



ITC / ATI Tax and Development Conference

14-16 JUNE 2017 BERLIN/GERMANY

Documentation

Imprint

The International Tax Compact (ITC) is an informal platform that aims to enhance domestic revenue mobilisation in partner countries, and to promote fair, efficient and transparent tax systems. The German Federal Ministry for Economic Cooperation and Development (BMZ) has launched the platform in 2009 and commissioned the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH to facilitate the ITC Secretariat. Since April 2017, the European Union is supporting the ITC through a co-financing agreement. The Ministry of Foreign Affairs of the Netherlands (BZ) provides in-kind support.

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ITC/ATI Tax and Development Conference

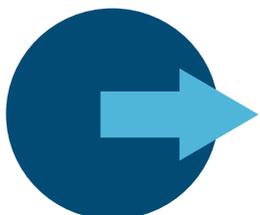
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Documentation

At the invitation of the International Tax Compact (ITC) and the Addis Tax Initiative (ATI) the ITC/ATI Tax and Development Conference took place in Berlin from 14 to 16 June 2017, hosted by Germany within the framework of its G20 Presidency.

The event was made possible with funding provided by the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Union and the Netherlands and brought together around 130 participants representing more than 80 countries and organisations working in the field of tax and development. Out of the 44 countries represented at the conference, 21 were partner countries. Their participation was also made possible by travel cost grants provided by the Asian Development Bank, the United States Agency for International Development (USAID) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. In addition, 37 organisations such as regional tax networks, civil society organisations, research institutions and private sector firms were represented. Of the ATI members, 12 ATI development partners, 13 ATI partner countries and 8 ATI supporting organisations participated. The conference was organised by the International Tax Compact (ITC).

The conference provided the opportunity to discuss the status of the ► **ATI commitments** in 2017 and the implications for further progress in achieving the objectives by 2020. The conference was organised along the three ATI commitments:



- **DAY 1 addressed topics concerned with increasing the international support to domestic revenue mobilisation (DRM);**
- **DAY 2 focused on partner countries' needs for stepping up domestic revenue mobilisation;**
- **DAY 3 featured the taxation of ODA funded projects to further the discussion on policy coherence.**

The conference explicitly supported formats that enhanced interactions among participants such as brief interviews with ATI partner countries in and between plenary sessions and two sets of breakout sessions that gave all participants the opportunity to discuss topics of in-terest in smaller groups. Furthermore, Day 2 provided opportunities for intensive exchange between participants through a marketplace and an open space.



Main Results of the Conference

Towards Fulfilling the ATI Objectives and Commitments by 2020

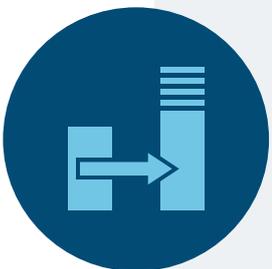
- **The 2015 ATI Monitoring Report established a basis for following up on fulfilment of the ATI commitments:**
 - The baseline against which the doubling of support for technical cooperation in the area of domestic revenue mobilisation (DRM) by 2020 (ATI Commitment 1) will be monitored is USD 237.96 million (commitments) and USD 223.76 million (disbursements).
 - For ATI Commitment 2 (Stepping up domestic revenue mobilisation in partner countries), partner countries draw on their own indicators and targets used for monitoring revenue collection and other aspects of tax system performance, whereas tax-to-GDP ratio is one of the principal DRM indicators used by ATI partner countries for monitoring progress. The report shows that ATI partner countries still lack adequate domestic revenues to finance sustainable development. It became clear that common and binding indicators for measuring the progress on ATI Commitment 2 need to be developed to establish a reporting standard to be used by all ATI partner countries for future ATI Monitoring Reports.
 - Regarding ATI Commitment 3 (Ensuring policy coherence for development), the ATI signatories reported on a wide range of domestic and international topics that are related to policy coherence in the area of domestic revenue mobilisation. This shows that there is no common understanding of what policy coherence for development means and that accordingly there is a need to clearly define the scope of the ATI commitment to ensure policy coherence for development.
- **Fulfilling the ATI commitments will need further efforts with regard to**
 - broad stakeholder support for DRM reform processes,
 - more support for the enforcement of tax legislation,
 - more institutional development beyond core taxation processes.
- **Furthermore, the Addis Tax Initiative would benefit from a broader integration of all stakeholders – political decision-makers, tax administration and civil society.**

The audience stressed the vital importance of the Addis Tax Initiative for domestic revenue mobilisation and emphasised that this inclusive partnership should have a perspective beyond 2020.



