

## STATEMENT OF OUTCOMES - FORUM ON TAX ADMINISTRATION PLENARY 2022

We, the Heads and representatives of 46 tax administrations, met for the 15th Plenary meeting of the OECD Forum on Tax Administration (FTA) from 28 to 30 September 2022 in Sydney, Australia. We would like to thank our host, Commissioner Chris Jordan, as well as colleagues from the Australian Taxation Office for the excellent arrangements and for the warm welcome to Sydney.

The Sydney Plenary, attended by the OECD Secretary General, Mathias Cormann, marked the 20th anniversary since the formation of the FTA in 2002 and was the first in-person meeting of FTA Commissioners at a Plenary since March 2019. We took this opportunity to look back on the achievements of the FTA over the last 20 years, highlighting the deepening and strengthening of co-operation between our members and with international organisations and regional tax administration bodies. It was this breadth of engagement that enabled us to come together quickly and efficiently to assist each other in developing our responses to the many challenges of the pandemic.

We have also co-operated closely in the implementation of major reforms to the international tax system, supporting each other, including through the work of the Joint International Taskforce on Shared Intelligence and Collaboration (JITSIC), to help ensure that they realise their full potential. This includes the implementation and effective use of the Common Reporting Standard; the co-development of the Common Transmission System for the exchange of information; the introduction of a range of new tax certainty tools such as the ground-breaking International Compliance Assurance Programme (ICAP); and the implementation of the Base Erosion and Profit Shifting actions, including through the reviews undertaken by the FTA Mutual Agreement Procedures Forum.

At this year's Plenary, together with business representatives, we discussed potential future challenges and opportunities, including those arising from the rapid digitalisation of the economy. We also had in-depth discussions on the three key areas of our current work programme and agreed to maintain these as our priorities for the coming period, namely:

- Preparing the administrative implementation of the Two-Pillar Solution to address the tax challenges arising from the digitalisation of the economy, as well as appropriate tax certainty processes;
- The ongoing digital transformation of tax administrations in support of a more seamless model for taxation; and
- Further tax capacity building to support developing country tax administrations.

### Implementation of the Two-Pillar Solution and Tax Certainty

Following the creation of a new tax administration focus group, which held joint meetings with the appropriate bodies of the Inclusive Framework earlier this year, we discussed the high-level challenges for the successful implementation of the [landmark agreement on the Two-Pillar Solution](#). We agreed to:

- Intensify joint consideration of the detailed administrative and capability aspects related to implementation of the Two-Pillar Solution, such as standardised documentation requirements as well as exploring the use of new technology tools to help deliver common solutions in order to reduce burdens for both our administrations and for business.

- Leverage our experience from applying existing multilateral tax certainty tools, such as joint audits, multilateral Advance Pricing Agreements (APA) and ICAP, in the development of new practical approaches to provide certainty over the application of the new rules.

We also agreed to build on the work done to identify improvements to the APA process, as set out in the Bilateral Advance Pricing Arrangement Manual published at the Plenary, through exploring opportunities for further training and capacity building.

### Digital transformation of tax administration

Following the completion of the first phase of work undertaken after the publication of our future vision of seamless tax administration, [Tax Administration 3.0](#), we agreed a new strategic framework to govern the second phase of our collaboration, involving:

- The creation of a new senior-level expert working group, open to all our members, as well as closer working with key external stakeholders through the establishment of a new advisory group on digital transformation.
- The early scoping of a possible pilot for real-time cross border exchange of information with sharing and gig economy platforms, supported by the mutual recognition of domestic digital identities.
- Exploring the use of new technology tools to assist with implementation of the Two-Pillar Solution.
- Continuing to support knowledge sharing on digital transformation through the promotion of the [Digital Transformation Maturity Model](#), now completed by 55 tax administrations globally, and by the development of in-depth case studies to enhance the value of the new web-based [Inventory of Tax Technology Initiatives](#).

