC, with 66 of them having already ratified it. In addition, three jurisdictions requested in 2023 an invitation to join the MAAC.

#### DELIVERING ON THE IMPLEMENTATION OF THE STANDARD ON EXCHANGE OF INFORMATION ON REQUEST

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The implementation of the EOIR standard is the foundation on which all forms of EOI rest. The Secretariat has continued to help jurisdictions ensure availability, access and cross-border exchange of ownership, accounting and banking information. Technical assistance continues to be provided on the legal framework and its implementation in practice, with a focus on the transparency of beneficial ownership information. The demand for assistance was mainly driven by the preparation of EOIR peer reviews, the implementation of the recommendations made in the peer review reports and the preparation of requests for supplementary reviews (see Box 16).

#### BOX 16. BOTSWANA – Steps towards a successful supplementary review against the EOIR standard

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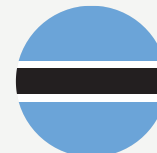
Botswana joined the Global Forum in 2011 and committed to implementing the EOIR standard and to be peer reviewed.

Botswana's legal and regulatory framework for EOIR and its practical implementation was assessed by the Global Forum against the enhanced 2016 Terms of Reference in 2019 (second round). The peer review report, adopted by the Global Forum in July 2019, rated Botswana overall "Partially Compliant", which was a downgrade from the overall "Largely Compliant" obtained in the 2016 EOIR peer review report (first round).

The main deficiencies identified were:

- gaps in the legal and regulatory framework in respect of the availability of beneficial ownership information (Elements A.1 and A.3)
- gaps in the legal and regulatory framework in respect of the availability of accounting records (Element A.2)
- lack of strong supervision programmes for ensuring the availability of legal and beneficial ownership information and accounting records (Elements A.1, A.2, and A.3)
- gaps in providing requested information to partners on a timely manner and lack of status updates (Element C.5).

Botswana enlisted the support of the Secretariat to address the recommendations made in the 2019 report and prepare to apply for a supplementary review to upgrade its ratings. To that end, in 2020, the Secretariat helped Botswana develop an action plan which included reviewing relevant laws and proposed amendments, as well as providing guidance on potential areas of improvement. This included proposals to amend the Financial Intelligence Act as well as the Companies Act to align Botswana's beneficial ownership transparency framework with the requirements of the EOIR standard and improving the EOI processes and procedures at



### 3. Supporting the implementation of the tax transparency standards

...Box 16 continued.

the Botswana Unified Revenue Service.

As a result of the technical assistance, Botswana undertook several reforms in 2021 and 2022, including:

- introducing changes to the AML framework and the commercial laws governing the formation and operations of legal entities and legal arrangements to embed the requirement for ensuring the availability and maintenance of beneficial ownership information
- introducing changes to relevant laws to ensure the availability of accounting information
- strengthening supervision and enforcement of relevant laws to ensure the availability and maintenance of beneficial ownership information and accounting records
- streamlining EOI processes including updating the manual governing the procedures applicable to EOI and taking steps to improve response times.

Consequently, Botswana formally submitted an application for a supplementary review to the PRG in November 2021, indicating that Elements A.1, A.3 and C.5 were likely to be upgraded. In December 2021, the PRG accepted Botswana's request, and indicated that, to assess the implementation in practice of the recently amended laws, the supplementary review should include an onsite visit and should be scheduled in the first quarter of 2023.

In preparation for the supplementary review, Botswana continued to work with the Secretariat to address the outstanding recommendations from the 2019 EOIR peer review report.

The supplementary review was launched in the first quarter of 2023 with an onsite visit by the assessment team in April 2023 which was an opportunity to demonstrate the great progress achieved to ensure availability of beneficial ownership information. The assessment team visited the Companies and Intellectual Property Authority offices, to physically inspect the Online Business Registration System and have a full-on appreciation and practical feel of the system, which is key for the collection and maintenance of beneficial ownership information.

The supplementary review report approved by the PRG on 2 October 2023 and adopted by the Global Forum on 3 November 2023 recognised an improvement in three out of four elements submitted for an upgrade. Botswana is now rated overall "Largely Compliant" with a Compliant rating for six elements (B.1, B.2, C.1, C.2, C.3, and C.4), Largely Compliant for three elements (A.1, A.3 and C.5) and Partially Compliant for one element (A.2).

Botswana's efforts to address the gaps identified in its legal framework were also recognised by the Financial Action Task Force, which removed Botswana from its list of jurisdictions "under increased monitoring", during its plenary session held on 21 October 2021.

Botswana will continue to work with the Global Forum Secretariat to address the remaining gaps and recommendations to be fully compliant with the EOIR standard and to use the improved EOI framework to enhance its domestic resources mobilisation efforts.

*The Secretariat helped Botswana develop an action plan which included reviewing relevant laws and proposed amendments, as well as providing guidance on potential areas of improvement.*

**Source:** provided by Ministry of Finance, Botswana.

In 2023, 47 jurisdictions received technical assistance on EOIR, including:

- 44 jurisdictions receiving assistance on the legal framework through the preparation of technical assistance reports and the review of draft legislation.
- 25 jurisdictions receiving assistance on the practical implementation of their domestic legal framework.

### 3. Supporting the implementation of the tax transparency standards

- 38 jurisdictions assisted on the implementation of beneficial ownership requirements.
- 18 jurisdictions supported on the establishment of an EOI unit or the improvement of their existing one.

The capacity-building work delivered in the past years has translated positively.

- 4 developing members successfully passed the first phase of their peer review process as their legal framework was found generally in place although some improvements may be needed (Lesotho, Mauritania, Paraguay, Togo). Technical assistance remains available to help them improve their legal framework and prepare for the assessment of its implementation in practice.
- 11 developing countries obtained a satisfactory rating (see Box 17 and Box 18).<sup>6</sup>

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6. One member obtained a Compliant rating (Argentina) while 11 others obtained a Largely Compliant rating (Albania, Botswana, Dominica, Mexico, Nigeria, Pakistan, Saint Lucia, Saint Vincent and The Grenadines, Serbia, Thailand).

#### BOX 17. PAKISTAN – The positive outcome of the EOIR peer review

Pakistan has obtained an overall rating of Largely Compliant at its second round of EOIR peer review. The report, which was adopted by the Global Forum's members in November 2023, shows how Pakistan was able to take advantage of the two-Phases split of its review due to the exceptional Covid-19 pandemic situation at the date of the launch of the review in 2021.

Pakistan indeed underwent first a Phase 1 review which focused on ensuring that the legal framework was adequate for an effective exchange of information and during which Pakistan received some recommendations. The Federal Board of Revenue, the focal agency for the review, took advantage of the one-year lapse between the end of the Phase 1 review and the start of Phase 2 review (i.e. focusing on both the legal framework and the practical implementation of the said legal framework) to make proactive efforts to address those legal recommendations. To that end, the authorities timely disseminated Pakistan's Phase 1 report and standards with all stakeholders of the review and held issue-specific meetings with the concerned stakeholders such as the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Financial Monitoring Unit and the Trust Authorities of Pakistan with the aim to discuss measures that may be taken up for addressing the recommendations.

The Federal Board of Revenue of Pakistan also led the review process in a coordinated manner by holding in-house meetings of all the stakeholders in preparation for the Phase 2 review. As a result, Pakistan was able to effectively achieve national coordination and responsiveness. This contributed to a smoother Phase 2 review since it was observed that stakeholders were keen and well prepared to receive the onsite visit.

The combination of early actions to address the legal recommendations while coordinating closely with all the relevant stakeholders contributed to Pakistan demonstrating a good level of practical implementation.

Pakistan appreciates the guidance and technical support provided by the Global Forum Secretariat since it has become member in 2012. The professional expertise and availability of the Secretariat contributed to the successful implementation of the standard and good preparation of the peer review. Pakistan found the overall process to be very beneficial in identifying areas for it to strengthen its ability to exchange information with partners and appreciates the open and co-operative approach taken by the assessment team as well as the willingness of the assessors to share their experiences from their own jurisdictions.



Source: provided by Federal Board of Revenue (FBR), Pakistan.

### 3. Supporting the implementation of the tax transparency standards

#### BOX 18. SERBIA – A journey to achieve a satisfactory EOIR rating

Serbia joined the Global Forum in 2018 and benefitted from an Induction programme since then. It undertook its first EOIR assessment and obtained a Largely Compliant rating in line with the findings of Peer Review Report as approved in November 2023.



#### What were the main challenges of the implementation of the EOIR standard for Serbia?

Even before joining the Global Forum, Serbia had a widespread system of EOIR with treaty partners. However, after joining the Global Forum and signing MAAC, the list of treaty partners has increased and hence the need to align our EOIR system with the EOIR standard. The first task was to fully understand the needed changes and the many stakeholders that should be involved in the process. Given that most of the stakeholders knew about the EOIR practices, their coordination was not a complicated task. However, procuring and providing responses to urgent queries posed occasional challenges due to their existing commitments. Additionally, the speed for introducing necessary changes to the Serbian legislation was not always aligned with Secretariat's technical assistance team's prediction. Despite these hurdles, both challenges were successfully surmounted, culminating in Serbia completing its first assessment positively. The collaborative efforts of Serbian stakeholders headed by the Ministry of Finance coupled with the help of the Secretariat's technical assistance team facilitated the successful alignment of Serbia's EOIR system with international standards. This accomplishment stands as a testament to Serbia's commitment to upholding the standards of the Global Forum.

#### How useful was the technical assistance provided by the Global Forum Secretariat?

Since joining the Global Forum and the induction programme, Serbia has received a very valuable assistance from the Global forum Secretariat for the preparation for the assessment. The assistance provided us with an insight into the process as well as a better understanding of the requirements for its successful completion. The induction programme and the mock assessment were in that regard very helpful in highlighting the most important aspects of the exchange of information process and its requirements that allowed us to prepare well for the assessment. Furthermore, Global forum experts provided us with valuable material when it came to drafting necessary legal amendments and the EOI manual based on international standards and comparative practices. Technical assistance helped us better understand the need and possibilities for the modernisation of the EOIR process, as well as the optimisation of the stakeholders' tasks in that process. Importantly, the technical assistance team consistently demonstrated a keen understanding of the practices and needs of our institutions. For these reasons, it is with gratitude that we affirm the technical assistance provided by the Global Forum Secretariat has been exceedingly beneficial for Serbia.



**Sinisa Mali,**  
Deputy Prime  
Minister and Minister  
of Finance, Serbia

However, two other developing jurisdictions obtained a non-satisfactory rating.

- Belize, which has been rated Partially Compliant, continued to benefit from technical assistance to address the issues identified. Following the technical support received, Belize requested a supplementary report in December 2023.
- Nicaragua is a non-member jurisdiction which has been identified as relevant to the work of the Global Forum. Nicaragua was offered the possibility to join the Global Forum and benefit from its induction programme to implement the tax transparency standards. Unfortunately, Nicaragua did not join and the outcome of the review has been a Non-Compliant rating. Technical support remains available to Nicaragua if it joins the Global Forum.



### 3. Supporting the implementation of the tax transparency standards

Technical assistance on EOIR remains a demanding area of support. Indeed, 41 Global Forum members have still to undergo their second round of peer reviews in the next years. In addition, 19 other members are preparing the second phase of their review. Finally, 13 other jurisdictions, which have received a non-satisfactory rating, may require assistance to address the deficiencies identified with a view to obtain a supplementary review.

#### BOOSTING THE ASSISTANCE ON THE IMPLEMENTATION OF THE STANDARD ON AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION

##### **Building on the 2021 Strategy**

The Secretariat has developed a Strategy for unleashing the potential of automatic exchange of information for developing countries<sup>7</sup> (See Box 7). The Strategy is aimed at providing technical assistance to the Global Forum members in an efficient manner and at transferring knowledge on the requirements of AEOI implementation to officials of tax administrations, as well as decision makers. The Strategy also foresees the development of materials and e-learning courses to support the technical assistance programme, making the assisted jurisdiction an informed actor in its capacity-building programme and the owner of its results. At the request of the Indian Presidency of the G20, a review of its implementation was carried out and it concluded on a positive impact on the uptake of the AEOI standard by developing countries.

In 2023, 55 jurisdictions received assistance for the implementation of the AEOI standard. This number includes jurisdictions committed to undertaking first exchanges of financial account information in 2023 (Jordan, Montenegro, Thailand), in 2024 (Georgia, Kenya, Moldova, Tunisia, Ukraine), in 2025 (Armenia, Morocco, Rwanda, Uganda) and in 2026 (Mongolia). In addition, two members benefited from legislative assistance before making a formal AEOI commitment (see Box 19 and Box 20).

7. OECD (2021), Unleashing the potential of automatic exchange of information for developing countries 2021 Strategy, op. cit.

#### BOX 19. CAMEROON – Getting equipped to implement the AEOI standard

Cameroon joined the Global Forum in 2012 and has been working closely with the Secretariat to implement and use EOIR. As it continues to enhance the use of EOIR, Cameroon is now considering the implementation of AEOI.\*

##### **Cameroon wishes to commit to implementing AEOI by a specific date, which will be determined shortly. What are the reasons behind Cameroon's decision?**

Cameroon, like the other member jurisdictions of the Global Forum, is confronted with the problem of international tax evasion and avoidance, which has a significant impact on our country's tax revenues. In 2016, leaks of data from a foreign bank revealed that 20 Cameroonian residents had accounts worth EUR 23 million. The fact that these accounts were located abroad limited our tax authorities' ability to investigate, which meant there was a risk of losing tax revenue.