1: Doubling of Support for Technical Cooperation in the Area of Domestic Revenue Mobilisation (DRM) by 2020

- **Need for support** in connection with developing strategic DRM approaches **was expressed**. Further requests for support target digitalisation and systems development, as well as human capacity development and training.
- **Participants agreed that coordination and cooperation** among the ATI members were important features of the Addis Tax Initiative. However, the coordinating function of the Addis Tax Initiative still **needs to be further developed**, for instance:
 - coordination of support needs to take place at country level and should be based on already existing structures such as for example PFM coordination groups;
 - the role of the ATI could lie in creating more transparency and providing information about country-based coordination structures
 - broad country ownership for DRM reforms is seen as essential and as a requirement for effective donor coordination.
- In addition, **strategic planning of DRM reforms** would be an instrument for coordinating support for implementation of the reforms.



TADAT was often mentioned as a base for strategic planning of DRM reforms. In this context participants from different stakeholder groups stressed the importance of TADAT as an analytical tool and called for all countries that have undertaken TADAT assessments to publish their Performance Assessment Reports (PARs) in order to help identify needs for support and to allow better coordination of support.

Overall, participants articulated that the ATI should further develop its coordination function – especially the aspect of bringing together demand and supply.



#2: Stepping up Domestic Revenue Mobilisation in Partner Countries



- In general, there was a consensus that each country was different and therefore there was **no single model that could be applied across the board**.
- However, interchange of experiences with others was found to be very important and helpful. It was frequently mentioned that ATI should contribute to South-South sharing of experiences.
- **Further experiences and lessons learned were shared** in the breakout sessions, at the marketplace and during the open space sessions. Topics addressed at the conference covered a broad range of issues, such as international taxation, tax certainty, tax incentives, tax exemptions, integrity in tax administration, the use of Information and Communication Technology (ICT), the connection with public expenditures, fiscal capacity especially in fragile states, and much more.

#3: Ensuring Policy Coherence for Development

- There is a need to define the scope of the ATI commitment to ensure policy coherence for development clearly, as the 2015 ATI Monitoring Report showed that there was no common understanding of the concept of policy coherence for development among the ATI members.
- Participants recommended developing indicators for measuring progress on policy coherence in the Monitoring Report, for instance – did countries conduct spillover analyses that look into the spillover effects of their Double Taxation Agreement's (DTAs) and their national legislation, including existing tax incentives and harmful tax practices?
- As part of the discussions on policy coherence in the area of domestic revenue mobilisation, tax exemptions on official development assistance (ODA) were found to
 - cover a great variety of legal instruments and administrative mechanisms;
 - be possibly substantial and have potential for creating distortions on local markets;
 - create a series of challenges for local tax administrations in interpreting the legal situation correctly.
- Participants consider the UN Tax Committee's draft guidelines to be a possible starting point for further discussions.





Day 1: International Support to Domestic Revenue Mobilisation

Day 1 set the stage with the opening of the conference, providing an overview of the latest developments in the Addis Tax Initiative, launching the 2015 ATI Monitoring Report and discussing further potential for cooperation in the ATI network.



Opening Session

The conference was opened by Hans-Peter Baur, Deputy Director-General of the German Federal Ministry for Economic Cooperation and Development (BMZ) and Erica Gerretsen, Head of Unit of the European Commission's Directorate General (DG) International Cooperation and Development (DEVCO). After the opening speeches, Mike Falke, Head of Section at the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, invited the two speakers to join him in signing the statement of cooperation between the European Commission, BMZ and GIZ on enhancing cooperation with regard to the International Tax Compact (ITC).



The 2015 ATI Monitoring Report

Jasmin Froehling, coordinator of the International Tax Compact (ITC) presented the 2015 ► **ATI Monitoring Report**, which established the baseline for monitoring progress on the ATI commitments of the 39 signatory countries – 20 development partners and 19 partner countries.