### Tax capacity building

We highlighted the continuing increase in our practical support for tax capacity building over recent years. This includes the work of the FTA Capacity Building Network, follow-up work undertaken on the 2021 joint report with the African Tax Administration Forum on supporting the digitalisation of developing country tax administrations, and the launch of a new Tax Inspectors Without Borders (TIWB) pilot programme focused on digitalisation challenges, in partnership with the United Nations Development Programme. Recognising the importance of ensuring close co-ordination and co-operation between the FTA, the OECD Global Relations Programme on Taxation, international bodies and regional capacity building networks and communities, we renewed our commitment to supporting our agreed tax capacity building priorities, in particular through:

- Partnering with the OECD Global Relations Programme on Taxation in the development and delivery of high priority training, including on the implementation of the Two-Pillar Solution, as well as the development of relevant tools, guides and templates to support developing countries..
- Providing support, including through the TIWB for the Digitalisation of Tax Administration pilots, for developing countries to participate in and benefit from the work on future tax administration, including through close co-operation with other partners.
- Ongoing use and development of the Knowledge Sharing Platform for Tax Administrations (KSP<sub>TA</sub>) as an important tool, as was demonstrated during the pandemic, to support capacity building through connecting-up tax administrations, sharing materials and hosting training.

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Finally, we expressed our heartfelt thanks to Pascal Saint-Amans, who will shortly be leaving the OECD Centre of Tax Policy and Administration. Pascal's leadership has been instrumental in taking international tax co-operation to new levels, which has helped build public trust in the fairness of the international tax system and given us important new tools to protect our domestic tax bases.

We are very grateful to Singapore and Greece for having offered to host the 2023 and 2024 Plenaries respectively, and we very much look forward to those meetings and to our continued international co-operation.

Information on the FTA reports released at the Plenary, as well as in the period since the 2021 "Paris" virtual Plenary, is contained in the Annexes to this Communique, as are the list of Plenary participants and the FTA Plenary agenda.

## Annex A - 15<sup>th</sup> Plenary FTA Plenary Agenda, Sydney, Australia

**DAY 1: 28 September, 09:00 to 16:00**

<b>09:00– 13:30</b>	<b>SESSION I – FUTURE CHALLENGES AND OPPORTUNITIES</b>
09:00 – 09:20	<b>Official Opening and Welcome to Australia</b>
09:20 – 09:30	<b>Opening Remarks</b> <ul style="list-style-type: none"> <li>The Honourable Stephen Jones MP, Assistant Treasurer and Minister for Financial Services (Australia)</li> </ul>
09:30 – 10:00	<b>FTA 20<sup>th</sup> Anniversary: Reflections</b> <ul style="list-style-type: none"> <li>Commissioner Bob Hamilton (FTA Chair), Commissioner Chris Jordan (FTA Vice Chair) and Commissioner Jérôme Fournel (FTA Vice Chair)</li> </ul>
10:00 – 10:55	<b>A Forward Looking Perspective: The changing Landscape as we emerge from the Pandemic – Challenges and Opportunities</b> <ul style="list-style-type: none"> <li>Discussion led by Commissioner Bob Hamilton (FTA Chair) and Commissioner Nina Schanke Funnemark (Norway)</li> </ul>
10:55 – 11:20	<b>COFFEE BREAK</b>
11:20 – 12:20	<b>Future Multilateral Challenges and Opportunities</b> <p><b>Moderator</b></p> <ul style="list-style-type: none"> <li>Mr John Kehoe, Economics Editor (The Australian Financial Review)</li> </ul> <p><b>Panellists</b></p> <ul style="list-style-type: none"> <li>Commissioner Edward Kieswetter (South Africa)</li> <li>Ms Rosheen Garnon, Chair (Australian Board of Taxation)</li> <li>Mr David Thodey, Chairman (Xero and Tyro)</li> <li>Mr Pascal Saint-Amans, Director (OECD Centre of Tax Policy and Administration)</li> </ul>
12:20 – 13:30	<b>LUNCH</b>
<b>13.30– 16:00</b>	<b>SESSION II – NEW PERSPECTIVES</b>
13:30 – 14:30	<b>Breakout Groups on Emerging from COVID-19</b> <ul style="list-style-type: none"> <li>Group 1: Led by Commissioner Hans D’Hondt (Belgium) and Commissioner Hernán Frigolett (Chile) <b><i>Our Organisation – changes, developments and new perspectives</i></b></li> <li>Group 2: Led by Commissioner Helena Borges (Portugal) and Commissioner Edward Kieswetter (South Africa) <b><i>Our People – agility, resilience and new ways of working</i></b></li> <li>Group 3: Led by Commissioner Mohd Nizom Sairi (Malaysia) and Commissioner Merete Agergaard (Denmark) <b><i>Our Taxpayers – changing expectations and needs</i></b></li> </ul>
14:30 – 14:55	<b>COFFEE BREAK</b>
14:55 – 15:55	<b>Innovations and New Ways of Working</b> <ul style="list-style-type: none"> <li>Presentations by Emerging Leaders in Breakout Rooms</li> </ul>
15:55 – 16:00	<b>Close of Day 1</b>