According to a report by the International Monetary Fund published in 2019, large deposits i.e. around FCFA 3 000 billion (EUR 4.5 billion) are made in foreign banks by residents of the Economic and Monetary Community of Central Africa (Communauté économique et monétaire de l'Afrique centrale, CEMAC), including Cameroon. In terms of tax losses, assuming that the above-mentioned funds are invested in low-yield financial products, with an average income of 2%, the taxable income for tax authorities in the CEMAC region would be around FCFA 60 billion (EUR 91.4 million) per year. In the absence of spontaneous declaration of such income by taxpayers, the tax authorities have no way of knowing of its existence.



**\* Note:**  
This interview was done in 2023. In February 2024, Cameroon committed to automatic exchange of financial account information by September 2026.

### 3. Building sustainable and inclusive capacities

*...Box 19 continued.*

However, according to Cameroonian tax legislation, when income from financial assets is received abroad by a person whose domicile, habitual residence or registered office is in Cameroon, that person must declare the income on his or her annual tax return and pay the corresponding tax in Cameroon. Nevertheless, most of Cameroonian taxpayers do not declare their foreign-source income from financial assets, and the tax administration has no way of automatically finding out about this income, so is unable to claim the tax due.

Conscious of the importance of tackling this issue in order to maximise revenues, Cameroon signed the “Yaoundé Declaration” at the plenary meeting of the Global Forum, which it had the honour of hosting in 2017. By subscribing to this declaration, the Cameroonian authorities have clearly demonstrated their desire to focus on international cooperation in order to combat international tax evasion and avoidance more effectively. This commitment has been in evidence since 2012, when Cameroon joined the Global Forum, and ratified the MAAC in 2015. My country’s commitment to AEOI is part of this drive to step up the fight against international tax evasion and avoidance.

#### **What does Cameroon hope to gain from AEOI as part of the mobilisation of public resources?**

The implementation of AEOI offers my country a tremendous opportunity to broaden the tax base insofar as this instrument of international cooperation makes it possible to improve access to information for tax purposes and to increase the level of transparency and tax compliance, for both individuals and multinational companies.

As far as companies are concerned, it should be noted that the Large Taxpayers Office in Cameroon, which alone mobilises around 80% of tax revenues in Cameroon, has more than 170 multinationals in its portfolio.

As for individuals, their contribution to overall tax revenues remains very marginal.

Thanks to AEOI, Cameroon’s tax administration will not only be able to access tax data needed to broaden the tax base for individuals, in particular by identifying individuals with foreign source income who are not taxed, but will also be able to meet the information needs of audit activities (on-site audits and desk audits) and improve the productivity of tax audits.

#### **What measures has Cameroon already taken as part of this project to implement AEOI, what are the next steps and how could the Secretariat help you?**

With a view to joining the AEOI standard, Cameroon requested technical assistance from the Global Forum in 2023 in order to identify the prerequisites to be put in place. I would like to take this opportunity to express the Cameroon Tax Administration’s deep gratitude to the Global Forum, which responded favourably to our request and immediately deployed its teams. In line with the recommendations of this technical assistance mission, action has been taken on the three pillars of the AEOI standard.

Firstly, in terms of legislation, the Finance Act for the 2024 financial year has served to pass the domestic legal framework for the standard, in particular the obligations to identify the holders of financial accounts and their tax residence, and to collect and report the relevant information to the tax authorities. Then, at the technical level, in November 2023, with the assistance of the Global Forum’s capacity-building team, we undertook a pre-assessment of the confidentiality framework, enabling Cameroon to take stock of the situation and measure the prerequisites in terms of information security management for the implementation of AEOI. The work is ongoing.

*The implementation of AEOI offers my country a tremendous opportunity to broaden the tax base.*

### 3. Building sustainable and inclusive capacities

Finally, on the organisational front, and in the interests of efficiency, we have set up a working group to oversee the entire process of bringing Cameroon in line with the AEOI standard.

With these foundations in place, we need to continue building the system as a whole. We are therefore continuing to work on the following perspectives:

- the determination and notification to the Secretariat of Cameroon's official commitment to implement AEOI and the date of its first exchanges
- the drafting of implementing regulations for the legal provisions enshrining AEOI in order to specify the practical implementation procedures for this standard
- the signing of the CRS MCAA
- the development of the IT solution to receive the information returns from reporting financial institutions
- the alignment of our confidentiality and data protection system with the requirements of the standard.

Cameroon's tax administration intends to continue to receive technical assistance from the Global Forum Secretariat to ensure that this important reform is carried out properly. In this respect, a work plan has already been adopted and together we are going to scrupulously follow this roadmap which will lead us, we hope, to the effective launch of AEOI within a relatively short timeframe to be announced very soon.



**Roger Athanase Meyong Abath**,  
Director General,  
Directorate General  
of Taxes, Ministry of  
Finance, Cameroon

#### BOX 20. UKRAINE – The implementation of AEOI

##### Why AEOI is important for Ukraine

Ukraine is a member of the Global Forum since 2013. The Ministry of Finance of Ukraine is a key state body responsible for the implementation of international tax transparency standards, while the function of a competent authority is performed by the central tax administration – the State Tax Service of Ukraine (STS).

In August 2021, the Government announced its intention to implement the CRS and start exchanges in September 2023. In 2022 due to the unfolding of the full-scale invasion of the Russian Federation and the introduction of a martial law regime in Ukraine, the Ministry of Finance was forced to put the project on hold and focused on the immediate challenges caused by the military aggression.

In 2022 the Ministry of Finance, as the state body responsible for the tax policy, faced several unique challenges: (i) the ongoing military aggression caused a deterioration of the economic situation in the country; any legislative initiatives increasing compliance burden on the already struggling businesses could immediately lead to strong negative public reaction; (ii) the budget shortages required immediate revenue mobilization strategy to be able to meet the increasing expenditure needs of the country in the middle of military conflict; (iii) in June 2022 Ukraine was granted candidate country status by the European Union, which imposed on Ukraine obligations, including the area of taxation and administrative cooperation, which required significant human resources.

Due to the challenges, it has been important to accumulate revenues to the budget by implementing measures for broadening the taxation base without increasing tax rates, including revealing tax evasion schemes of the taxpayers. Therefore, strengthening the EOI function became a high priority. In Ukraine's context, CRS information can also play an important role in the intelligence work related to the administration of the newly enacted rules in the taxation of controlled foreign corporations.



### 3. Building sustainable and inclusive capacities

...Box 19 continued.

#### Legislative process and its challenges

Ukraine started the implementation process when the CRS was fully operational in over 100 jurisdictions, which gave us some benefits. First, we could rely on the existing best practices of the early adopter jurisdictions as well as on model legislation developed by the Global Forum based on the latest experience gained during the peer reviews. So, the Ministry of Finance did not have to build the processes from scratch. The Ministry of Finance plays the leading role in the legislative process, as it prepares the drafts of the primary law and adopts the acts of the secondary legislation. The STS as the competent authority for the AEOI is responsible for collecting the CRS reports from the Reporting Financial Institutions, exchanging the information with exchange partners, and enforcement of the CRS legislation.

We repeatedly sought the Global Forum's assistance and guidance throughout the legislative process. That included support in the course of parliamentary discussion of the primary law and addressing jurisdiction-specific topics while developing the guidance materials (such as CRS treatment of local investment funds and pension funds). The Ministry of Finance arranged several educational online events tailored to the demands of local professional business associations. In June 2023, we co-hosted a joint two-day educational event with experts from the Global Forum Secretariat. All these efforts increased the overall transparency of the CRS implementation process and received positive feedback from the businesses in Ukraine.

#### Reforms in our internal systems and processes

Since 2019, Ukraine has worked with the Secretariat's Capacity Building and Outreach (CBO) team as part of a technical assistance programme to assess the readiness of the STS to meet the confidentiality and data safeguarding (CDS) requirements for AEOI. In particular, the level of maturity of the STS's ISM arrangements was assessed by the CBO team in 2021. The STS has since worked on enhancements to its ISM in order to address the CBO team's recommendations and be in a better position to be cleared for reciprocal AEOI under the Global Forum's CDS assessment process. That work included documenting some internal processes and revising the existing policies in the STS. In July 2023, the CBO team conducted a mock assessment of the STS, which demonstrated visible progress and an increase in the ISM maturity level in the organization and helped the STS in preparation for the assessment. The CDS assessment of the STS was conducted in December 2023 with the report expected in early 2024.

In 2023 the STS put the necessary IT infrastructure in place to be able to collect, process, and safely retain the AEOI information. The IT solution was developed by a third-party vendor at the request of the STS, and the procurement was made with the support of the European Union's Public Finance Management Support Programme for Ukraine (EU4PFM).

#### Next steps and key takeaways

In early 2024 the Ministry of Finance and the STS requested technical support from the Global Forum with the development of a solid CRS Administrative Compliance Strategy for 2024-2028 years. The cooperation with the Global Forum also includes support in designing a strategy regarding the effective use of the AEOI data, which is planned for 2024.

The successful implementation of the AEOI project required planning and continuous coordination of the work of different state bodies. This project became the first one where the Ministry of Finance adopted a wide public communication programme involving direct communication with a spectrum of interested parties: from the account holders to the financial services regulators.

The key lesson learned was that transparency and timeliness in communication with all the stakeholders was the only way to successfully adopt legislation in our challenging environment. The Ministry of Finance is extremely grateful to the Global Forum experts for their continued support, and responsiveness and for helping Ukraine with adopting the best transparency practices.

*We repeatedly sought the Global Forum's assistance and guidance throughout the legislative process.*

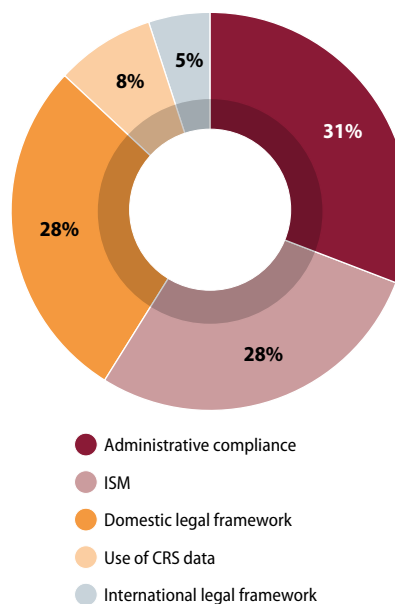
Source: provided by Ministry of Finance, Ukraine.

### 3. Building sustainable and inclusive capacities

A comprehensive support has been provided covering the following areas (see Figure 13):

- the signing and activation of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (CRS-MCAA).
- the drafting or improvement of the domestic legal framework.
- the definition and implementation of a strategy to ensure compliance of financial institutions with their CRS obligations (see below).
- the definition, implementation and improvement of a sound ISM framework (see below).
- the design of the AEOI portal.
- the enrolment to the Common Transmission System (CTS).
- the use of CRS data.

**Figure 13. Assistance delivered on AEOI, by topic**



Source: Global Forum Secretariat

AEOI technical assistance is an area in constant growth, as it requires a multi-faceted support covering various topics mentioned above and the demand is growing. Today, the Secretariat is supporting many jurisdictions that have already started exchanging information in some specific areas (e.g. addressing legal or regulatory deficiencies, defining and implementing a compliance framework, using CRS data, preparing for the post-exchange confidentiality assessment). It also provides a comprehensive support to 13 developing jurisdictions committed to exchange by 2026. In addition, 11 other developing jurisdictions are receiving pre-commitment support. Many of the 34 remaining developing members may implement AEOI in the future and will likely require support from the Secretariat. Several of the 45 jurisdictions not yet committed to a specific date have lower resources and capacities (see Figure 4).

This assistance resulted in Rwanda signing the CRS MCAA in view of its first exchange. In addition, Thailand started its first reciprocal automatic exchanges. Armenia and Mongolia committed to first exchanges by 2025 and 2026 respectively. In addition, the AEOI legal framework of 91% of the developing countries assessed so far was found “In Place But Need Improvement” or “In Place”, with three developing countries either receiving a positive assessment or improving their previous determination.

#### **Pilot projects on automatic exchange of financial account information**

First launched in 2014, AEOI pilot projects are coordinated by the Secretariat with partner developed jurisdictions to assist developing countries in implementing AEOI. While some pilot projects concluded successfully,<sup>8</sup> some ongoing AEOI pilot projects have not progressed as expected.<sup>9</sup> The pilots between Germany and Georgia, and between Tunisia and Switzerland continue to progress.

*Armenia and Mongolia committed to first exchanges by 2025 and 2026 respectively.*

8. Three pilot projects (Colombia and Spain; Pakistan and the United Kingdom; Albania and Italy) came to successful conclusions with Colombia commencing exchanges under the AEOI standard in 2017, Pakistan in 2018 and Albania in 2020.

9. Due to different reasons, the pilots between France and Morocco, United Kingdom and Egypt, and Australia and The Philippines have stalled.

### 3. Building sustainable and inclusive capacities



📍 Training on exchange of information in the context of the Asia Initiative, 14-17 March 2023, Nagpur, India.

📍 Global Forum, CREDAF and AIST deliver workshop on cross-border assistance in recovery of tax claims, 10-12 July 2023, Noisy-le-Grand, France.





➤ Training on exchange of information under the Punta del Este Declaration Initiative, 20-24 November 2023, Montevideo, Uruguay.



➤ Launch of the case study on *Combating tax evasion, avoidance, and illicit financial flows to mobilise domestic resources in West Africa*, 29 November 2023, Lisbon, Portugal.