ATI Commitment 1:

The collective baseline for the monitoring of ATI Commitment 1 – ATI development partners commit to collectively double technical cooperation in the area of domestic revenue mobilisation by 2020 – is quantified with commitments of USD 237.96 million and disbursements of USD 223.76 million.

Among the 20 Afghanistan and Tanzania were the largest recipients of ODA support in 2015, followed by Pakistan, the Philippines and Mozambique. The 19 ATI partner countries received 22.7% of the support provided by the ATI development partners in the area of domestic revenue mobilisation. Among the ATI partner countries, Tanzania received most support, followed by the Philippines and Ghana.

One third of the support (37.66%) provided by the ATI development partners went to partner countries in sub-Saharan Africa, while approximately 40% went to the Least Developed Countries (LDCs) and other Low Income Countries (LICs).



Despite broad geographical coverage, the ATI development partners' support was concentrated on a limited number of partner countries. More than one third of the ATI development partners' gross disbursements went to the top ten recipient countries, half of the support went to just 20 countries. Accordingly, many LDCs receive only little ODA. Among those LDCs receiving the least support from the ATI development partners was one ATI partner country – Ethiopia.

ATI Commitment 2:

Regarding ATI Commitment 2 – ATI partner countries commit to step up domestic revenue mobilisation in order to spur development, in line with ATI key principles – partner countries draw on their own indicators and targets used for monitoring revenue collection and other aspects of tax system performance. Here the tax-to-GDP ratio is one of the principal DRM indicators used by ATI partner countries to measure domestic revenue mobilisation. It becomes clear from the report that ATI partner countries still lack adequate domestic revenues to finance sustainable development. The average tax-to-GDP ratio in the ATI partner countries in 2015 was 16.5%. On average, the most significant single source of tax revenue in the ATI partner countries was tax on goods and services (44.9%). Revenue from direct taxes, on the other hand, makes up slightly more than one third of total tax revenue (37.4%) on average.



Some particular areas of concern for the ATI partner countries are improvement of the comprehensiveness of taxpayer registration and strengthening of the effectiveness and efficiency of tax collections. Furthermore, the report reveals that simplifying tax regulations and procedures, which can significantly reduce compliance costs and facilitate voluntary tax compliance, is needed to create a business-friendly environment and that this encourages investment.

Most ATI partner countries use the Tax Administration Diagnostic Assessments Tool (TADAT) to systematically assess the strengths and weaknesses of their tax administration systems.

It became clear that there is a need to develop common and binding indicators for measuring the progress on ATI Commitment 2, to establish a reporting standard with comparable data to be used by all ATI partner countries for future ATI Monitoring Reports.



ATI Commitment 3:

Under ATI Commitment 3 – all ATI signatories commit to promote and ensure policy coherence for development – a wide range of domestic and international topics related to policy coherence in the area of domestic revenue mobilisation were reported. This shows that there is no common understanding of just what is meant by policy coherence for development and that there is a need to clearly define the scope of ATI Commitment 3. By including this broad range of topics which the countries address under the heading policy coherence, the ATI Monitoring Report contributes to establishing a better understanding of the term – a first step on the way to establishing a common understanding of policy coherence for development.

Feedback from participants on the ATI Monitoring Report included clear articulation of the need for further analysis of potentially under-funded partner countries. There was also a call for further details on ODA flows to international organisations and tax networks.

The ITC Secretariat would be happy to receive further feedback on the 2015 ATI Monitoring Report via ► secretariat@taxcompact.net



Jasmin Froehling also introduced the DRM Database, which will provide an overview of technical assistance projects carried out worldwide in the area of domestic revenue mobilisation (DRM) and will be the world's leading source of information on DRM capacity building activities. Alongside the work of the ATI members, the DRM Database will also aim to include DRM capacity building activities of other stakeholders.

The DRM Database will be ready for use soon at ► <https://drm.taxcompact.net/>

Panel I and Breakout Session I:

Towards fulfilling the ATI commitments by 2020

Objectives:

Reflecting on the findings of the 2015 ATI Monitoring Report, the first panel discussion of the conference as well as the breakout session in the afternoon were dedicated to what would be needed to fulfil the ATI commitments in the upcoming years and how the ATI can contribute to fulfilling each of them.