**DAY 2: 29 September, 09:00 to 16:30**

<b>09:00 – 13:15</b>	<b>SESSION III – ‘ON THE FRONT BURNER’ : CURRENT TAX ADMINISTRATION ISSUES</b>
09:00 – 09:10	<b>Opening of Day 2</b> <ul style="list-style-type: none"> <li>Commissioner Chris Jordan (Australia)</li> <li>Dr Andrew Leigh, MP, Assistant Minister for Competition, Charities and Treasury (Australia)</li> </ul>
09:10 – 09:30	<b>Implementation of the Two Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy</b> <ul style="list-style-type: none"> <li>Introductory remarks by Mr Pascal Saint-Amans, Director (OECD Centre of Tax Policy and Administration)</li> </ul>
09:30 – 10:40	<b>Pillar implementation: Building Capabilities For Effective Implementation</b> <ul style="list-style-type: none"> <li>Group 1: Led by Assistant Commissioner Cathy Hawara (Canada) and Mr Alan McLean, Chair, Tax Committee (Business at OECD) <i>Data and Automation</i></li> <li>Group 2: Led by Second Commissioner Jeremy Hirschhorn (Australia) and Ms Premila Roe, Head of Tax (BHP) <i>Exchange of Information</i></li> <li>Group 3: Led by Second Commissioner Kirsten Fish (Australia) and Deputy Commissioner Valerio Barbantini (Italy) <i>Capacity and Capability</i></li> </ul>
10:40 – 11:10	<b>COFFEE BREAK</b>
11:10 – 12:00	<b>Global Tax Transparency: Risks and Opportunities</b> <ul style="list-style-type: none"> <li>Discussion led by Commissioner Jérôme Fournel (France)</li> </ul>
12:00 – 13:15	<b>LUNCH</b>
<b>13:15 – 15:25</b>	<b>SESSION IV – THE FUTURE OF TAX ADMINISTRATION</b>
13:15 – 13:45	<b>Keynote Speaker</b> <ul style="list-style-type: none"> <li>Mr David Regan, Managing Director (Accenture)</li> </ul>
13:45 – 14:40	<b>Digital Transformation: Next Steps in FTA Collaboration</b> <ul style="list-style-type: none"> <li>Discussion led by Commissioner Nina Schanke Funnemark (Norway)</li> </ul>
14:40 – 15:25	<b>COFFEE BREAK + EXPO OF RECENT INNOVATIONS</b>
<b>15:25 – 16:30</b>	<b>SESSION V – CAPACITY BUILDING</b>
15:25 – 16:25	<b>FTA Capacity Building Priorities</b> <p><b>Moderator</b></p> <ul style="list-style-type: none"> <li>Commissioner Angela MacDonald (United Kingdom)</li> </ul> <p><b>Panellists</b></p> <ul style="list-style-type: none"> <li>Commissioner Lilian Nyawanda (Kenya)</li> <li>Director General Suryo Utomo (Indonesia)</li> <li>Commissioner Mohd Nizom Sairi (Malaysia)</li> <li>Ms Varsha Singh, Head, Strategic Planning &amp; International Co-operation (ATAF)</li> </ul>
16:25 – 16:30	<b>Close of Day 2 and Introduction to Day 3</b>

