

**CO-CHAIR STATEMENT
ON THE
MEETING OF THE OECD TASK FORCE ON TAX AND DEVELOPMENT¹**

Paris, November 2015

The OECD's Task Force on Tax and Development met in Paris, France, on 2-3 November 2015, to review progress on tax and development made in 2015, including in relation to the UN Sustainable Development Goals (SDG's), the Financing for Development Conference, the Addis Tax Initiative, and the **G20/OECD Base Erosion and Profit Shifting (BEPS) Project**. We took stock of how the actions of all stakeholders, including business and civil society, can support the SDG's and we looked ahead to plan future actions. Over 200 participants from governments, international and regional organisations, civil society and business participated and welcomed the role the Task Force can play in helping developing countries to raise revenues efficiently and fairly.

The Task Force welcomed the strong recognition of the importance of **domestic resource mobilisation (DRM) and taxation** in both the **SDG's** and recent outcomes from the third UN Conference on **Financing for Development** in Addis. We noted the importance of tracking progress on taxation (SDG 17) and in that regard the vital need for the Task Force to support the production of strong, comparable and transparent revenue statistics. Better revenue statistics also enable more informed public policy discussion on tax issues. The Task Force stands ready to help gather these comparable statistics. We welcomed the spirit of the Addis Outcome Statement, that DRM is a primary source of finance for development and the importance of addressing international tax evasion and avoidance in that regard. The Task Force welcomed signatories to the **Addis Tax Initiative** and we encourage others to join the initiative, including those providers of Official Development Assistance who will together double their support for tax matters by 2020. We recognised the need to build on work done by the OECD and International Tax Compact in recording the positive impact of foreign assistance on taxation.

The Task Force welcomed the **recent delivery of the final package** of measures under the **G20/OECD BEPS Project**. These measures have the potential to help developing countries address some of the most pressing DRM issues. We were encouraged by the efforts already begun by the OECD to create a more inclusive framework which will include all countries in the discussion of BEPS-related issues, and the implementation of BEPS Action Items. The views of developing countries on the new framework are warmly, and urgently, welcomed. As mandated by the G20, and working with the International Organisations, the Task Force has supported the development of practical tools to translate the BEPS Action Items into approaches suitable for developing countries wherever needed, and on related topics. The Task Force welcomed the report on **[Options for Low Income Countries' Effective and Efficient Use of Tax Incentives for Investment](#)**, finalised by the International Organisations in October 2015. The meeting also welcomed the progress made on **assisting developing countries to better understand mineral product pricing practices**. We heard from developing countries about the importance and impact of the Task Force's joint OECD/WBG/EC transfer pricing work, including contributions from business, and the need to scale up our efforts in light of BEPS implementation. We also noted the need to invest in building expertise in the developing world to build local capacity to address tax evasion and avoidance concerns.

The Task Force reaffirmed the importance for international and regional organisations, donors, the private sector and business to work coherently to deliver assistance to avoid duplication and fragmented initiatives.

¹ This statement reflects the views of the Co-Chairs and not necessarily those of all stakeholders.

We welcomed the new partnership between the OECD and UNDP to scale up the **Tax Inspectors Without Borders (TIWB)** initiative which stands ready to assist developing countries to tackle audit challenges. The global reach, country-level network and local knowledge of UNDP will complement the OECD's capability in international tax issues. The Task Force noted progress in Ghana and Senegal with TIWB operations. We look forward to the programme being fully operational in 2016, and agreed all stakeholders have a role to ensure the initiative succeeds, whether through promoting the initiative, making experts available, or with funding.

The Task Force welcomed the efforts of the **Global Forum on Transparency and Exchange of Information for Tax Purposes** to assist developing countries to benefit from the emerging standard on automatic exchange of information. We will promote transparency and information exchange standards to support progress against SDG 16 which targets the reduction of illicit financial flows. The pilot work mandated by the G20 and the Africa Initiative of the Global Forum have made good progress, and we encourage all developing countries to ensure that they participate in the enhanced global efforts in this area.

The Task Force welcomed the efforts of the **Oslo Dialogue** to include developing countries in the process to promote a **whole-of-government approach to fighting tax and other financial crimes**. We support capacity development efforts to ensure developing countries benefit from the Oslo Dialogue and the OECD's International Academy for Tax Crime Investigation.

The Task Force acknowledged important work that has been developed by the OECD and partners in **assessing tax morale**. We warmly welcomed this as a "bottom-up" approach to monitoring and benchmarking the views of everyday taxpayers on paying taxes. We note the opportunities for the Task Force to play a much greater role in scaling up this effort on a global scale.

We welcomed the launch of the OECD publication "[Building Tax Culture, compliance and citizenship: A Global Source Book on Taxpayer Education](#)", which illustrates the innovations underway in how governments can reach out to inform their taxpayers, to strengthen tax morale and tax compliance. We will support voluntary efforts for peer learning among developing countries that build on the findings. The Task Force also welcomed the recent launch of the EU-Latin American Taxpayer Education Network and encouraged the further promotion of greater global networking in support of peer learning and lesson learning on taxpayer education strategies.

Summary of Immediate Next Steps

We propose the Task Force and Secretariat:

- Track the process to monitor the SDGs and feed in revenue statistics to support SDG 17.1, starting in 2016.
- Monitor the Addis commitments, particularly donor commitments to double their efforts through the Addis Tax Initiative, starting now.
- Support the establishment of the new inclusive framework for BEPS implementation by February 2016.
- Support the development of 7 further toolkits to translate the BEPS deliverables into user friendly guidance for developing countries, starting now.
- Expand the OECD/WBG/EC transfer pricing/BEPS capacity building support to at least 20 countries by 2016.
- Ensure Tax Inspectors Without Borders is a fully operational OECD/UNDP project by early 2016.
- Host a technical meeting for interested stakeholders on planning next steps on taxpayer morale and taxpayer education, including evaluation strategies by March 2016.

We plan to meet again in plenary in 2017.

About the OECD Task Force on Tax and Development

Co-Chaired by South Africa and the Netherlands, the Task Force is a multi-stakeholder advisory group set up to help to improve the enabling environment for developing countries to collect taxes fairly and effectively. More information is available on the [Tax and Development website](#).