Panel I

Panellists:

Marine Khurtsidze, Ministry of Finance, Georgia
Logan Wort, Executive Secretary, ATAF
Marijn Verhoeven, Global Tax Team, World Bank
Siphokazi Mthathi, Executive Director, Oxfam South Africa
Steven Rozner, Senior Fiscal Advisor, USAID

Moderation:

Mark Hallerberg, Professor of Public Management
and Political Economy, Hertie School of Governance



Breakout Session I:

- A. DRM reforms in partner countries
Moderation: Marine Khurtsidze (Georgia)
- B. Aid effectiveness of development cooperation in the area of DRM
Moderation: Marijn Verhoeven (World Bank)
- C. Enhanced coordination of development partners
Moderation: Hubert Perr (European Commission)
- D. South-South cooperation
Moderation: Elfrieda Stewart-Tamba (Liberia)
- E. Measuring progress in DRM reform
Moderation: Victoria Perry (IMF)
- F. Ensuring policy coherence for development
Moderation: Wiebe Anema (Netherlands)

All presentations can be found ► [here](#).



Summary

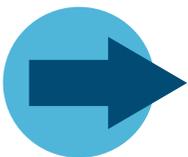
The Addis Tax Initiative received much recognition as an inclusive forum of development partners and partner countries.

Coordination and cooperation among the ATI members were often mentioned as very important features of the Addis Tax Initiative. However, participants agreed that this intention still needed to be developed further into efficient, effective and tangible cooperation.

There was a consensus that each country was different and therefore there was no single model that could be applied across the board. However, learning from the experiences of others was found to be very helpful.



Participants' recommendations on how to further develop the Addis Tax Initiative focused on four areas:



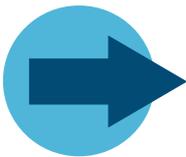
Regarding the role of the Addis Tax Initiative:

- The Addis Tax Initiative should play a more active role in donor coordination.
- The integration of all stakeholders – political decision-makers, tax administration and civil society organisations – under the Addis Tax Initiative harbours great potential for further progress in domestic revenue mobilisation.
- Regional organisations could be involved more actively in the Addis Tax Initiative, especially by reaching out to potential new ATI members.
- The Addis Tax Initiative could contribute to enhancing South-South sharing of experiences.



Regarding coordination of support:

- More analytical work is needed to identify potential 'donor darlings' and 'donor orphans'.
- Support for DRM reform needs to be coordinated at country level and should be based on existing coordination structures, such as PFM coordination groups. The Addis Tax Initiative could create more transparency, for example by providing information about such structures.



Regarding measurement of progress:

- The indicators for commitments 2 and 3 should be developed further. Duplications with existing measurement systems are to be avoided.
- Both donor commitments and progress on DRM reform in the partner countries are to be measured.
- The ATI could contribute to more transparency of existing tax measurement results, for example by calling for use and sharing of TADAT assessments.



Regarding monitoring of ATI Commitment 3:

- As there is still no common understanding of policy coherence for development in the area of domestic revenue mobilisation, the issues understood under the term policy coherence should be specified more clearly.
- Suggested indicators for measuring progress on policy coherence in the Monitoring Report: Did countries conduct spillover analyses that look into the spillover effects of their Double Taxation Agreement's (DTAs) and their national legislation, including existing tax incentives and harmful tax practices?

Day 2: Stepping up Domestic Revenue Mobilisation in Partner Countries

Day 2 of the conference addressed a range of topics that are high on the agenda of DRM reform in partner countries.

Panel II and Breakout Session II: Priority DRM Topics in Partner Countries

Objective:

Panel II provided an overview of the issues that partner countries currently face in DRM reform. It prepared the ground for discussion of the different technical topics relevant to DRM reform in partner countries in the subsequent breakout sessions.