**DAY 3: 30 September, 09:30 – 14:00**

<b>09:30 – 11:15</b>	<b>SESSION VI TRUST AND CONFIDENCE</b>
09:30 – 10:45	<p><b>Trust, Community Confidence and Reputation: Breakout Groups</b></p> <ul style="list-style-type: none"> <li>Group 1: Led by Commissioner Katrin Westling Palm (Sweden) and Deputy Commissioner Doug O'Donnell (United States) <i>Transparency</i></li> <li>Group 2: Led by Commissioner Ng Wai Choong (Singapore) and Governor Giorgos Pitsilis (Greece) <i>Social norms</i></li> <li>Group 3: Led by Commissioner Angela MacDonald (United Kingdom) and Commissioner Peter Mersi (New Zealand) <i>Drivers of trust</i></li> </ul>
10:45 – 11:15	<b>COFFEE BREAK</b>
<b>11:15 – 14:00</b>	<b>SESSION VII – TAKING FORWARD THE COLLABORATIVE AGENDA</b>
11:15 – 11:25	<b>Agreement of the Statement of Outcomes</b>
11:25 – 12:00	<p><b>Actions and Priorities</b></p> <ul style="list-style-type: none"> <li>Discussion led by Commissioner Bob Hamilton (FTA Chair) and Commissioner Chris Jordan (Australia)</li> </ul>
12:10 – 12:30	<p><b>Closing Speech</b></p> <ul style="list-style-type: none"> <li>Mathias Cormann, Secretary General (OECD)</li> </ul>
12:30 – 12:45	<b>Closing Remarks</b>

## Annex B – List of Participants FTA Sydney Plenary

### Tax Administrations

- |     |                  |     |                  |
|-----|------------------|-----|------------------|
| 1.  | Argentina        | 24. | Japan            |
| 2.  | Australia        | 25. | Kenya            |
| 3.  | Austria          | 26. | Korea            |
| 4.  | Belgium          | 27. | Latvia           |
| 5.  | Brazil           | 28. | Lithuania        |
| 6.  | Canada           | 29. | Luxembourg       |
| 7.  | Chile            | 30. | Malaysia         |
| 8.  | China            | 31. | Netherlands      |
| 9.  | Denmark          | 32. | New Zealand      |
| 10. | Estonia          | 33. | Norway           |
| 11. | Fiji             | 34. | Papua New Guinea |
| 12. | Finland          | 35. | Poland           |
| 13. | France           | 36. | Portugal         |
| 14. | Georgia          | 37. | Saudi Arabia     |
| 15. | Germany          | 38. | Singapore        |
| 16. | Greece           | 39. | Slovak Republic  |
| 17. | Hong Kong, China | 40. | Slovenia         |
| 18. | Hungary          | 41. | South Africa     |
| 19. | India            | 42. | Spain            |
| 20. | Indonesia        | 43. | Sweden           |
| 21. | Ireland          | 44. | Türkiye          |
| 22. | Israel           | 45. | United Kingdom   |
| 23. | Italy            | 46. | United States    |

### International and Regional Organisation

1. African Tax Administration Forum (ATAF)
2. Commonwealth Association of Tax Administrators (CATA)
3. International Monetary Fund (IMF)
4. World Bank

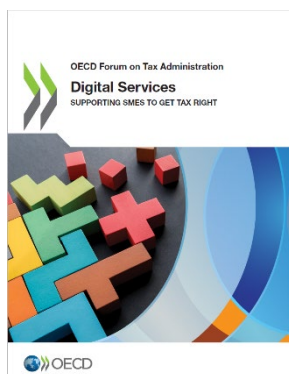
### Private Sector

- |    |                             |     |                           |
|----|-----------------------------|-----|---------------------------|
| 1. | EY                          | 7.  | CPA Australia             |
| 2. | Deloitte                    | 8.  | PwC                       |
| 3. | Shell International Limited | 9.  | SAP                       |
| 4. | Westpac                     | 10. | BHP                       |
| 5. | KPMG                        | 11. | Corporate Tax Association |
| 6. | Netflix                     | 12. | Board of Taxation         |



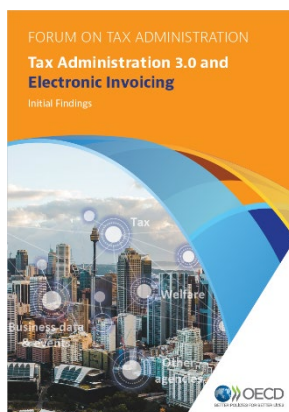
## Annex C – Forum on Tax Administration Reports Published at the FTA Sydney Plenary in 2022

