



SUMMARY

REVENUE STATISTICS IN ASIA AND THE PACIFIC WEBINAR 2022

21 July 2022

The [Revenue Statistics in Asia and the Pacific Webinar 2022](#) took place on 21 July 2022, co-organised by the Organisation for Economic Cooperation and Development (OECD), the Asian Development Bank (ADB), the Pacific Island Tax Administrators Association (PITAA) and the Pacific Community (SPC), and sponsored by the Republic of Korea e-Asia and Knowledge Partnership Fund. It was attended by 90 participants from 27 Asia-Pacific economies as well as partner organisations (ADB, OECD, PITAA).

This webinar was an opportunity to discuss trends, challenges and reforms to support domestic resource mobilisation (DRM) in Asia-Pacific. Discussions were informed by OECD's [Revenue Statistics in Asia and the Pacific 2022](#) and ADB's [A Comparative Analysis of Tax Administration in Asia and the Pacific](#).

The event began with introductory remarks from partner organisations:

- Hiranya Mukhopadhyay (Chief, Governance Thematic Group, Sustainable Development and Climate Change Department-SDCC, ADB) highlighted the importance of mobilising additional revenues to address challenges related to the COVID-19 pandemic and achieve the Sustainable Development Goals. He stressed the importance of *Revenue Statistics in Asia and the Pacific* in providing reliable and internationally comparable tax and non-tax revenue data in informing evidence-based policy making in support of DRM. He recognised the increasing number of economies that have joined *Revenue Statistics in Asia and the Pacific* in recent years and noted that there is room for further expansion as half of ADB members do not yet participate.
- Koni Ravono (Head of Secretariat, PITAA) welcomed the increased participation of Pacific Islands in *Revenue Statistics in Asia and the Pacific* and expressed hope that more will join in the future, as the initiative provides valuable data and allows cross-country comparisons. These can be very useful in helping the Pacific region to tackle multiple challenges, from the COVID-19 pandemic to climate change.
- Alexander Pick (Acting Head of Tax Data and Statistical Analysis Unit, Centre for Tax Policy and Administration, OECD) underlined the impact of the COVID-19 pandemic on tax revenues in many economies across the region, some of which may need many years to stabilise their public finances in the midst of the pandemic and other crises. In this context, high-quality revenue data and analysis, as well as knowledge sharing around good practices in tax policy and administration, are critical to support countries in strengthening their tax systems.
- Nilima Lal's (Economic Statistics Advisor, SPC) opening remarks were read by the Master of Ceremony (Talita Yamashiro Fordelone, OECD), pointing to a mixed performance across key economic sectors in the Pacific since the beginning of the COVID-19 pandemic. In particular, she highlighted the massive impact of the pandemic on tourism-dependent economies. She warned that the hardest-hit Pacific economies are unlikely to recover quickly as they continue to endure the negative impact of COVID-19, natural disasters and other crises.

The second session of the webinar explored trends and challenges DRM in Asia-Pacific. It included presentations from the OECD and the ADB, which were complemented by comments from the Philippines and the Solomon Islands. Leonie Cedano and Jingjing Xia (OECD) explored the main findings from [Revenue Statistics in Asia and](#)



[the Pacific 2022](#), which covers 28 economies and contains revenue data for 2020, the first year of the COVID-19 pandemic. The report reveals that tax-to-GDP ratios fell in 21 out of the 26 economies in the region for which 2020 data is available, while the regional average declined from 20.3% of GDP in 2019 to 19.1% of GDP in 2020. Donghyun Park (Economic Advisor, ADB) presented options for strengthening tax revenues in developing countries in Asia, based on the theme chapter of the *Asian Development Outlook 2022* and the Special Feature of *Revenue Statistics in Asia and the Pacific 2022*. The presentation recognised the large spending needs of developing countries in Asia and highlighted opportunities to enhance different tax types across the region in order to meet these demands.

After the presentations, Rowena Sta. Clara (Director, Department of Finance, Philippines) outlined a number of tax reforms that had strengthened the Philippines' fiscal position prior to the pandemic. These included the Tax Reform for Acceleration and Inclusion (TRAIN) and Corporate Recovery and Tax Incentives for Enterprises (CREATE), as well as the Sin Tax Law. Further measures are currently planned to accelerate the recovery in revenues following the COVID-19 pandemic, including the Real Property Valuation and Assessment Act and the Passive Income and Financial Intermediary Taxation Act and Value-Added Tax on Digital Services, as well as measures to enhance tax administration. Gibson Sanau (Management Adviser, Inland Revenue Division, Solomon Islands) laid out the challenges facing DRM in his country, including outdated tax legislation and information systems as well as fragmented tax regimes. However, a comprehensive medium-term reform to the Solomon Islands' tax system is under way, which will result in new legislation and enhanced tax administration. These measures will be focused on tax payers and are intended to improve the business environment.

The third session focused on boosting tax capacity in Asia-Pacific and was facilitated by Daisuke Miura (Public Management Specialist (Taxation), SDCC, ADB). It featured a presentation on key findings from the sixth edition of [A Comparative Analysis of Tax Administration in Asia and the Pacific](#) by Richard Highfield (ADB), followed by comments by Pakistan and PITAA. The presentation outlined trends in institutional set-ups, revenue collection and operations of tax administrations in 40 Asia-Pacific economies. Although there is great variety across tax administrations in the region, certain trends are visible in recent years, including increased autonomy of revenue bodies, widespread declines in revenue collection in 2020, a need to focus more on high net worth individuals, low resourcing levels across many administrations and increased gender balance among staff. The COVID-19 pandemic slowed down the adoption of new technologies across tax administrations but there has been notable increase in data analytics and virtual assistance. Following the presentation, Nasreen Nawaz (Chief Revenue Analysis-I, Federal Board of Revenue, Pakistan) provided insights on various initiatives in Pakistan, including the introduction of a track and trace system for tobacco and other products to prevent illicit smuggling, the launch of a real-time recording sales system and the automation of refunds to reduce face-to-face interactions. Koni Ravono's (PITAA) comments stressed the usefulness and importance of comparative tax administrative data, which allows Pacific Islands to benchmark themselves against other countries and learn from peer groups.

The ensuing discussion included a question from Timor-Leste on environmental taxes. Donghyun Park (ADB) and Leonie Cedano (OECD) explained that environmentally-related taxes are not widely used in Asia-Pacific, with a few exceptions. On average, environmentally-related tax revenues amounted to 0.8% of GDP in 2020 across Asian and Pacific economies for which *Revenue Statistics* data were available.

The webinar was closed by Talita Yamashiro Fordelone (OECD), who summarised the key points emerging from the discussions and announced the launch of *Revenue Statistics in Asia and the Pacific 2022* on 25 July. She encouraged all economies in attendance to join the initiative if they had not yet done so and explained the steps to participate. On behalf of organisers, she thanked all participants for their attendance and active participation in the webinar, and she thanked the speakers for their valuable interventions.

All webinar documentation is available at: <https://www.oecd.org/tax/tax-policy/revenue-statistics-asia-pacific-webinar-2022.htm>

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