Panel II Panellists:

Modeste Fatoing Mopa, Director General,
Directorate General of Taxes, Cameroon
Dr Marta Beatriz González Ayala, Deputy Minister,
State Secretariat of Taxation, Ministry of Finance, Paraguay
Ben Dickinson, Head of Global Relations
and Development Division, OECD
Duncan Onduru, Executive Director,
Commonwealth Association of Tax Administrators (CATA)
David Nguyen-Thanh, Head of Competence Centre
Public Finance and Administration, GIZ
Moderation:
Nara Monkam, Director Research,
African Tax Administration Forum (ATAF)





Breakout Session II

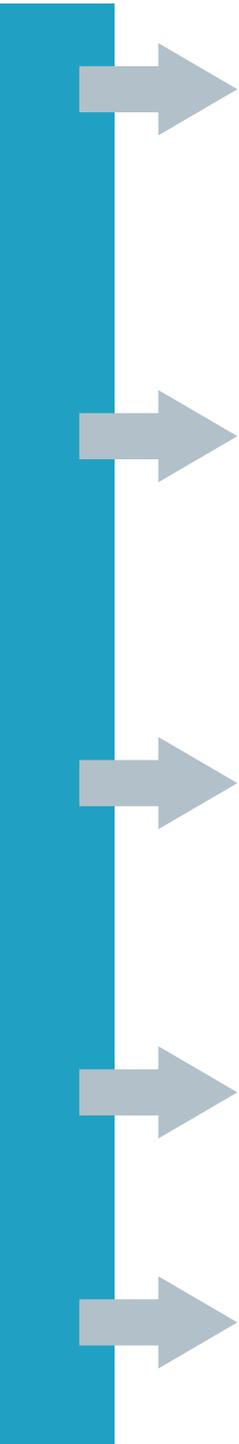
1. Use of ICT for taxing the informal economy:
Opportunities and challenges
Moderation: Thulani Shongwe (ATAF)
2. Integrity in tax administration: The way forward
Moderation: Alejandro Juarez (CIAT)
3. Topics in international taxation: Partner country perspectives
Moderation: Jan de Goede (IBFD)
4. Tax certainty, tax incentives, tax exemptions:
Attracting private sector investment
Moderation: Christian von Haldenwang
(DIE German Development Institute)
5. More revenues for more development:
Linking DRM with public expenditure management,
accountability and control mechanisms
Moderation: Helen Haile (GIZ)

All presentations can be found ► [here](#).



Summary

The main messages from these discussions can be summarised as follows:



Low capacity vs. high requirements:

Many countries see themselves faced with the need to bridge the gap between the requirement to build up a modern tax administration from a rather low capacity level and the need to respond to highly complex international taxation questions arising from globalisation. Thus for many the question is not so much whether to address domestic or international taxation – administrations need to deal with both. In addition, as regards the question of sequencing reforms it has become apparent that this will depend on the country's situation and needs.

National DRM strategies:

Consequently, many partner countries expressed their needs to better develop the strategic base of their reform processes. There are, however, very different approaches to strategic planning – some countries have been asking for support to medium-term revenue strategy (MTRS) development, others are planning on a broader scale with multi-stakeholder inclusion in the tax policy framework development. The need to orient reform planning clearly and strategically was also supported by many donor countries and representatives of supporting organisations.

Absorption capacity constraints:

Some interventions also pointed at possible absorption capacity constraints. It was said that implementation challenges could delay reforms. This also touches on the need already discussed to have the political framework support the DRM reform. Depending on the system capacity level, there also might be limits to what reform targets can be reached with more resources in a given time. There was consensus that countries need to carry out reforms at their own pace.

Ownership:

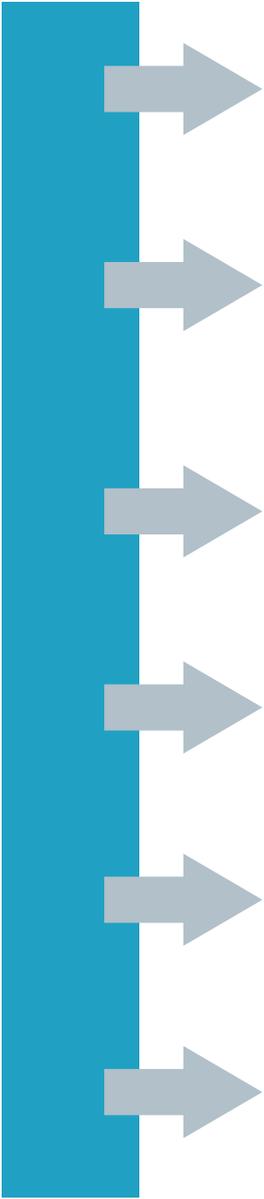
Broad country ownership for DRM reforms was generally seen as essential. Furthermore, donor coordination should be based on such country ownership. Strategic planning of DRM reform also would be an instrument for coordinating support for implementation of the reforms.