### Digital Services – Supporting SMEs to Get Tax Right



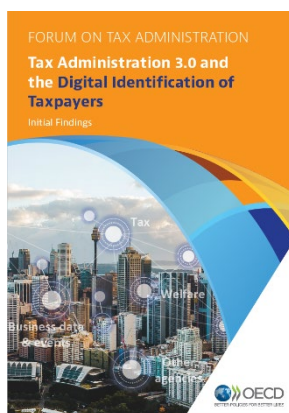
*Digital Services: Supporting SMEs to get Tax Right*, by the OECD Forum on Tax Administration (FTA), is the third report in the FTA’s Supporting SMEs to Get Tax Right Series. This report looks at how digital services can help SMEs (Small-to-Medium Enterprises) comply with their tax obligations, leading to reduced burdens and increased compliance rates. In addition to a number of examples from tax administrations, the report also highlights two detailed case studies. The report was developed by the Canada Revenue Agency with the support of the Forum on Tax Administration’s Community of Interest on SMEs.

### Tax Administration 3.0 and Electronic Invoicing – Initial Findings



The 2020 report *Tax Administration 3.0: The Digital Transformation of Tax Administration* identified electronic invoicing as one of the projects for further exploration. This report, *Tax Administration 3.0 and Electronic Invoicing: Initial Findings*, examines the current state of play on electronic invoicing based on a global survey. It also draws out some considerations that administrations exploring possible implementation or reform of such systems may wish to take into account. This report contains a number of case studies and examples from countries which have implemented electronic invoicing. This report was developed by officials from Canada, Chile, China (People’s Republic of), Hungary, Spain, and supported by the Secretariat of the OECD’s Forum on Tax Administration

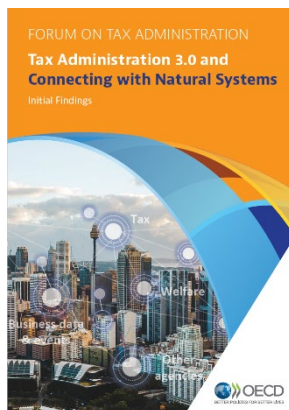
### Tax Administration 3.0 and the Digital Identification of Taxpayers – Initial Findings



The 2020 report *Tax Administration 3.0: The Digital Transformation of Tax Administration* identified effective digital identity as one of the core building blocks for enabling seamless tax administration as it can help provide a secure connection between the systems of tax administrations and taxpayers. This report, *Tax Administration 3.0 and the Digital Identification of Taxpayers: Initial Findings* explores the current state of play on digital identity, the different domestic solutions adopted in a number of jurisdictions as well as the challenges related to cross-border processes. It also lays the groundwork for future collaborative work with business and other stakeholders in this area. This report was developed by officials from Australia, Canada, Finland, Indonesia, Spain, Norway, the United States, and supported by the Secretariat for the Forum on Tax Administration.

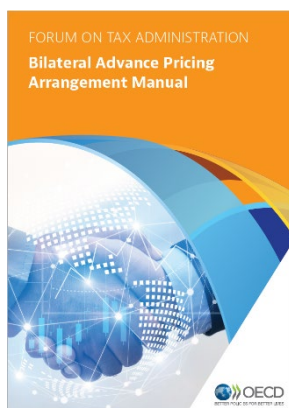


## Tax Administration 3.0 and Connecting with Natural Systems – Initial Findings



The 2020 report *Tax Administration 3.0: The Digital Transformation of Tax Administration* identified the automated connection of systems between tax administrations and business as one of the core building blocks of seamless tax administration. This report, *Tax Administration 3.0 and Connecting with Natural System: Initial Findings*, explores this issue in the context of sharing and gig economy platforms, and identifies the key questions for businesses and tax administrations to consider. It also lays the ground work for future collaboration by identifying a possible technical framework to support these connections. This report was developed by officials from Australia, Canada, Denmark, Ireland, Israel, Finland, the United Kingdom, and supported by the Secretariat of the OECD’s Forum on Tax Administration.