➤ Global Forum Secretariat supports Tunisia in strengthening its confidentiality and data safeguards framework, 2-6 October 2023, Tunis, Tunisia.

➤ Global Forum Secretariat assists Tanzania in the implementation of the EOIR standard, 13-17 February 2023, Tanzania.



➤ Global Forum Secretariat helps Bosnia and Herzegovina prepare for peer review on transparency and exchange of information on request, 13-17 March 2023, Bosnia and Herzegovina.

### 3. Building sustainable and inclusive capacities

#### **Continuing the work on administrative compliance**

The implementation of the AEOI standard requires the performance of due diligence procedures and reporting by financial institutions. To ensure that these requirements are effectively complied with, jurisdictions are expected to establish a compliance framework.

In reaction to the outcome of the AEOI peer review process, which revealed that multiple jurisdictions struggled to design and implement an effective compliance framework, a dedicated technical assistance programme was established in 2022. Based on a Model Administrative Compliance Strategy,<sup>10</sup> which has been provided upon request to 61 jurisdictions, the Secretariat has initiated bilateral support to assist interested jurisdictions in developing, improving and implementing their own administrative compliance strategy.

Since 2022, 30 programmes have been initiated, which are based on three main phases:

- launch meeting with the participation of relevant decision-makers and stakeholders to present the requirements of the AEOI standard, unpack the model and start the pre-drafting through the definition of the general approach.
- drafting and review cycles between the technical assistance team and the assisted jurisdiction to adapt the strategy to the specific circumstances of the jurisdiction (e.g. number and nature of the financial sector, resources available, identification of the relevant stakeholders and allocation of responsibilities).
- closing report followed by a final meeting when the strategy is finalised to insist on the next step, which is the implementation of the activities and actions defined in the strategy.

While this programme is still on-going with most of the assisted jurisdictions, it was concluded this year with seven of them (i.e. 23%) (see Box 21 and Box 22).

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10. The Model Administrative Compliance Strategy has been developed thanks to the financial support of the United Kingdom and other development partners (European Union, France, Germany, Japan, Netherlands, Norway and Switzerland).

#### **BOX 21. DOMINICA – Towards an effective administrative compliance strategy**

Dominica commenced its first exchanges under the AEOI standard in 2018. As all other committed jurisdictions, Dominica's implementation of this Standard is subject to a peer review. One of the challenging components for many committed jurisdictions has been the development of a strategy to ensure compliance of Reporting Financial Institutions with their due diligence and reporting obligations and its effective implementation in practice.

**What steps did Dominica take to establish an overarching administrative compliance framework to ensure the effective implementation of the AEOI standard? What support did Dominica receive from the Secretariat and how did this support help in closing the gaps identified?**

At the end of the first round of AEOI reviews, Dominica was rated as Non-Compliant for the effective implementation of the standard in practice due to not having in place an Administrative Compliance Strategy in line with the requirements of the Standard. Following the recommendation, Dominica made some progress on the development of the strategy; however, it struggled on some aspects due to the lack of practice and experience on this specific aspect.





### 3. Building sustainable and inclusive capacities

In the context, Dominica received the Model Administrative Compliance Strategy developed by the Secretariat and asked for bilateral technical support to adapt the Model Strategy to the specific context and needs of Dominica. Discussion between Dominica and the Secretariat took place on a number of occasions, which greatly helped Dominica in developing its own Administrative Compliance Strategy.

#### **What are the next steps in the effective implementation of the administrative compliance strategy and the AEOI standard in Dominica?**

Dominica is now in the process of implementing in practice the activities described in the Administrative Compliance Strategy, including by conducting risk assessments and carrying out comprehensive compliance and enforcement activities to verify that Reporting Financial Institutions comply with their due diligence, reporting and record keeping obligations. Dominica is also looking forward to continuing benefiting from technical assistance from the Secretariat, in particular on key aspects, such as how to conduct CRS audits in practice.

With all these actions, Dominica expects to further improve the implementation of the AEOI standard, as well as to improve its rating during the next round of peer reviews to be published in 2025.

Source: provided by Inland Revenue Department (IRD), Dominica

#### **BOX 22. GHANA – Towards an effective administrative compliance strategy**

Ghana commenced its first exchanges under the AEOI standard in 2019. As all other committed jurisdictions, Ghana's implementation of this Standard is subject to a peer review. One of the challenging components for many committed jurisdictions has been the development of a strategy to ensure compliance of Reporting Financial Institutions with their due diligence and reporting obligations and its effective implementation in practice.

#### **What steps did Ghana take to establish an overarching administrative compliance framework to ensure the effective implementation of the AEOI standard? What support did Ghana receive from the Global Forum Secretariat and how did this support help in closing the gaps identified?**

At the end of the first round of AEOI reviews, Ghana was rated as Non-Compliant for the effective implementation of the standard in practice as required by Core Requirement One (CR1) of the Terms of Reference for AEOI Peer Reviews. Ghana was also Partially Compliant with respect to the AEOI with partner jurisdictions in an effective and timely manner as required by Core Requirement Two (CR2). The overall rating for Ghana was therefore Non-Compliant for the effectiveness in practice.

An evaluation of Ghana performance during the first round of AEOI reviews identified the need for the development of an administrative compliance strategy for the effective implementation of the AEOI standard. Through further engagement with Ghana's technical assistance team at the Global Forum, Ghana understood that technical assistance from the Secretariat was available to enable Ghana to develop a comprehensive administrative compliance framework.

In the context of a bilateral technical assistance programme, Ghana was provided with a model administrative compliance strategy and guidance during a series of bilateral meetings. This led Ghana to develop a draft administrative compliance strategy, suited to the circumstances of Ghana Revenue Authority. This draft was discussed and refined with the assistance of the Secretariat after which it was finalised and adopted by Ghana Revenue Authority to guide the effective implementation of the AEOI standard in Ghana.

#### **What has been the impact of the actions taken by Ghana on its assessment of AEOI effectiveness in practice (from the perspective of the 2023 update to the AEOI Peer Review Report)? What are the next steps in the effective implementation of the administrative compliance strategy and the AEOI standard in Ghana?**



### 3. Building sustainable and inclusive capacities

...Box 22 continued.

In 2023, Ghana's implementation of the AEOI standard in practice was reviewed. As a result of developing, adopting and starting the implementation of the administrative compliance strategy, Ghana's ratings improved to Partially Compliant in respect of CR1 and On-Track for CR2 with an overall rating of Partially Compliant.

The administrative compliance strategy has assisted Ghana Revenue Authority in setting out policies and procedures for ensuring that Reporting Financial Institutions correctly implement due diligence procedures and started reporting as required. Currently outreach programmes are well defined and being pursued systematically to ensure continuous improvement by generating awareness and promoting voluntary compliance with the CRS obligations.

Ghana has also deepened activities in the areas of:

- conducting a risk assessment, in order to plan and programme informed compliance activities
- monitoring issues that could put at jeopardy the integrity of the CRS
- carrying out effective compliance activities and applying enforcement measures as appropriate
- effectively, and in a timely manner, communicating and co-operating with exchange partners
- monitoring the implementation of the strategy, and generating appropriate statistics, for the purposes of improved management decision making.

Going forward stakeholder engagement will be activated to improve their understanding with the expectation to enhance the effective implementation of the CRS in practice.

With all these actions, including the finalisation of in-depth audits, Ghana is expecting to improve its compliance with the AEOI standard.

Source: provided by Ghana Revenue Authority.

To further support AEOI implementing jurisdictions in their efforts to ensure compliance, the Secretariat has continued to develop tools and organise experience sharing events. In May 2023, a *Methodology for implementation of the risk-based approach to administrative compliance*, which is complemented by risk matrices, was presented during an event attended by 181 delegates from 59 jurisdictions and made available upon request to its members. It has been requested by 33 jurisdictions.

As a natural next step, the Secretariat is working on developing a training programme to support the implementation in practice of the compliance activities and a dedicated manual along with useful templates.

#### **Deepening information security management assistance**

Establishing and maintaining an ISM framework that meets international good practices is essential for a tax authority to manage risks, safeguard data and ensure proper confidentiality. Taking into account the sensitivity of the CRS data, this has been from the outset a legitimate expectation of implementing jurisdictions and a requirement of the AEOI standard.

The capability of the Secretariat to support members in implementing, improving or maintaining a sound ISM framework has extended since the development of a dedicated technical assistance component in 2019. This technical assistance offer contributed to increase the engagement of developing countries in AEOI. It has expanded and improved over time based on a solid methodology

*Establishing and maintaining an ISM framework that meets international good practices is essential.*

and the recruitment of ISM experts to better support the growing number of developing countries which are exploring their participation in AEOI and/or meeting the confidentiality assessment requirements of the Global Forum and Inclusive Framework on Base Erosion and Profit Shifting (BEPS). Moreover, this work ensures that implementing jurisdictions can meet the requirements for reciprocal exchanges, which is fundamental for developing countries' benefit from AEOI. This is now the backbone of the AEOI Strategy of the Secretariat in constant improvement.

#### **BOX 23. Facilitating experience sharing on AEOI solution among Asian countries**

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Setting up an IT solution for AEOI is a critical component for the implementation of this Standard. Global Forum members have taken different approaches in this area: some have developed tailor-made systems based on their own specifications, using internal or external developers, while others decided to purchase off-the-shelf solution from the existing vendors which already have experience in provision of such solutions to multiple jurisdictions.

In June 2023, a multi-country experience-sharing workshop was organised to the benefit of Armenia, Mongolia and Uzbekistan, which were implementing or considering the implementation of AEOI. Organised with the support of ADB, the workshop aimed at assisting these countries in understanding the benefits and challenges of implementation of an AEOI solution. Designed as an interactive virtual event by the Secretariat, four countries presented the approach they have followed in the implementation of their AEOI solution. Two countries (Albania and Japan) presented their tailor-made software solution, while the other two countries (Maldives and Pakistan) presented their experience with using off-the-shelf solution. The Secretariat as well presented its guidance document for design and development of solution for AEOI, providing an overview of the main features as well as the considerations to be taken when making the decision between off-the-shelf and tailor-made solution.

This experience-sharing event offered participants an opportunity to describe the challenges they faced or they are facing in the different steps leading to the implementation of their AEOI solution. Participants also discussed the key elements to consider such as the direct and indirect costs and the timeline of the implementation of the solution, as well as its features and requirements, including in terms of confidentiality and data safeguards. The experiences shared and the tips provided were found particularly relevant and valuable in informing the decision of Armenia, Mongolia and Uzbekistan regarding the definition of their respective approach for the implementation of their AEOI solution.

**Source:** Global Forum Secretariat.

The Secretariat's support towards developing countries is based on a hybrid approach, which is underpinned by the development of a series of tools, guidance and e-learning courses. The assisted jurisdictions benefit from:

- a continuous support from the Secretariat, which is delivered remotely through a series of virtual meetings and desk-based activities to advance the technical work to the point where an on-site assistance is required.
- on-site support to ascertain the diagnostic made, assess the adequacy of the solutions implemented, address remaining issues, and prepare for the peer review process (see Box 26).
- organise events to share experience among jurisdictions (see Box 23)

### 3. Building sustainable and inclusive capacities

Currently, 26 jurisdictions are receiving ISM assistance. This assistance covers preparation to pre- or post-exchange assessments and improvements in the ISM framework. In 2023, three developing members successfully passed their pre-exchange assessments, while six others succeeded in their post-exchange assessment (see Box 27 – and Box 25 ).

#### BOX 24. GEORGIA – Joint efforts to develop and implement the AEOI framework

Georgia has committed to start its first automatic exchanges of financial accounts in 2024. It has benefitted from a pilot project with Germany and the Secretariat aimed at supporting Georgia's implementation of the AEOI standard.

##### What is your assessment of the technical assistance received?

The pilot project on the implementing the CRS in Georgia was launched in 2018 with the support of the German Federal Ministry of Finance and the German Agency for International Cooperation (*Deutsche Gesellschaft für Internationale Zusammenarbeit - GIZ*) in cooperation with the Secretariat. The project was made of two main phases. The first one aimed at raising awareness among our colleagues at the Revenue Service of the Ministry of Finance of Georgia (GRS), other relevant government agencies but also with the financial industry. Once this phase was accomplished, and with the assistance of the pilot project partners, activities were conducted to help GRS determine when would be the right time to commit to a first exchange.

Throughout this first phase, Germany's and the Secretariat's experts trained dozens of Georgian officials and carried out several public discussions that involved hundreds of experts from Georgian financial industry. On top of this, the project helped GRS to launch its first ever policy work to implement the ISM framework and structure what I would say is one of the cornerstones of any modern tax administrations.

One critical part of this first phase was the finalisation of the primary and secondary legislations and before passing the primary law before the Parliament, Georgia could count on the help of the partners which scrutinised our drafts against the standard.

The second phase of the pilot project was launched after the Minister of Finance expressed Georgia's commitment to implement the AEOI standard. This step involved the consultations of various as well as the adoption of the legislation, including a ministerial decree. We created a working group to include other governmental agencies, such as National Bank and the Parliament's administration. In parallel, the group organised events and online consultations for the Georgian financial industry.

GRS ISM policy was also successfully finalised, approved and implemented within the framework of the second phase of the project. As a result, GRS was in a position to initiate its request for pre-exchange confidentiality assessment and the onsite visit took place in July 2023

Thus, we are grateful to the experts that worked with us, since they provided our team with sufficient knowledge and self-confidence to carry out this tremendous work altogether. GRS is further aiming to continue collaboration with the Secretariat towards effective use of CRS data, financial institutions compliance strategy and implementing the new upgrades of CRS 2.0.



