



Regional Consultation on International Tax Developments for Asia and the Pacific

**Co- hosted by ADB, CATA, PITAA and SGATAR
in association with the OECD**

**Manila, the Philippines
8-9 November 2023**

Statement of Outcomes

The Asian Development Bank (ADB), the Commonwealth Association of Tax Administrators (CATA), the Pacific Islands Tax Administrators Administration (PITAA) and the Study Group on Asia-Pacific Tax Administration and Research (SGATAR) co-hosted a two-day regional consultation on international tax developments at the ADB Headquarters in Manila, the Philippines, on November 8-9, 2023, in association with the Organisation for Economic Co-operation and Development (OECD). The meeting was attended by 127 participants from 39 jurisdictions.

Updates were provided on the progress of the Two Pillar Solution to address the tax challenges of the digitalisation of the economy and jurisdictions shared their experiences in weighing their policy choices and implementing international tax standards in accordance with their priorities. Participants mentioned the challenges they face, in particular those associated with a lack of capacity in their administrations, as well as the critical need to effectively engage and coordinate between policy makers, administrators and other key stakeholders.

Given the range and scope of recent developments in the international tax landscape, the event provided a timely opportunity for participants to be briefed and to provide their input on the ongoing work. For instance: the Inclusive Framework has recently completed and delivered a subject to tax rule (STTR) package. The meeting included discussions on the Global Anti-Base Erosion (GloBE) rules, focusing on recent additional guidance developed with the aim of outlining the relevant implementation considerations, drawing on country experiences. Discussions were also held on [Amount A](#), where significant progress has been made, resulting in publication of the text of a Multilateral Convention (MLC), together with an Explanatory Statement and an Understanding on the Application of Certainty for Amount A of Pillar One; and on Amount B, where work is ongoing to complete its design, taking into consideration comments received on the [Amount B public consultation document](#).

The meeting also provided a platform to discuss jurisdictions' other international tax priorities such as tax incentives and Value Added Tax (VAT) on e-commerce, as well as convening a discussion on future priorities which could benefit from greater international collaboration. Participants reaffirmed the need for ongoing engagement on existing anti-BEPS measures, such as on Country-by-Country reporting and transfer pricing. Jurisdictions identified the need to share experiences on practical implementation of the two-pillar solution and on reforming investment incentives. Tax challenges created by digitalisation, such as those associated with global mobility, the sharing economy and crypto assets, were also identified. Participants also recognised the role that tax can play in achieving other policy priorities such as those related to the environment, health and equality.

Jurisdictions welcomed that the consultative and regional format of the meeting noting it serves as an invaluable platform for exchanging views and experiences with their peers and with development partners. They also noted that it provides an important additional avenue for developing countries, both members and non-members alike, to provide input into the work and agenda of Inclusive Framework on their priorities and concerns.



Ms. Manal Corwin, Director, Centre for Tax Policy and Administration, at the OECD and Ms. Sathi Meyer-Nandi, Tax Integrity Specialist, Office of Anticorruption and Integrity at ADB provided opening addresses for the meeting. In her address, Ms. Meyer-Nandi stressed the importance of collaboration and cooperation between international partners, regional tax organisations and ADB to bring together the right expertise, avoid duplications, pool resources and maximize outreach. She emphasised the need to take into account the significantly diverse needs, institutional strengths, and absorption capacities of developing countries in support activities. Given the pace and scope of developments, and the increased demand for support on the Two-Pillar solution, Ms. Corwin emphasised the importance of coherent capacity building support. The OECD, in cooperation with other International Organisations, regional tax organisations, and development banks, will intensify efforts to assist developing countries, in a coordinated and collaborative way through a comprehensive implementation plan. As part of this, the OECD will host a Two-Pillar implementation stakeholders' forum alongside the Inclusive Framework plenary meetings.

The meeting concluded with a commitment from regional and international partners to work collaboratively to provide more meaningful, efficient and coherent engagement with the Asia-Pacific to support tax policymakers and administrators on priority issues identified by participants. Participants also committed to strengthening cooperation and engagement with peers as a way of facilitating exchanges of views and experiences.