## Bilateral Advance Pricing Arrangement Manual

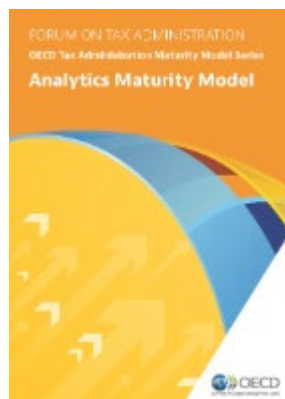


Dispute prevention is a fundamental tenet of tax certainty. Bilateral Advance Pricing Arrangements (“BAPAs”), in a growing number of cases, have successfully contributed to providing advance tax certainty to both taxpayers and tax administrations, ensuring predictability in the tax treatment of international transactions. However, stakeholders have identified obstacles that prevent an optimal use of BAPAs. In continuing with its commitment to advancing the tax certainty agenda, the FTA MAP Forum, in conjunction with the FTA Large Business International Programme, has developed the *Bilateral Advance Pricing Arrangement Manual* (“BAPAM”) which is intended as a guide for streamlining the BAPA process. The BAPAM provides tax administrations and taxpayers with information on the operation of BAPAs and identifies 29 best practices for BAPAs without imposing a set of binding rules. As part of the BAPAM’s development,

tax administrations have committed to assessing whether implementation of these best practices is appropriate, considering the circumstances of their own BAPA programme and the unique features of each BAPA application, so that the best practices are applied appropriately and with enough flexibility to improve current BAPA processes. The BAPAM also highlights what tax administrations expect from taxpayers in the BAPA process to facilitate a cooperative and collaborative process.

## Annex D – Other Forum on Tax Administration Reports published in 2022

### [Analytics Maturity Model](#)



Analytics is increasingly becoming a common and integrated part of tax administrations across the world, in developed and developing countries alike, being used in strategic as well as operative usage areas. The FTA Analytics Community of Interest and the FTA Secretariat have therefore developed the Analytics Maturity Model. The model can aid tax administrations in assessing their analytics usage and capability, providing insight into current status and identifying areas of weaknesses as well as strengths. The model is organised around the strategic and operational perspectives of analytics. To assist in the understanding of what a given level of maturity means, a set of indicative attributes is contained under each maturity level. In addition to the model itself, the report offers guidance for how to perform a self-assessment based on the model. It also summarises the anonymised results from the over forty administrations that have participated in the piloting process, as an aid to understanding the current status of analytics use and capabilities in tax administrations.

### [Tax Administration 3.0 – Action Plan Update \(January 2022\)](#)



This short report provides an update on progress on the various Actions undertaken by the FTA in 2021 following the publication of the Tax Administration 3.0 report in December 2020. Taken together, these Actions are intended to assist tax administrations in their consideration of the next steps towards digital transformation, including through maturity assessments, exploration of potential international solutions, capacity building and knowledge sharing.

## [Tax Capacity Building: A Practical Guide to Developing and Advancing Tax Capacity Building Programmes](#)



The report *Tax Capacity Building: A Practical Guide to Developing and Advancing Tax Capacity Building Programmes* aims to assist tax administrations globally in advancing their tax capacity building programmes by describing good practices, by looking at tools and approaches that improve co-ordination, and by sharing knowledge. While the report primarily focuses on the development of a tax administration's own capacity-building programme, elements of this report may also prove useful to those providing other forms of assistance, for example, through the support of programmes undertaken by the domestic development agency or through the support of regional or multilateral initiatives.

## [Tax Administration 2022: Comparative Information on OECD and other Advanced and Emerging Economies](#)



This report is the tenth edition of the OECD's Tax Administration Series. It provides internationally comparative data on global trends in tax administrations across 58 advanced and emerging economies. The report is intended to inform and inspire tax administrations as they consider their future operations, as well as to provide information on global tax administration trends and performance for stakeholders and policy makers. The report is structured around nine chapters that examine the performance of tax administration systems, using an extensive data set and a variety of examples to highlight recent innovations and successful practices. This edition also provides a first glimpse of the impact of the COVID-19 pandemic on the work of tax administrations. The underlying data comes from the International Survey on Revenue Administration and the Inventory of Tax Technology Initiatives.