*Germany's and the Secretariat's experts trained dozens of Georgian officials and carried out several public discussions that involved hundreds of experts from Georgian financial industry.*

#### **The implementation of a technical solution for AEOI is also a critical building block. What were the steps undertaken by Georgia in defining its approach for the AEOI solution and implementing them for successful first exchanges in 2024? How useful was the support provided by Germany and the Secretariat?**

Another big milestone in implementing the CRS was to decide how Georgia will implement the AEOI portal. Generally, GRS is independently developing and maintaining its services and portals. However, the Steering Group on CRS implementation that was also established within GRS was hesitant on the most adequate solution, including the off-the-shelf one. Eventually, considering the existing technical expertise of our in-house IT department, cost-price evaluation and future maintenance related aspects, we decided to opt for a self-developed solution.

However, in order to reach the development phase of the AEOI portal, we first had to translate business requirements into a technical specification so that the IT department would be able to develop it. In cooperation with Germany and the experts of the Secretariat, we worked on what would be the functional requirements and the non-functional (security) requirements, and with the support of GIZ, we processed a public-tender and sent out a call for expression of interest for experts that would prepare the technical specifications. As a result, one private IT company was selected and, within a few weeks, the actual technical specification document was developed.

This document provided by the selected company was proved instrumental in shaping the direction of our CRS implementation. It not only delineated specific technical requirements but also provided a detailed roadmap, offering valuable insights into the intricacies of the project. This clarity served as a solid foundation for our development team, fostering a more focused and efficient approach. The document's thoroughness facilitated seamless collaboration among team members, ensuring a shared understanding of project goals and minimising potential ambiguities. Overall, it played a crucial role in accelerating the initial stages of development and setting the stage for a successful implementation process.

At this moment, while providing this interview, GRS team has finalised the development and is actively testing the portal with financial institutions; also, our IT team is working to connect with the CTS and gain full access to the environment to further incorporate it with our AEOI portal.

Throughout the implementation process, there was close cooperation and collaboration with Global Forum experts who provided relevant and necessary clarifications whenever needed and assisting our working group in responding the questions from the financial industry regarding the interpretation of the standard. This process overall was very cooperative and constructive, and the role of the Pilot project was very significant in achieving such results.

#### **What were the main takeaways for you from this experience, and would Georgia be willing to spread the learning to other developing countries?**

Overall, the AEOI pilot project was one the most successful projects implemented within GRS, also given the large number of counterparts involved. The experience of our partners proved to be crucial to implement the project in a structured manner, together with the dedication and professionalism of Georgia's team. That is why I am now confident to say that eight months ahead of our first exchange, Georgia has successfully implemented the CRS. As next steps, we are now working to activate bilateral relationships to exchange the information in September 2024 with all interested appropriate partners and to develop the internal guidance on CRS.

Of course, the process of working together on this crucial matter provided us with invaluable experience and knowledge that are now institutionalised within our administration. While we will continue to need the support of our partners in the next steps, we are also keen to share our experience with other jurisdictions.



**Levan Kakava,**  
Head of Revenue  
Service, Ministry of  
Finance, Georgia

### 3. Building sustainable and inclusive capacities

#### BOX 25. MOLDOVA – Building knowledge on AEOI through on-site support



Moldova has been a member of the Global Forum since 2016 and is benefitting from a comprehensive induction programme. Over the period 2020-2023, Moldova has benefitted from tailored technical assistance for the implementation of the AEOI standard, including in the area of information security management. In this context, Moldova has committed in 2021 to starting its first automatic exchanges of financial accounts by a specific date.

#### What were the main benefits for Moldova from the technical assistance technical assistance provided by the Secretariat?

Since Moldova has committed to implementing the international standard for the automatic exchange of information on financial accounts, clear objectives have been established, and joint efforts have been made by both the State Tax Service (STS) as the implementing institution and the Secretariat. The first exchange is set to occur in September 2024. Throughout the preparation period, which lasted from 2020 to 2023, the Secretariat has consistently provided reliable support to set the AEOI standard in motion in Moldova. The technical support provided to the STS was ongoing, aiding in comprehending the CRS requirements and guiding the implementation tasks.

Additionally, joint virtual meetings were organised to clarify technical, methodological, and legal aspects. In particular, we appreciated the support of the Secretariat in the development of the primary and secondary legal framework.

#### In September 2023, the Secretariat conducted an on-site visit to Moldova, which included a mock on-site assessment for CDS. Was this activity useful for Moldova on the road towards initiation of automatic exchanges?

The on-site assessment was a cornerstone of the technical assistance received from the Secretariat. It fostered engagement between the Secretariat's and STS experts, tackling any uncertainties surrounding the AEOI standard requirements and refining internal communication protocols.

The mock assessment proved to be a valuable and practical exercise. It provided the STS with an opportunity to present the current state of affairs and respond to queries from the Secretariat. Recommendations from ISM experts were shared during discussions and documented in a Progress report on ISM. This report serves as a clear roadmap for areas that require enhancement before the actual assessment takes place. Importantly, it validates the diligent efforts of Moldova during the preparation phase and the in-persons meetings fostered the engagement between Moldova and the Secretariat.

The support extended to the STS streamlines the tasks that Moldova aims to accomplish in 2024. It also contributes to the review and enhancement of CDS, facilitating the alignment of the STS with the highest standards and international requirements for tax cooperation.

#### What further assistance would Moldova like to receive for AEOI?

Currently, Moldova is in process of implementing the AEOI Standard, in particular setting up the infrastructure for collecting and exchanging the data and the administrative compliance framework for its effective implementation.

Throughout the alignment process with the AEOI standard, the invaluable assistance and expertise of the Secretariat on the effective use of the CRS data, stand as a crucial foundation for revenue mobilization and the fight against tax evasion, so as to ensure the integrity of the tax system in Moldova. In light of this, I extend my sincere appreciation to the GF Secretariat for their steadfast support of the STS, aiding in our endeavors to meet international requirements and implement the AEOI standard effectively.



**Petru Rotaru,**  
Minister of Finance,  
Moldova

#### BOX 26. TUNISIA – Secure perimeter approach to information security management



Following its commitment at the end of 2021 to start AEOI, Tunisia has benefited from financial support from the European Union and technical support from the Global Forum Secretariat and Switzerland. The technical assistance focused on several key areas, such as establishing the international and national legal framework for these exchanges. Among these areas, the preparation of the confidentiality and data protection assessment has been a major strategic focus. This assessment is a prerequisite for receiving data under automatic exchanges, such as country-by-country reports and information on financial account.

In 2023, capacity building on ISM was stepped up, with numerous virtual meetings to monitor the implementation of the recommendations made in 2022, as well as an on-site visit in October 2023.

This on-site visit is a critical component of the Global Forum Secretariat's support for Tunisia's implementation of an ISM framework in line with international best practice. All the Tunisian stakeholders took part in the various meetings organised over five days, confirming not only their interest in exchanging and discussing concrete solutions for continuing to improve ISM in a changing technological context, but also the strong commitment of their senior management in this area. The visit also confirmed Tunisia's decision to adopt the "secure perimeter" approach, which meets its needs by enabling it to focus its initial efforts on security measures for processes, persons, premises, systems and services exposed to AEOI. Thanks to this approach, Tunisia should soon be ready to pass its confidentiality and data protection assessment, while continuing to improve the overall security of information at the level of the General Directorate General of Taxes (Direction Générale des Impôts - DGI) as a whole.

In concrete terms, the on-site visit helped Tunisia to perfect its secure perimeter on the basis of the life cycle and intended use of the data that will be received as part of AEOI. Participants were able to discuss the technical, physical and organisational requirements for ensuring the security of information within this perimeter, but also in the event of the transfer of certain information to users outside this perimeter. A workshop was also held on risk analysis methods based on tools developed by the Secretariat, enabling participants to consider ways of strengthening their current approach. In addition, targeted feedback was provided to optimise existing information security documentation and tools such as the Information Security Policy Template and Classification Policy were provided as inspiration. Finally, the Tunisian teams confirmed the usefulness of the tools made available to them by the Secretariat (policy templates, risk register template, etc.) and appreciated the translation into Arabic of the toolkit for implementing the AEOI standard.

Finally, this on-site visit will have given the DGI a clear view of the maturity of its ISM, identifying its strengths as well as areas for further improvement, and defining the final steps to be taken before the assessment. In this respect, regular virtual meetings are planned to support the Tunisian teams and answer their technical questions until the launch of the assessment.

Source: provided by Directorate General of Taxes, Ministry of Finance, Tunisia.

**“ Strengthening information security management is a constant concern for the DGI and its national partners. Through the technical assistance programme of the Global Forum Secretariat and the financial support of the European Union, DGI teams have already made significant progress towards a rapid assessment of its confidentiality and data protection framework. The on-site visit was a real opportunity to confirm our choices and further improve our approach. We can now look forward with greater confidence to our assessment, which will enable us to automatically receive information from our foreign partners to strengthen our fight against international tax evasion and fraud. ”**

**Fatiha Gharbi**, General Director of Taxes, Ministry of Finance, Tunisia



## 4 | Building inclusive and sustainable capacities

The capacity-building programme of the Global Forum was launched in 2011 and grew substantially over the past decade in response to significant changes and new challenges in the global tax transparency landscape. To meet the multiple needs of Global Forum members and to address different aspects of the standards, the Secretariat pursues a hybrid approach that balances tailored activities designed for the specific needs of a region or country with activities aimed at responding to broader needs identified across all member countries.

In addition, the Secretariat has invested on new innovative programmes that seek to build sustainable and inclusive capacities in assisted jurisdictions, including the Train the Trainer programme and the Women Leaders in Tax Transparency programme. The objective of the new innovative programmes is to ensure that jurisdictions increase their ownership of the knowledge and skills as a step towards further co-operation and participation in the tax transparency work.





## 4. Building inclusive and sustainable capacities

Contributing to the efforts to ensure gender equality has also been a key component of the capacity-building programme. Beyond the Women Leaders in Tax Transparency programme, several actions have been implemented to enhancing participation of women in capacity-building activities and to ensuring the wider access to training events and knowledge development tools to officials of Global Forum members.

### TRAINING EVENTS

The Secretariat's training programme is fully integrated into its overall capacity-building strategy: it facilitates technical assistance work and strengthens the impact of standards implementation on the ground. As in the last few years, the Secretariat strived to maintain a balance between the breadth and depth of large events, generally in a virtual format to reach a wider attendance, develop basic knowledge and raise awareness, and smaller events, mostly in-person and aimed at developing technical expertise in complex areas. The training programme covers several key areas of tax transparency, such as:

- workshops to support the effective implementation of the tax transparency standards, both on AEOI and EOIR.
- the “Last Mile” seminars aimed at training EOI officials and tax auditors to identify potential EOI cases and draft EOI request that meets the standard of foreseeable relevance.
- training events on confidentiality and data safeguards (including ISM) to support the implementation of the AEOI and Country-by-Country Reporting standard.
- seminars on cross-border assistance in tax recovery (CBAR) (see Box 28).

In 2023, 5 113 officials from 174 jurisdictions, including 13 non-member countries, were trained on various topics related to tax transparency and administrative co-operation (see Table 4) through 42 events, including:

- 25 remote, 1 hybrid and 16 on-site events.
- 24 regional and 18 country specific events.

**Table 4. Number of trainings and participants by topics**

Topic	Number of trainings	Number of participants
AEOI	13	2 371
Confidentiality, data safeguards and ISM	8	1 338
EOIR/AEOI	7	410
EOIR (including beneficial ownership)	8	394
Last Mile Seminar	4	500
Tax collection	2	100
<b>Total</b>	<b>42</b>	<b>5 113</b>



### **BOX 28. Joint efforts to build capacity on cross-border assistance in the recovery of tax claims**

CBAR is high on the agenda of the Africa Initiative as a complement to EOI, to ensure effective collection of the taxes due. In 2023, two events underscored the commitment to enhancing CBAR, a critical aspect of combating tax evasion and safeguarding domestic resources.

The first of these events, a collaborative effort between the Global Forum and ATAF, was hosted by the Uganda Revenue Authority from 27 to 29 March 2023 in Kampala, Uganda. This workshop on CBAR in Africa brought together 61 tax officials from 19 African countries, with the objective of helping African countries to build their frameworks for implementing and benefiting from this form of international tax cooperation. Focusing on the practicalities of cross-border assistance, the workshop introduced the concept of CBAR as a tool in mutual administrative assistance in tax matters. Participants delved into legal and operational frameworks necessary for effective engagement in CBAR, with discussions enriched by the experiences of three African countries (Senegal, South Africa, Uganda) who already use this form of administrative assistance and Belgium. The workshop emphasised the need for establishing an appropriate domestic and international legal framework facilitating CBAR and robust systems within tax administrations for effective CBAR, thereby enhancing awareness and enabling peer-to-peer learning among African tax authorities.

The second event, held from 10 to 12 July 2023 in Noisy-le-Grand, France, was organised by the Global Forum, the CREDAF and the International Association of Treasury Services (Association Internationale des Services du Trésor), and hosted by the General Directorate of Public Finance of France (Direction Générale des Finances Publiques). This workshop gathered 46 representatives from 18 countries from Europe and Africa. The discussions covered legal frameworks and information exchange mechanisms for CBAR, with valuable insights from Belgium, France, Senegal, and Tunisia. This workshop highlighted the importance of collaborative efforts in addressing complexities of international tax evasion.