Request for support:

In addition to demand for support to strategic planning of reforms, the most frequent requests for support targeted Information and Communication Technology (ICT) and systems development as well as human capacity building and training.



Many contributions suggested broadening the perspective from taxation's core functions to cover related issues and the enabling environment:



Impact orientation:

Domestic revenue mobilisation is not an end in itself. It should be seen as a means for financing development and also take public expenditure into account, especially with a view to achieving the Sustainable Development Goals (SDGs)

Broader stakeholder support:

DRM reform also needs broader stakeholder support to be successful. It is very important to enhance the understanding of domestic revenue mobilisation in the broader political framework – influencers and decision-makers and also CSOs need to understand the importance of taxation for development.

Enforcement of tax legislation:

The judiciary often does not have the background and means to address tax cases effectively; it needs to be strengthened in order to guarantee effective rule of law in domestic revenue mobilisation.

Sustainability aspects:

At the organisational level, more work on sustainable institutional development is needed, for example by creating professional human resource management functions as a condition for increasing the impact of individual capacity development measures.

Broadening the concept of DRM:

domestic revenue mobilisation should refer not only to taxes, although the dialogue on international taxation often does, but also include customs, subnational revenues, and other levies and duties.

Including private sector views:

progress should be made not only on the government and administration side, but also on the taxpayer's side by reducing the tax compliance costs.

Market Place

The market place in the afternoon of day 2 provided a space for all participants to showcase themselves and their reform approaches, strategies and priorities.

During the first round, partner countries presented themselves on their 'market stands', with providers of development assistance wandering the room. After one hour, the development partners took over the market stands – and the partner countries had the chance to address those providers of development assistance in which they were most interested.

The market place led to very lively discussions among the participants. This session was considered by many participants to be one of the most important features of the conference. Many participants recommended that the format be retained for future conferences as well.





Open Space

After the market place, the open space provided an opportunity for participants to set their own topics of interest. Two open space sessions were initiated during the actual conference.

- UN Tax Committee of Experts on International Cooperation in Tax Matters donor meeting
Moderation: Tatiana Falcao
- ITC: regional tax networks meeting (ATAF, ATAIC, CATA, CIAT, CREDAF, IOTA and WATAF)
Moderation: Jasmin Fröhling
- Save the Children:
'Increasing Civil Society's Role in ATI at the County Level'
Moderation: Jennifer Russell
- IMF together with Liberia:
'Building fiscal capacity in fragile states'
Moderation: Victoria Perry
- International Bureau for Fiscal Documentation (IBFD):
'Topics in international taxation'
Moderation: Jan de Goede
- German Development Institute (GDI-DIE):
'Research in the field of taxation'
Moderation: Christian von Haldenwang



Some of the presentations can be found [▶ here](#).

Day 3: Ensuring Policy Coherence for Sustainable Development



Day 3 of the conference addressed the taxation of ODA projects as one significant topic under policy coherence and provided participants with an opportunity to reflect on the experiences from the conference and to develop recommendations for the future development of ATI.

Panel III: Tax Aspects of Donor-financed Projects

Objective:

The aim of the panel session was to reflect on the pros and cons of seeking tax exemptions for ODA-funded projects.

Panellists:

Jacques Sasseville, UNDESA Financing for Development Office

Liselott Kana, Head of Department of International Taxation, Internal Revenue Service, Chile

Olav Lundstøl, Policy Director Tax and capital flight, NORAD

Moderation:

Victoria Perry, Assistant Director Fiscal Affairs Department, IMF

The presentation can be found [▶ here](#).



Summary

The panel discussed the principles and examples of ODA taxation based on the draft ► guidelines elaborated by the UN Tax Committee in 2007.