These workshops not only showcased the Global Forum's unwavering commitment to capacity-building but also highlighted the importance of partnerships with other international organisations in tackling complex tax challenges, for better domestic resource mobilisation.

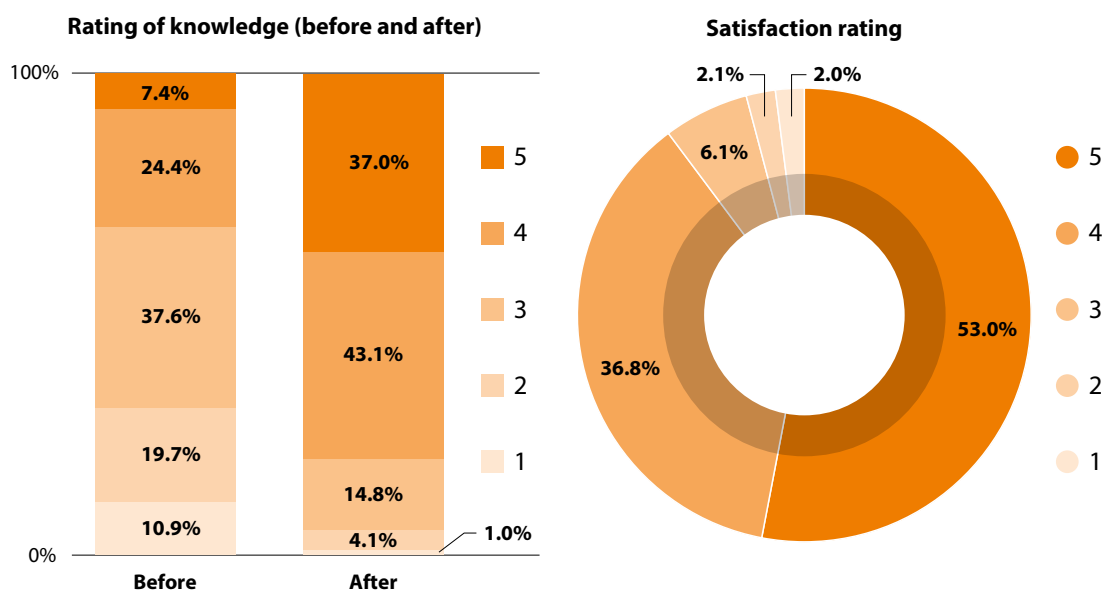
Global Forum, CREDAF and AIST deliver workshop on cross-border assistance in recovery of tax claims, 10-12 July 2023, Noisy-le-Grand, France.

Source: Global Forum Secretariat.

While continuing to propose its classic trainings, the Secretariat has intensified its offering on AEOI and confidentiality and data safeguards to accompany implementing jurisdictions and foster the participation of other developing members in AEOI. They represented 50% of the training offering in 2023 and over 72% of the attendance demonstrating a high level of interest in those areas. The Secretariat has also held two training events on cross-border assistance in tax recovery in the context of the Africa Initiative.

The satisfaction of the participants, taking the form of ratings via surveys distributed after the events, continues to be positive. For 2023, the training activities of the Secretariat have been rated 4.4 out of 5 by the participants (see Table 5). Additionally, the level of knowledge before and after the trainings is monitored and analysed. The participants expressed an improvement on their level of knowledge, with over 82% of participants selecting a high rating of knowledge after the course, in comparison to approximately 34% before the training (see Figure 14).

Figure 14. Knowledge development and level of satisfaction



Source: Global Forum Secretariat.

Table 5. Indicators of knowledge development and satisfaction

Rating of Knowledge before and after the training	Average Rating of Knowledge (5-scale) (1: Not familiar, 3: Medium, 5: Advanced)
Before the training	2.9
After the training	4.1
Satisfaction Rating – Template statements	Average Rating of agreement with statements (5-scale) (1: Strongly Disagree, 3: Neutral, 5: Strongly Agree)
The content was well organised and easy to follow	4.4
The programme achieved its stated objectives	4.4
Instructors were clear and effective in the delivery of course content	4.5
Instructors were approachable and responded to questions well	4.6
Participation and interaction were encouraged	4.5
Training materials were clear and adequately covered the programme content	4.4
Case studies were good and improved my understanding of the subject	4.3
The time allotted for the training was sufficient	3.9
The facilities were adequate and comfortable	4.2
I will recommend this programme to others	4.6
<b>Average</b>	<b>4.4</b>

For 2023, the training activities of the Secretariat have been rated 4.4 out of 5 by the participants.

## 4. Building inclusive and sustainable capacities

### KNOWLEDGE TOOLS

The Secretariat continues to invest in the development of e-learning courses and practical toolkits as instruments for the proper implementation of the standards, the sharing of knowledge with officials from Global Forum members and other stakeholders, and the effective engagement in tax transparency and administrative co-operation.

The courses and toolkits target the broader needs identified across multiple member countries and generated successful results over the past years, as tax transparency tools have been used to support domestic resource mobilisation efforts.

#### E-learning courses

The Secretariat has developed e-learning courses intended for officials from member jurisdictions since 2019. These courses are an integral part of the capacity-building strategy of the Secretariat. They are available on the Knowledge Sharing Platform for Tax Administrations (KSP<sub>TA</sub>) and are free of charge for the participants, removing an access barrier in addition to providing flexibility in the pace of which the course can be completed. In addition, the e-learning is used as a preliminary tool to technical assistance: relevant officials are encouraged to take them before technical meetings, so they have a broad understanding of the related concepts and requirements. This ensures a greater interactivity and involvement based on the acquired knowledge.

In 2023, two additional e-learning courses were offered by the Secretariat: a course providing an overview of the Common Transmission System (CTS) used to exchange information between tax administrations, and a course to explain the ISM documentation. The Secretariat now offers nine e-learning courses (see Table 6). This year, 2 086 officials have taken them, reaching a total of 10 476 officials trained since the e-learning modules were developed.

**Table 6. Global Forum's e-learning courses**

E-learning course	Launched date	Languages available
Global Forum: Exchange of Information as a Tool to Combat Tax Evasion	2019	English, French, Spanish
Beneficial Ownership	2020	English, French, Spanish
Exchange of Information on Request	2020	English, French, Spanish
Confidentiality and Data Safeguards Assessment Process	2021	English, French, Spanish
Confidentiality and Data Safeguards Requirements	2021	English, French, Spanish
Automatic Exchange of Information	2022	English, French, Spanish
Understanding Information Security Management Framework	2022	English
Introduction to the CTS	2023	English, French and Spanish
Understanding Information Security Management Documentation	2023	English, French, Spanish

The Secretariat is currently developing additional e-learning courses that will be shortly made available to members. The new e-learning courses will continue to focus on ISM, in recognition of the increased adoption of the AEOI standard by Global Forum members and the need to improve this area to ensure confidentiality and data safeguards.

*The courses and toolkits target the broader needs identified across multiple member countries and generated successful results over the past years.*

## 4. Building inclusive and sustainable capacities

They will include:

- a blended ISM risk management training.
- a course on understanding effective logging and monitoring activities.

### Webinars

In 2023, four webinars have also been made available in the KSP<sub>TA</sub> platform to support the effective implementation of the AEOI standard, as well as the related ISM aspects. These webinars aimed at presenting the tools developed by the Secretariat along with experience-sharing sessions with implementing jurisdictions (see Table 7).

**Table 7. 2023 Global Forum's webinars**

Webinar	Date	Language	Description
CRS model administrative compliance strategy: co-operation with exchange partners	February 2023	English	To ensure the effective operation of AEOI, exchange partners shall cooperate. Experts from Germany, Hong Kong (China) and Luxembourg shared their experience in co-operating with CRS exchange partners, particularly managing Section 4 notifications. The Secretariat also presented a tracking tool for CRS notifications and its glossary.
CRS model administrative compliance strategy: CRS risk assessment	February 2023	English	Following a short presentation of the model administrative compliance strategy developed by the Secretariat, experts from Indonesia, Mauritius and Spain shared their experience in CRS risk assessment.
CRS model administrative compliance strategy (methodology and tools for risk assessment)	May 2023	English	The Secretariat presented a methodology for implementation of the risk-based approach to CRS administrative compliance and two risk matrices that jurisdictions can use to develop or improve their own risk assessment approach.
Presentation of the secure perimeter guidance for automatic exchange of information	June 2023	English and French	The Secretariat presented its guidance for implementation of a secure perimeter for AEOI purposes – a tactical approach on confidentiality and data safeguards for developing countries.
Information Security Management Day 2023	October 2023	English, French and Spanish	The event covered the topics of information security governance, cyber-security risks and threats, implementation of a secure perimeter for AEOI purposes, and secure remote work.

### Toolkits and other tools

In its capacity-building activities, the Secretariat has developed and participated in the development of different toolkits and other guidance tools. They aimed at providing practical guidance on the implementation of the tax transparency standards. They are part of the Secretariat's hybrid approach by supplementing and leveraging the technical assistance work. These tools also support interested jurisdictions in implementing and benefiting from all forms of administrative cooperation offered by the MAAC.

In July 2023, the *Toolkit for Establishing a Function for Cross-Border Assistance in the Recovery of Tax Claims* was launched during the 13<sup>th</sup> meeting of the Africa Initiative. It highlights the relevance of cross-border assistance in the recovery of tax claims and shows the relation between this form of

## 4. Building inclusive and sustainable capacities

co-operation with other forms of mutual administrative assistance in tax matters. It provides practical details on how jurisdictions may establish a function for cross-border assistance in the recovery of tax claims, using case studies to demonstrate the key elements of such a function. Finally, templates that could be used for the procedures are annexed to the document. The toolkit is available in English, French and Spanish.

Four toolkits, which were released in previous years, have been made available in Arabic to facilitate the implementation of the standards in the Middle East and North Africa region. In addition, two tools and nine guidance previously released are now translated in French and/or Spanish (see Table 10).

The Secretariat has also continued to develop other tools and guidance that are made available to member jurisdictions upon request.<sup>1</sup> Most of the tools developed in 2023 relate to the implementation of the AEOI standard, including establishing a sound ISM framework. They complement the 2020 *Confidentiality and Information Security Management Toolkit* and the 2021 *Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information*. The following tools available in English, French and Spanish have been developed in 2023:

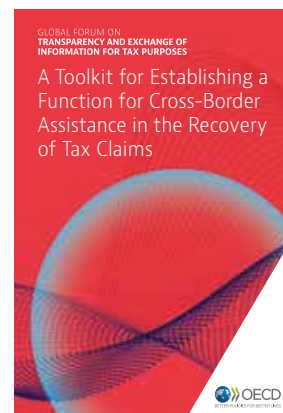
- *The Methodology for Implementation of the Risk-Based Approach to Administrative Compliance – Risk Matrix* to assist jurisdictions in their strategy to ensure compliance of financial institutions with their due diligence and reporting obligation under the AEOI standard
- *The Guidance on Implementation of a Secure Perimeter for AEOI Purposes* which includes (i) advice on setting up an AEOI secure perimeter and its ISM framework, (ii) the components of a secure perimeter, (iii) getting started with AEOI post-implementation, (iv) technical annexes covering a perimeter's scope documentation, and (v) an example of minimum technical implementation of an IT system for a secure perimeter.

In addition, nine guidance related to ISM, which were released in English and French in 2021 and 2022, were made available in Spanish (see Table 10).

In 2023, 120 Global Forum members have requested at least one of the tools and guidance developed by the Secretariat.

Finally, the Secretariat is developing additional tools that should be available by end of 2024:

- Template for change management policy
- Template for information security incident management policy and breach reporting procedure
- Template for plan for awareness campaign for information security
- Guidance on internal auditing of ISM framework
- Guidance on secure use of cloud services.



1. <https://www.oecd.org/tax/transparency/documents/documents-available-to-tax-authorities-upon-request.htm>.

## 4. Building inclusive and sustainable capacities

### SECOND GENERATION PROGRAMMES: INCLUSIVITY AND SUSTAINABILITY

As a complement to the CBO programmes offered to member jurisdictions over the past decade, the Secretariat has developed innovative capacity-building programmes to ensure that sustainable and inclusive capacities are built in assisted jurisdictions.

To achieve these objectives, a new capacity-building format has been developed supported by a network model to strengthen ownership and engagement of developing countries in their capacity-building programme, to develop knowledge and skills, while promoting inclusivity, including gender equality, and to support effective appropriation of administrative co-operation mechanisms and their use to support their development strategy.

#### *Expanding and deepening the Train the Trainer programme*

Launched as a pilot for Africa in 2021, the Train the Trainer programme was intended to provide local experts with EOI knowledge to be easily, rapidly and sustainably spread in national tax administrations. Instead of delivering a limited number of trainings in member jurisdictions, due to resource constraints, the approach taken was to develop a local training expertise. Such approach creates a sustainable capacity within tax administrations and an increasing local ownership of EOI technical skills.

Based on the success of the pilot, the programme was offered to three regions in 2022 (Africa, Asia and Latin America), and was further expanded in 2023, to cover Central and Eastern Europe and the Middle East (see Table 8 and Box 29).

1st meeting of the Train the Trainer network, 5-6 December 2023, Paris, France.



## 4. Building inclusive and sustainable capacities

### BOX 29. NORTH MACEDONIA – The Train the Trainer programme’s benefits in Eastern Europe

**As a representative of North Macedonia you participated to the first edition of the Train the Trainer programme for Central-Eastern Europe and the Middle East. Could you share your overall experience with the Train the Trainer programme, particularly focusing on how it was structured and the kind of training you received?**

The Train the Trainer programme is well-designed programme that allowed us participants – now trainers, through a nine-month engagement with the Secretariat facilitators to learn in detail about EOI and tax transparency and to share the knowledge with the colleagues in our tax administration.

First and foremost, the programme enabled us to enrich our understanding of the current frameworks for cross-border administrative support in tax matters, with a particular emphasis on EOIR. The programme comprehensively addressed the scope of administrative collaboration among tax authorities, the essential principles of transparency and EOI, the diverse mechanisms of EOI, and the defining attributes of the EOIR standard. It also described the process of composing an effective EOI request, which includes grasping the principle of foreseeable relevance among other critical considerations. After that we were trained on how to prepare quality presentations and how to deliver high-quality local trainings. The trainings were very engaging and included presentations, discussions and interactive pools.

The programme was divided in few stages:

- In the phase of preparation, as future trainers, we attended e-learning courses and training sessions to enhance, systemised and updated our EOI knowledge.
- In the phase of development, we translated and adapted the training materials provided by the Global Forum for our own jurisdiction and identified, prepared and provided local examples that were customised into anonymised case studies. We then played back the course content to the training team to enhance our soft skills and be ready for the deployment phase.
- In the phase of deployment, we delivered local trainings, physically and remotely by the end of 2023 and ensured the evaluation of our local trainings.
- In the phase of stabilisation, we provided feedback to the Secretariat, identified further training needs and participated in the Global Forum’s network of trainers.

**What were the key ingredients that made your participation in this programme a success, both for you personally and for North Macedonia’s tax administration?**

My participation was very beneficial for personal and professional growth and for my tax administration. It helped me strengthen my soft and presentation skills and build confidence to speak about EOI issues in front of a big audience. On the other hand, the programme helped me increase my knowledge of EOI and tax transparency and allowed me to share that knowledge with other officials and tax inspectors of the Public Revenue Office of North Macedonia (PRO). It benefited for spreading the word for the importance and use of EOI and the benefits of it for the tax administration, especially for correct tax assessment and tax collection. It enhanced their awareness about the existing modes of cross-border administrative assistance in tax matters, in particular EOIR, and boosting their ability to use such instruments effectively in their day-to-day work.

But it would not have been possible without the backing of top management, from the initial steps of nominating me to participate in the programme to providing meeting rooms and support to organise and deliver five trainings: four in person and one virtual. I had great support from our Tax Academy in the process of organising the trainings in our headquarters and in two regional offices of PRO, where 125 employees were trained. All this positive approach to the programme allowed me to have successful trainings where motivated colleagues to use EOI systematically. At the same time, the whole EOI process and requirements were explained in detail,



*This programme gave a boost to use EOI more often in order to tackle tax evasion and fight against other IFFs.*



## 4. Building inclusive and sustainable capacities

in order for them to prepare good and quality EOI requests, at the same time emphasising the importance of good cooperation for the purpose of EOI between tax administrations.

It helped them to have a clearer picture of the whole cycle from assessing the need to initiate a request, to the feedback information on the usefulness of the information provided by EOI partners.

So, I believe that the importance of this topic itself, along with great dedication to the programme were the main key ingredients that made the participation of my tax administration in this programme a success.

### Looking ahead, what are your expectations or goals for the continued application of your training in North Macedonia?

The received feedback from the participants was very good, during the events and after, including through the feedback forms. This revealed a strong interest among PRO employees for additional trainings on similar subjects in the future, indicating a clear demand for further capacity-building activities on this topic. The number of EOI requests notably increased after the trainings took place in comparison to previous years.

As the results were self-evident in a short period of time, EOI trainings were incorporated in the PRO's annual training plan for 2024 and will be organised on more specific topics. Further training for EOI will be available for all career tax officials from local, regional and central offices, from junior to officials to senior managers. These trainings served as an excellent starting point for a hands-on method of learning, which allows tax officials to acquire skills, knowledge, and competencies within a real-world context. This makes learning more agile, flexible and effective.

Training for EOI will be incorporated also in the initial training for newly recruited PRO employees in the onboarding process. In my opinion, the Train the Trainer programme contributed to enhancing the capacity of the tax administration to effectively use EOI tools in the day-to-day work. At the same time, it contributes to developing the skills and the ways of working of all our employees, increases workplace productivity and ensures that many PRO employees are competent in the processes of EOI.

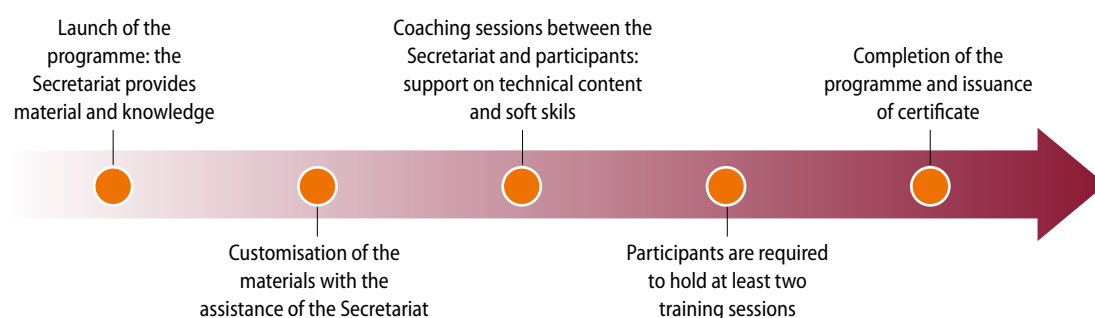
This programme gave a boost to use EOI more often in order to tackle tax evasion and fight against other IFFs.



**Ivana Doseva Dimovska**, Public Revenue Office, North Macedonia

The programme has a nine-month duration and is designed to ensure that quality and frequent trainings will be delivered by knowledgeable officials. This is a demanding programme for the participants who have to develop their EOI knowledge, their training material and their soft skills to be able to deliver at least two training sessions at the end of the programme. The Secretariat is present in all steps of the cursus delivering training, preparing and reviewing materials, providing constructive feedbacks on the grouped mock training sessions and participating to the first training session (see Figure 15). Only the participants who have attended all the different phases of the programme and delivered the two local trainings are awarded certificates.

**Figure 15. Train the Trainer programme: a timeline**



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In 2023, eight participants could not continue the programme for the following reasons: (i) they realised the programme was intensive and they could not participate in an effective manner, (ii) they missed the foundation class, and/or (iii) they were transferred to another department.

In 2023, the 84 participants from the 45 member jurisdictions participating to the 2023 Train the Trainer programme have already organised 82 local trainings for 2 342 officials of their respective tax administrations (i.e. 47% of the training proposed to be delivered). In addition, the laureates from the previous editions have continued to deliver training sessions for 195 officials in 2023. Overall, in the last three years, the programme has enabled to develop a network of 186 local trainers from 65 jurisdictions who have already trained 6 100 officials in EOI (see country experience in Box 30).

To build on this success and to continue to support the laureates of the programme, the first in-person meeting of the Train the Trainer Network took place in December 2023. This event was an opportunity to update the laureates on the recent tax transparency developments, to discuss the evolution of the programme and to foster the dynamic of co-operation between jurisdictions and regions to support capacity-building and experience-sharing efforts (see Box 31).

### BOX 30. BURKINA FASO – Three years' experience of the Train the Trainer programme and local initiatives



Burkina Faso joined the Global Forum in 2012 and implements the exchange of information on request standard. The country signed the MAAC in 2016 and it recently entered into force on 1 April 2023. Burkina Faso's DGI joined the Global Forum's Train the Trainer programme when the pilot phase was launched in 2021 and also participated in the programme in 2023.

#### What motivated the DGI to enroll agents in the Train the Trainer programme?

With the globalisation of the economy due to the mobility of capital and assets, Burkina Faso's DGI became aware of the need to strengthen its means of auditing the cross-border transactions of taxpayers, including multinational enterprises, with particular emphasis on EOI. After setting up an operational EOI function within the DGI, capacity building for tax audit staff was identified as the other challenge to be met in order to make the use of EOI a reality. The first training sessions organised with the support of the Global Forum Secretariat enabled the first EOI requests to be sent out. However, there was a need to speed up training and reach a wider spectrum of agents. In this context, the Train the Trainer programme was a godsend for the DGI in that it offered it the opportunity to acquire in-house, long-term expertise in EOI training. Our country has participated in both editions of the programme.

#### In many African countries, the exchange of information is still underused in the fight against international tax evasion and avoidance. To what extent has the Train the Trainer programme helped to promote the use of this essential tool in cross-border tax audit?

By providing the Burkina Faso tax authorities with local expertise in training in the use of EOI in international tax audits, the Train the Trainer programme has already made it possible to train 347 tax officials in Burkina Faso, mainly auditors and investigators, between 2021 and 2023. The training is provided by four local trainers from the programme. The multiplier effect of this programme is having an impact on the use of EOI in Burkina Faso, as an increasing number of inspectors, auditors and investigators now know how to use EOI as a powerful tool for monitoring the tax compliance of multinational enterprises and other taxpayers involved in cross-border transactions. As proof of this, at the end of the training, the officials undertook to initiate EOI requests during future tax audits in order to capitalise on the new skills acquired and enable the DGI to combat international tax evasion and avoidance more effectively. We are all the more hopeful of winning

## 4. Building inclusive and sustainable capacities

this challenge as the entry into force of the MAAC on 1 April 2023 has significantly expanded our network of EOI partners with legal instruments in force, from around 10 jurisdictions to more than 140 jurisdictions worldwide.

**DGI trainers in Burkina Faso were awarded the prize for “Best ownership and sustainability of programme impact” at the first meeting of the Train the Trainer network held in Paris on 5-6 December 2023. Can you tell us more about these local initiatives and their impact? Is the DGI planning other activities for the coming years?**

As part of its staff capacity-building policy, the DGI is committed to establishing a pool of experts in each area of taxation. The Train the Trainer programme has been used to achieve this objective for EOI. To this end, in addition to traditional local training courses, Burkina Faso’s trainers have developed a mini “Train the Trainer” programme domestically, by training “EOI referents” in the DGI’s regional departments. The aim of this initiative is to train local trainers who will in turn act as relays for the experts trained by the Global Forum in their respective regions. The aim is to increase knowledge of EOI by reaching a greater number of tax administration staff through awareness-raising and/or ongoing training, taking into account their level of exposure to international tax issues.

At a time when the DGI’s revenue targets are constantly increasing, we hope to measure the impact of this initiative on the number and quality of request made and, ultimately, on improving compliance and tax revenue mobilisation in Burkina Faso.

In the short and medium term, we plan to organise training sessions for tax collectors on the recovery of cross-border tax debts, and for officials involved in the land and property chain, as tax evasion and avoidance are closely linked to money laundering, which has a major impact on the estate sector.

Source: provided by DGI, Ministry of Finance, Burkina Faso.

### BOX 31. Train the Trainer network: engaging a community to multiply opportunities

In line with the objective of the Train the Trainer programme which is to build a sustainable training resource on EOI in jurisdictions, the participants that complete the programme join a network of trainers. The network is currently made up of the 186 trainers from the 65 jurisdictions that have participated in the programme since inception in 2021. It aims at fostering collaboration among the trainers as well as continued development of their technical knowledge and skills.

In December 2023, the Train the Trainer network gathered for the first time in Paris, France. The event attended by 53 tax officials (including 35 women) from 25 jurisdictions proved to be a powerful gateway to further promote collaboration between trainers, share experiences and keep the Train the Trainer programme adapted to the needs of the jurisdictions. Network members present took stock of the results achieved by the programme since its inception, and how it is helping tax administrations build sustainable EOI capacities for effective domestic resource mobilisation. The participants shared experiences in conducting successful trainings, and how these trainings have led to increased utilisation of EOI tools, such as jurisdictions sending out more requests for information. They finally explored opportunities of cooperation among themselves and discussed the next steps for the programme and how the network could foster a culture of EOI to tackle tax evasion and mobilise domestic revenues.

The network will continue to meet virtually on a periodical basis during thematic sessions to discuss specific topics on the substance of EOI or on the conducting of trainings, including presentation of case studies. In addition to thematic sessions, a Train the Trainer network platform is available to facilitate interactions among trainers including instant chats and live Q&A. The annual gathering of the network will take stock of the continued work, discuss common challenges and ways of improving the impact of the trainings on the use of EOI by tax administrations to tackle tax evasion.

*In December 2023, the Train the Trainer network gathered for the first time in Paris, France.*

Source: Global forum Secretariat.

#### 4. Building inclusive and sustainable capacities



Panel with participants from the Women Leaders in Tax Transparency and Train the Trainer programmes, 16th Global Forum plenary meeting, 29 November-1 December 2023, Lisbon, Portugal.





🕒 1st meeting of the Train the Trainer network, 5-6 December 2023, Paris, France.

🔄 Women Leaders in Tax Transparency network reception, 30 November 2023, Lisbon, Portugal.



🔄 1st meeting of the Train the Trainer network, 5-6 December 2023, Paris, France.