Many ODA-funded projects enjoy tax exemptions that are claimed by the respective donors. These exemptions cover a great variety of legal instruments and administrative mechanisms. They are substantial and may create distortions in local markets due to distinctions for example between externally provided services and locally financed services. For revenue administrations in partner countries the exemptions create a series of challenges in interpreting the legal situation correctly. This binds resources which are needed elsewhere in the DRM reform process. Some international organisations – the World Bank, the Inter-American Development Bank and the Asian Development Bank – and bilateral donors such as France and Norway have already introduced financing of taxes on ODA to a certain extent.

The subsequent plenary discussion showed much understanding for the matter on the part of donor countries. However, concern that taxation of ODA funded projects in partner countries is difficult to communicate politically to taxpayers in the donor countries was expressed. Partner countries found the matter very important and some also considered it urgent. Some participants mentioned market distortions from infrastructure financing that provided advantages for international firms by comparison with local businesses. The problems were described as not being restricted to government aid only, but also relevant to non-governmental organisations. Many participants in the plenary found that tax exemptions for ODA created double standards – especially in the context of development in governance matters.

A broad consensus was reached regarding the need for more transparency. On the one hand participants agreed that in partner countries the Ministries of Finance should be informed about all issues relevant to ODA taxation, and ideally be part of government negotiations where such matters are agreed. On the other hand donors should at least share the agreements on ODA taxation or non-taxation they have signed with the government in order to enable the tax institutions to compare the practices between donors and between partner countries.

The UN Tax Committee's draft guidelines were considered a good starting point for further discussion.



Panel IV: Looking ahead



Objective:

The final session summarised the conference and left much room for feedback by the participants along guiding questions such as: What do we take out of the conference? How can the Addis Tax Initiative be developed further for the benefit of all members? What do we want to have achieved by the next ITC/ATI Conference in 2019 and what are the next steps?

Panellists:

Elfrieda Stewart-Tamba, Commissioner General, Liberia Revenue Authority

Dominic Bourcier, Deputy Director, Global Affairs Canada

Hubert Perr, Head of Sector Domestic Revenue Mobilisation, European Commission

Marine Khurtsidze, Head of the International Taxation Division, Ministry of Finance, Georgia

Moderation:

Steven Rozner, Senior Fiscal Advisor, USAID





Summary:

The recommendations for the future development of the Addis Tax Initiative can be summarised under the keyword “broadening perspectives”:

- **Broaden the basis of stakeholders involved and include more actors such as politicians and decision-makers, which would improve the understanding and ownership in domestic revenue mobilisation.**
- **Extend the topics treated to integrate more international topics, for instance including illicit financial flows.**

In addition, it was recommended that clear indicators be developed and more clarity be gained on what exactly should be monitored in the ATI Monitoring Report in the coming years, especially in relation to measuring ATI Commitments 2 and 3 (DRM reforms in partner countries and policy coherence).

The audience repeatedly stressed that the Addis Tax Initiative should have a perspective beyond 2020. The coordination function – especially the aspect of bringing together demand and supply of support to DRM reform – should be developed further. Partner countries were encouraged to develop strategic planning, which would be very important for allocating development assistance properly. Strategic planning should be based on sound analysis. Again, partner countries were called on to use TADAT as an assessment tool and ATI to encourage sharing the reports at least among ATI members.

In addition, the Addis Tax Initiative could further explore what ATI members can do for each other as a member group. This also refers to the cooperation between regional tax networks, which is already supported by the International Tax Compact, independently of its role as Secretariat to the Addis Tax Initiative.



The next ITC/ATI Conference will take place in 2019. By then participants expect substantial progress under all commitments. However, there was also consensus, that partner countries need to effect reforms at their own individual pace.

The participants considered the conference a great success. The most important features highlighted were the large and very heterogeneous audience and the good interchange. Here, especially the market place was frequently emphasised as a very useful format which should be kept for future conferences. The participatory approach of the conference was seen as allowing encounters on an equal footing. The donor side saw it as helping to understand partner countries' needs, and the partner countries' side saw it as an opportunity to express desires with the possibility of speaking freely about needs.

Accordingly, this is also what is seen as the future role of the Addis Tax Initiative – a forum for engagement and interchange on an equal footing and along guiding targets provided by the ATI commitments. In addition, the ATI Monitoring Report was seen as very important, with a wealth of information including quantitative data as well as quality analysis.

Hubert Perr, Head of Sector Domestic Revenue Mobilisation of the European Commission, then closed the conference.