## 4. Building inclusive and sustainable capacities

**Table 8. Train the Trainer programme: 2023 edition**

Region	2023				Total
	Africa (English / French)	Asia (English)	Latin America (Spanish)	Central and Eastern Europe and Middle East (English)	
<b>Train the Trainer programme</b>					
Number of jurisdictions (*)	16	8	11	7	42
Number of participants	30	19	22	12	83
Number of female participants	15	12	15	8	50
Female participation (%)	50%	63%	68%	67%	60%
<b>Local training sessions</b>					
Number of training sessions proposed to be delivered	34	22	26	14	96
Number of training sessions delivered	35	16	27	10	88
Number of officials trained	933	613	582	409	2 342
Number of female officials trained	356	275	327	184	1 142
Female participation in training sessions (%)	38%	45%	56%	45%	45%

### **Continuing the Women Leaders in Tax Transparency programme**

In addition to encouraging women's participation in its activities, the Secretariat relies on a dedicated initiative to promote gender balance. Launched in 2022, the Women Leaders in Tax Transparency programme promotes the establishment and development of a network of women officials from tax administrations and ministries of finance to empower women to taking leading roles on tax transparency as well as to act as role model in their tax administrations or ministries of finance. In 2023, the second edition gathered 24 women from 24 developing jurisdictions, reflecting the great diversity the Global Forum membership (see Table 9).

**Table 9. Jurisdictions of the participants in the 2023 Women Leaders in Tax Transparency programme**

Region	Jurisdictions
Africa	Egypt, Eswatini, Kenya, Liberia, Mauritius, Morocco, Namibia, Nigeria, South Africa, Togo, Tunisia and Uganda
Asia	Georgia, Maldives, Thailand and Uzbekistan
Latin America	Brazil, Honduras, El-Salvador, Peru, Panama and Paraguay
Pacific	Samoa
The Caribbean	Dominica

The programme requires participants to prepare in advance of all sessions through the reading of technical material, attending e-learning modules and preparing documents to support discussions and experience sharing. Six sessions are organised focusing on central aspects of tax transparency,

## 4. Building inclusive and sustainable capacities

**“** *The fundamental strength of the Women Leaders in Tax Transparency programme is that it establishes a group of strong, ambitious and dedicated women. This group is a platform for sharing, sharing of experience, sharing of knowledge and sharing of personal lives' lessons, that build up confidence of all women who are part of it.* **”**

**Maria José Garde**, Director General of Taxes, Ministry of Finance, Spain, Patron of the 2023 edition



such as the standards and the broader international tax agenda, as well as leadership trainings and mentoring sessions delivered by experienced women in the tax transparency field (see Box 31). The Women Leaders in Tax Transparency network launched in 2022 conducted its first annual virtual gathering in October 2023 and was attended by 32 laureates of 2022 and 2023. The network had an opportunity to meet in person in the margin of the Plenary Meeting of the Global Forum. This network will continue to expand in coming years and will meet regularly. It constitutes a forum to discuss the upcoming tax transparency agenda, as well as any challenge in the implementation of the EOI standards with the aim to empower women and support them progress in their careers (see Box 32 and Box 33).

**“** *I decided to participate in the 2023 Women Leaders in Tax Transparency programme as currently I am working on the implementation of the international standards of information exchange in Uzbekistan.*

*My experience in the programme has been incredibly enlightening, providing me with valuable insights and networking opportunities. The impact of participating in the programme has been empowering, as it has equipped me with the knowledge and skills to advocate for tax transparency and gender equality in leadership roles.*

*Moving forward, I am planning to take steps to enhance women's leadership in tax transparency by mentoring and supporting other women in the field. In particular, within our tax administration, we are running a programme modelled on the Women Leaders in Tax Transparency programme to promote gender diversity, and support initiatives that promote transparency and equality in tax matters. I hope I will be able to share the results of the programme with the Global Forum family very soon.* **”**

**Nafisa Sadullaeva**, Deputy Head of International Tax Relations Division of the Tax Committee under the Cabinet of Ministers, Uzbekistan



**“** *I am a woman whose ambition has always been to change small things for the better side. I believe most women nowadays, including me, need strong encouragement, inspiration, motivation, and support to increase confidence in their jobs. The 2023 Women Leaders in Tax Transparency was a transformation project for my personal and career development. Strong professional enhancement into tax transparency issues along with mentorship and coaching sessions from very top women leaders in this field boosted my self-reliance. Participants in the project have built a network and our aim is to continue same activities in our countries. I firmly believe that women are essential stakeholders in promoting democracy, peace, and the development of institutions!* **”**

**Mariam Gugutishvili**, Lead of Transfer Pricing, Large taxpayers office, Audit department, Georgia



#### 4. Building inclusive and sustainable capacities

##### BOX 32. Women Leaders in Tax Transparency: 2023 programme

- **March 2023:** initial meeting focused on the Global Forum and the tax transparency standards, including beneficial ownership, with mentoring sessions by **Maria José Garde**, Patron of the 2023 edition, Director General of Taxes, Ministry of Finance, Spain, Chair of the European Union Code of Conduct Group and former Chair of the Global Forum (2017-2022), and by **Zayda Manatta**, Head of the Global Forum Secretariat.
- **April 2023:** second meeting centred on the AEOI standard and the MAAC with mentoring sessions by **Grace Perez-Navarro**, Patron of the first edition and former-Director of the OECD Centre for Tax Policy and Administration, and **Ana Cebreiro Gomez**, Senior Economist (Tax Policy), International Monetary Fund.
- **May 2023:** third meeting focused on the practical aspects of EOIR, in particular the concept of foreseeable relevance, with mentoring sessions by **Huey Min Chia-Tern**, Deputy Commissioner of the Inland Revenue Authority of Singapore and former Chair of the PRG, and **Elfrieda Stewart Tamba**, former Commissioner General of the Liberia Revenue Authority and former Deputy Minister of Finance of Liberia.
- **July 2023:** fourth meeting focused on the international tax agenda, with mentoring sessions by **Fabrizia Lapecorella**, Deputy Secretary General of the OECD, and **Marlene Nembhard-Parker**, Deputy Commissioner General, Legal Support Division, Jamaican Tax Administration and Co-Chair of the Inclusive Framework on BEPS.
- **September 2023:** fifth meeting centred on a leadership training for women, with the participation of a certified trainer.
- **October 2023:** final meeting of the 2023 edition with a feedback session. In addition, the first annual Women Leaders in Tax Transparency network meeting was held with a mentoring session given by **Manal Corwin**, Director of the OECD Centre for Tax Policy and Administration.
- **December 2023:** strengthening of the Women Leaders in Tax Transparency Network with an in person gathering in the margin of the Plenary Meeting of the Global Forum.

Women Leaders in Tax Transparency network reception, 30 November 2023, Lisbon, Portugal.





### BOX 33. LIBERIA – Next steps to enhance women’s leadership in tax transparency



The Liberia Revenue Authority (LRA) is initiating a continuous peer-gathering programme that will create the platform twice a year for female officials to exchange ideas and experience among themselves, so as to attain the skills required to make quality decisions in the workspace.

The LRA is committed in ensuring that the peer-gathering programme take place in April and October of each year. The programme will include training in courses such as EOI as a tool to combat tax evasion in order to promote tax transparency. The training will also provide mentoring by a cohort of female mentors within the LRA so as to provide the platform for female officials in taxation with adequate knowledge in effective tax administration.

The LRA has inaugurated the Liberia Women in Tax Administration to build a team of resilient and highly capacitated female tax professionals who will coordinate the activities aiming at addressing gender disparity by focusing on improving the skills and capacities of females in tax administration for better service delivery.

The team is creating a link on the LRA webpage which is expected to be completed in February 2024, detailing the activities of the Liberia Women in Tax Administration.

In order to expand the network base of the Liberia Women in Tax Administration, the LRA is routinely training its female staff on the Knowledge Sharing Platform (KSP) which contain valuable resource materials: the e-learning courses and toolkits to assist tax administration in addressing complex taxation issues. This initiative is to prepare the female staff to ably represent the institution at international engagements that support women leadership, like the Women Leaders in Tax Transparency and the ATAF Women in Tax Network.

The LRA has planned to launch formally in April 2024, the 2024 Liberia Women in Tax Administration which will subsequently bring together women from different sectors of taxation including the Ministry of Finance and Development Planning and Custom to give women the space for knowledge and skills enhancement.

Source: provided by Revenue Authority, Liberia.

### **Developing the information security management network**

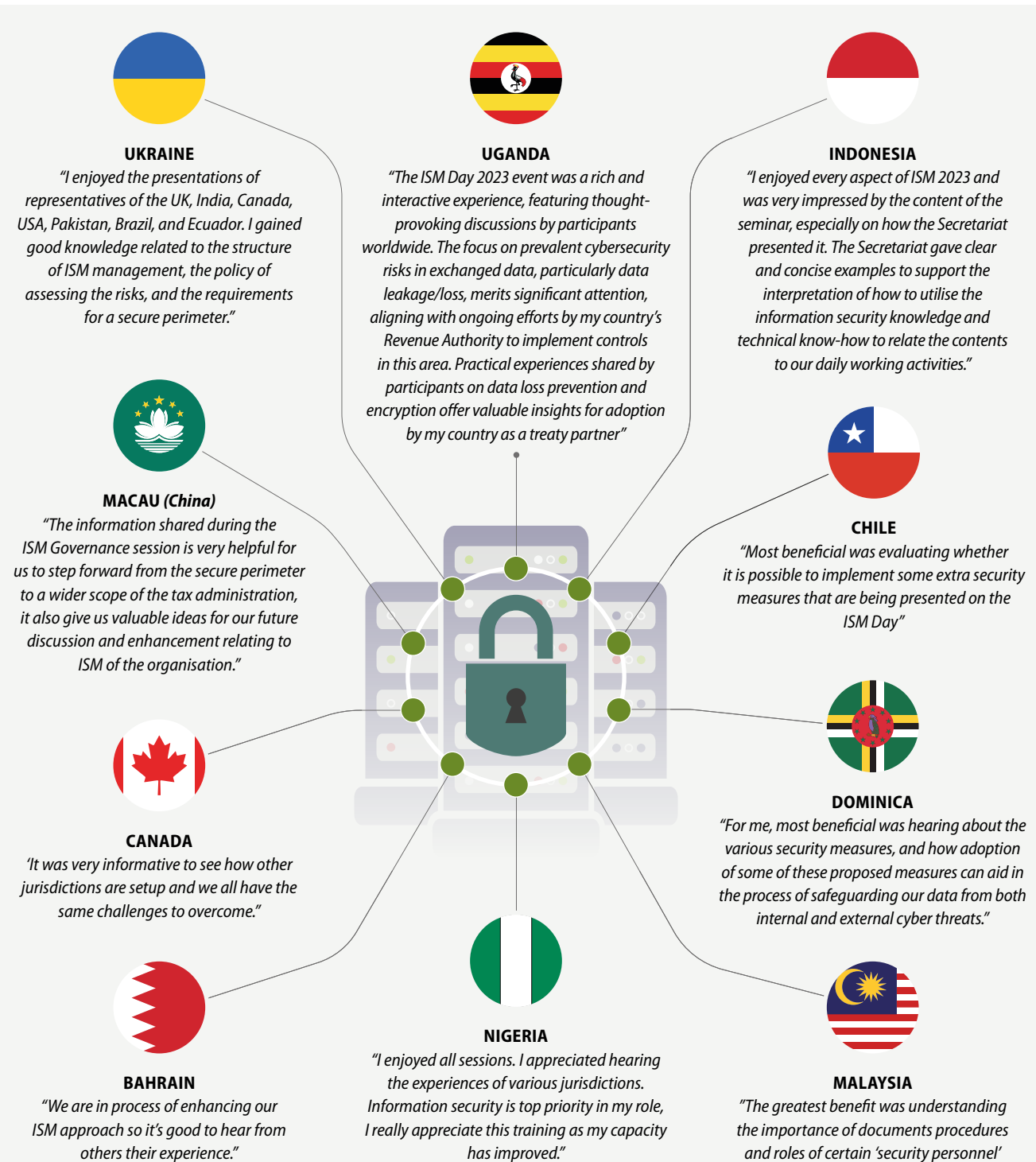
Enhancement of the confidentiality and data safeguards frameworks is discussed within the ISM Network launched at the 2021 Global Forum plenary meeting. It encourages Global Forum members to share best practices and experiences. The ISM Network is a platform gathering more than 230 nominated representatives from 76 jurisdictions, including 36 developing countries. The work of the ISM Network is supported by the participation of the 31 members from 24 jurisdictions (including 10 developing countries) of the Expert Panel on Confidentiality and Data Safeguards.

The ISM Network is a framework where security experts from tax authorities or ministries of finance can share materials and experiences, and exchange on specific issues. The Network takes the form of a discussion forum. To build on that work, the “ISM Network Live Hour” was launched to discuss key ISM topics proposed by the Network’s experts on a quarterly basis. Since the first session in December 2021, seven sessions already took place. In 2023, the following topics were covered with the attendance of 265 ISM experts:

- information classification and handling (March 2023)
- effective monitoring of logs for critical suspicious activities (May 2023)
- effective protection from exfiltration of exchanged data (September 2023).

#### 4. Building inclusive and sustainable capacities

Based on the demand for more extensive content on information security topics, the Secretariat organised in October its first ISM Day, a virtual conference for the information security officers and related staff from the member jurisdictions. This event covered four key topics with presentations from the in-house ISM advisors and the contribution of 13 panellists: (i) information security governance, (ii) cyber risks, (iii) secure perimeter, and (iv) remote working. The ISM Day was attended by 570 officials from 121 jurisdictions.



## 4. Building inclusive and sustainable capacities

“ Ghana’s initial attempt to address the Core Requirement on CDS as part of implementation of the CRS faced challenges due to inadequate information, guidance and materials regarding jurisdictions’ implementation of the CDS requirements.

With the launch of the Global Forum’s ISM network and release of associated materials such as the ISM toolkit and the model ISM Framework with domain-specific policies for member countries, the Ghana Revenue Authority (GRA) was able to adopt these materials and developed an ISM framework and domain-specific policies for the maintenance of information security within the secure perimeter in collaboration with relevant outfits in the Authority.

Additionally, the quarterly ISM live hour events organized by the Secretariat where relevant topics on ISM are discussed with practical experiences shared from mature peers has immensely benefited our team who is member of ISM Network.

We have highly benefited from the live hour session on “logging and monitoring” as we could immediately reflect on some of the aspects presented for the improvement of our practices in GRA in line with the suggested improvement from the CDS assessment. Conclusively, lessons learnt from addressing the CDS requirements in the secure perimeter has helped in improving the ISM posture in the Authority’s enterprise environment.

We look forward to the events in 2024 and are appreciative of the Global Forums expansion of the number of nominees that can take part in the activities of the ISM Network which we intend to take advantage of to involve more of our team.

**Ammishaddai Owusu-Amoah**, Commissioner General, Ghana Revenue Authority



### PROMOTING GENDER EQUALITY AND INCLUSIVENESS

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Gender equality and inclusion is a central area of focus for the Global Forum and its capacity-building activities. To contribute to the reduction of gender gaps in member jurisdictions, the Secretariat pays attention to ensure gender representativeness as much as possible. For many years, actions have been implemented to encourage female participation in training events with positive results. In 2023, 52% of participants in attendance of training activities and seminars were women. The percentage of women was higher than men in most regions. In Middle East, the gender balance was almost attained with 49% of the trainees being women, while in Africa, female participation was up to 42%, slightly growing from 41% in 2022.

The new programmes launched by the Secretariat also contributed to gender equality by building capacities and providing mentoring to women leaders and to increase female participation. For instance, 60% of the participants in the 2023 Train the Trainer programme were women.

### OVERCOMING THE LANGUAGE BARRIER

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The geographical and linguistic diversity of the Global Forum members represents a challenge for capacity building. Efforts have been made in the past years to overcome the language barrier. In particular, the Secretariat strives to ensure the availability of its resources (e.g. toolkits and other tools, e-learning courses) in several languages (see Table 10).

## 4. Building inclusive and sustainable capacities

**Table 10. Knowledge tools translated in 2023**

	Title	Language
<b>Toolkits</b>	A Toolkit for Establishing a Function for Cross-Border Assistance in the Recovery of Tax Claims	French / Spanish
	Building Effective Beneficial Ownership Frameworks – A joint Global Forum and IDB Toolkit	Arabic
	Establishing and Running an Effective Exchange of Information Function - A joint Global Forum and ATAF Toolkit	Arabic
	Model Manual on Exchange of Information for Tax Purposes	Arabic
	Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information	Arabic
	Acceptable Use Policy Template	Spanish
	Bring Your Own Device Policy Template	Spanish
	CRS Notifications Tracking Tool and its Glossary	Spanish
	Guidance and Terms of Reference for an Information Security Officer and Information Security Governance Structure	Spanish
	Guidance for the Design and Development of a Solution for Automatic Exchange of Information	Spanish
<b>Tools and guidance</b>	Guidance on Implementation of a Secure Perimeter for Automatic Exchange of Information Purposes	French / Spanish
	Information Classification and Handling Policy Template	French / Spanish
	Methodology for implementation of the risk-based approach to administrative compliance – Risk matrix	French / Spanish
	Model Administrative Compliance Strategy	French / Spanish
	Model Information Security Risk Management Framework (with risk register template)	Spanish
	Overall information security policy template	Spanish
	Recommendations on Information Security Aspects of Remote Working Arrangements	Spanish
	Remote Access Policy Template	Spanish
	Vulnerability Management Policy Template	Spanish
	<b>E-learning courses</b>	Introduction to the Common Transmission System
Understanding Information Security Management Documentation		French / Spanish

In addition, to increase the efficiency of its training programme, the regional and local training events are delivered by the Global Forum staff in English, French and Spanish to allow broader audience and better comprehension. The delivery of the Train the Trainer programme in these three languages, for instance, contributes to breaking down the linguistic barriers: having a good command of one of these languages, the trained officials can better benefit from a strong capacity-building programme

#### 4. Building inclusive and sustainable capacities

and then they can share the acquired knowledge in their domestic language during local trainings with other tax officials. Translators are sometimes used to allow for participation of specific countries and regions. As an example, in June 2023, during the training on exchange of information as a tool to combat offshore tax evasion, which gathered many participants from various regions, including Central Asia,<sup>2</sup> translation was provided both in Turkish and Russian.

Made of professionals from all over the world speaking several languages, the Secretariat also provides assistance in the national language of the assisted jurisdiction where possible. In addition, several bilateral technical assistance activities and regional events carried out in Asia benefitted from translation of documents and interpretation in local languages thanks to the support of ADB.

8th meeting of the Punta del Este Declaration, 27-28 June 2023 Asunción, Paraguay.

2. Armenia, Mongolia and Uzbekistan.



## 5 | Partnering to serve developing countries

Due to the collaborative nature of its work, the Global Forum has established strong partnerships with other development partners at global and regional level since the launch of its capacity-building programme in 2011. These partners contributed to the development of regional initiatives, the delivery of training events, the development of knowledge tools and technical assistance programmes aimed at supporting developing countries.

### PARTNER ORGANISATIONS



AFRICAN DEVELOPMENT BANK GROUP  
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DE DEVELOPEMENT

African Development  
Bank Group



African Tax  
Administration Forum



African Union  
Commission



Asian Development  
Bank



Cercle de réflexion  
et d'échange des dirigeants  
des administrations fiscales



Commonwealth Association  
of Tax Administrators



Institute of Fiscal  
Studies



Inter-American Center  
of Tax Administrations



Inter-American Development  
Bank



International Finance  
Corporation (World Bank Group)



International  
Monetary Fund



Knowledge Sharing Platform<sup>1</sup>



Pacific Islands Tax  
Administrators Association



Spanish Agency  
for International  
Development Cooperation



Study Group on Asia-Pacific Tax  
Administration and Research



West African Tax  
Administration Forum



World Bank

Many member jurisdictions, including developing ones, are also contributing to the capacity-building activities through their invaluable expertise and experience. Their contribution reinforces the assistance provided by the Secretariat. In 2023, they contributed to training activities, the Women Leaders in Tax Transparency programme, assistance in cross-border tax collection, and in AEOI pilot projects. Expertise has been provided and experience shared by 71 jurisdictions.

1. The Global Forum wishes to acknowledge that it is pleased to be using The Knowledge Sharing Platform for Tax Administrations (KSPTA), a global online resource for sharing tax knowledge and expertise developed by the Canada Revenue Agency, to help manage learning events and foster digital collaboration with our members.

EXPERTISE PROVIDED AND EXPERIENCE SHARED BY:



## 6 | Matching developing countries' needs and partners engagements

The success and ambition of the Global Forum capacity-building activities would not be possible without the financial support of development partners. The Secretariat is proud to facilitate its partners' contributions to domestic revenue mobilisation efforts, matching them with the needs of developing countries to help attain the Sustainable Development Goals. The Secretariat has started implementing the programme proposed to donors in 2022 by putting in place its multiannual strategy for 2023-2027.





The capacity-building programme of the Secretariat is funded by voluntary contributions and grants. These financial contributions are critical to the short and long-term support provided to developing jurisdictions. The continuous support and trust of donors are key to the success and impactful capacity-building programme delivered by the Global Forum.

The Secretariat also benefits from in-kind contributions.

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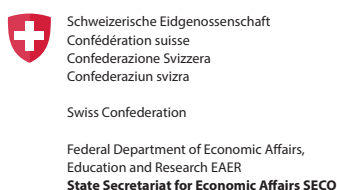
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China (People's Rep. of)



Germany



Saudi Arabia

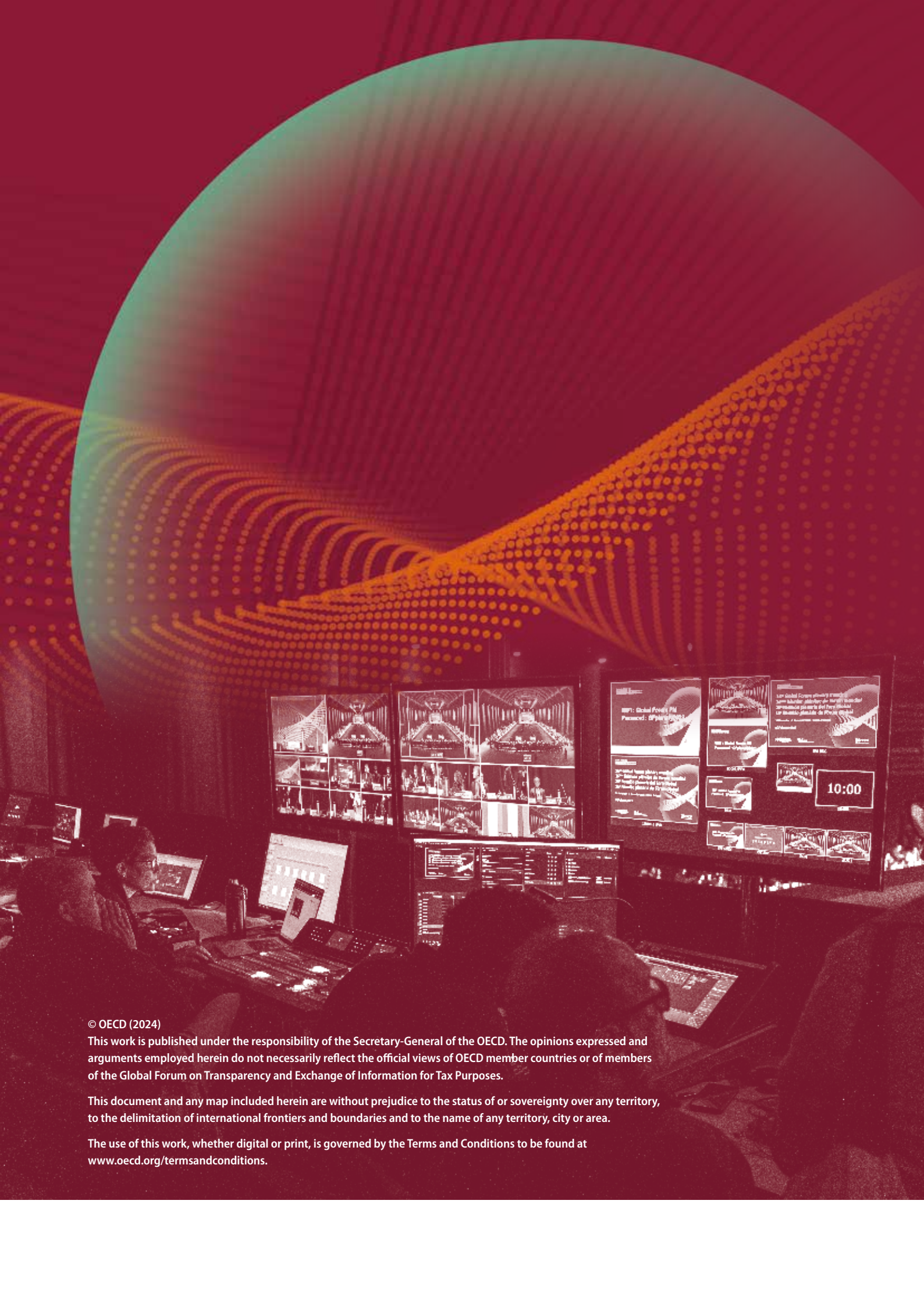


Togo

\* Resource Mobilisation and Investment Attractiveness Institutional Support Project piloted by the Ministry of Finance of Senegal and supported by the African Development Bank.

## Annex: 2023 activities report

Activities	2023
<b>AWARENESS RAISING ACTIVITIES</b>	
High-level stakeholder events	3
Ongoing regional initiatives	4
Regional initiative events	3
Publication of progress reports and strategic reports	6
High-level meetings with decision-makers and high-level officials	83
<b>KNOWLEDGE TOOLS</b>	
Development of toolkits, templates, guidance and other tools (including versions)	28
Countries provided with Global Forum's tools and guidance	120
Production of e-learning courses (including versions)	6
Officials having taken e-learning courses	2 086
<b>TRAINING EVENTS</b>	
Total training events, including:	42
Regional / global training events	24
Jurisdiction-specific training events	18
Female share in training events	52%
Officials trained (excluding the Train the Trainer and Women Leaders in Tax Transparency programmes)	5 113
<b>TECHNICAL ASSISTANCE</b>	
Jurisdictions receiving technical assistance (including developing jurisdictions)	91 (75)
Induction programmes (total number of programmes)	37 (47)
Tailored assistance	48
Pre-membership assistance	6
Technical assistance reports	161
Technical assistance meetings (including virtual)	337 (287)
Technical assistance missions	72
<b>SPECIFIC PROGRAMMES</b>	
<b>2023 Train the Trainer programmes</b>	5
Number of participants (number of jurisdictions)	84 (45)
Local training events organised (officials trained locally)	82 (2 342)
<b>2021-2023 Train the Trainer programmes</b>	11
Number of local trainers (number of jurisdictions)	186 (65)
Number of officials trained	6 100
Women Leaders in Tax Transparency programme: number of participants and meetings	24 participants / 7 meetings
Information Security Management Events: number of events and participants	3 ISM Live Hours / 265 participants 1 ISM Day / 570 participants



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