



Committee of Experts on International Cooperation in Tax Matters

21st Session

UNDESA/FSDO Capacity Development: Updates and Plans for 2021

Overview

Context

- ❖ Context
 - Our approach (sustainable development perspective, integrating policy and capacity support)
 - Adjusting to Covid-19 context
- ❖ Capacity building activities in tax
 - Activities delivered since June 2020
 - Planned activities through June 2021
- ❖ Updates on related work
 - Platform for Collaboration on Tax
 - Infrastructure asset management for sustainable development

International Tax Cooperation

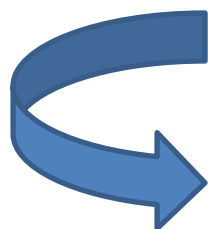
FSDO/DESA supports the UN in strengthening its unique role in the international tax cooperation space, in the frameworks of the 2030 Agenda and the Addis Ababa Action Agenda.



**FINANCING FOR
DEVELOPMENT**
13-16 JULY 2015 • ADDIS ABABA • ETHIOPIA
TIME FOR GLOBAL ACTION

Our approach

- ❖ FSDO designed and mobilized funding for a multi-donor project, launched with the support of the Norwegian Agency for Development Cooperation (Norad).
- ❖ Project has contributed to strengthening FSDO's support to the Committee, its subcommittees and related capacity development activities.



Efforts to enhance synergies between policy and capacity development work in the international tax cooperation area.

Adjusting to COVID-19 context

- FSDO responded swiftly to COVID-19 challenges replacing in-person workshops/trainings by virtual global, regional and local workshops.
- Rapidly adapted its work modalities given the challenging circumstances.
- Implemented tailored online capacity development initiatives to facilitate and ensure the dissemination of outputs of the Committee and its subcommittees.

Tax Capacity Building Activities

- Activities since Committee's 20th session (22-26 June 2020)
 - Virtual workshops / training delivered
 - Online course designed and released
- Future work
 - activities deferred to 2021
 - online courses

Virtual Workshops

Virtual workshops on tax treaties (24 June, 1,15, 22 and 29 July 2020)

- 5 pilot sessions Pilot programme with a regional focus (Latin America): Scope of tax treaties, permanent establishment; taxation of services; and taxation of business profits
- Replaced in-person workshops in Latin America & Caribbean
- Delivered in Spanish, in collaboration with OECD and CIAT; facilitated by regional experts, including Committee members
- Attended by 60 tax officials, from 10 countries in Latin America

Main outcomes:

- Positive impact on: i) increasing tax officials' skills to use tools to protect and broaden the tax base of their countries; ii) strengthening the capacity of tax officials to apply double tax treaties; and iii) increasing knowledge of the UN Model among tax officials.

Virtual Workshops

Global workshop on practical and policy aspects of taxation in a digitalized economy (9-11 and 15-17 September 2020)

- Nine sessions presented and debated digitalization and its tax impact; multilateral issues and approaches OECD/IF Pillar 1 Proposal; unilateral issues; bilateral approaches; administration and capacity development aspects, among others.
- Facilitated by renowned experts in international taxation
- Focus on developing countries
- Over 100 participants attended the workshop

Virtual Workshops

Global workshop on practical and policy aspects of taxation in a digitalized economy

Main outcomes:

- (i) Challenges and opportunities posed by digitalization of the economy identified;
- (ii) Better understanding of a) the impact that solutions put forward for taxation of the digitalized economy will have on treaties; and b) implications of Pillars 1 and 2 proposals for countries;
- (iii) Participants better equipped to determine the kind of capacity-building support their countries require to address tax challenges of the digitalized economy.

Virtual Workshops

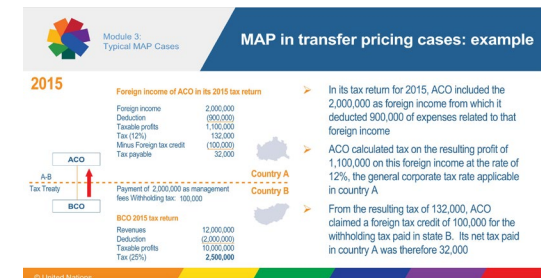
Global workshop on practical and policy aspects of taxation in a digitalized economy (Cont'd)

Main outcomes cont':

- Strong participation from across the globe;
- Positive response to capacity development while norms are being discussed – not just implementation of settled norms and text;
- Collegial forum for different voices;
- Showed pros and cons of virtual capacity development;
- Positive feedback surveys, with concrete ideas for follow up.

UN Online Primer on MAP

- Launched in July 2020, the MAP (Mutual Agreement Procedure) is based on the UN Handbook on Dispute Avoidance and Resolution
- Complement to Online Primers on Tax Treaties and on Transfer Pricing
- Online-user-friendly tool to prepare learners for participation in advanced workshops (virtual or in-person)
- 14 modules in English (video lessons; downloadable reading materials; final quiz).

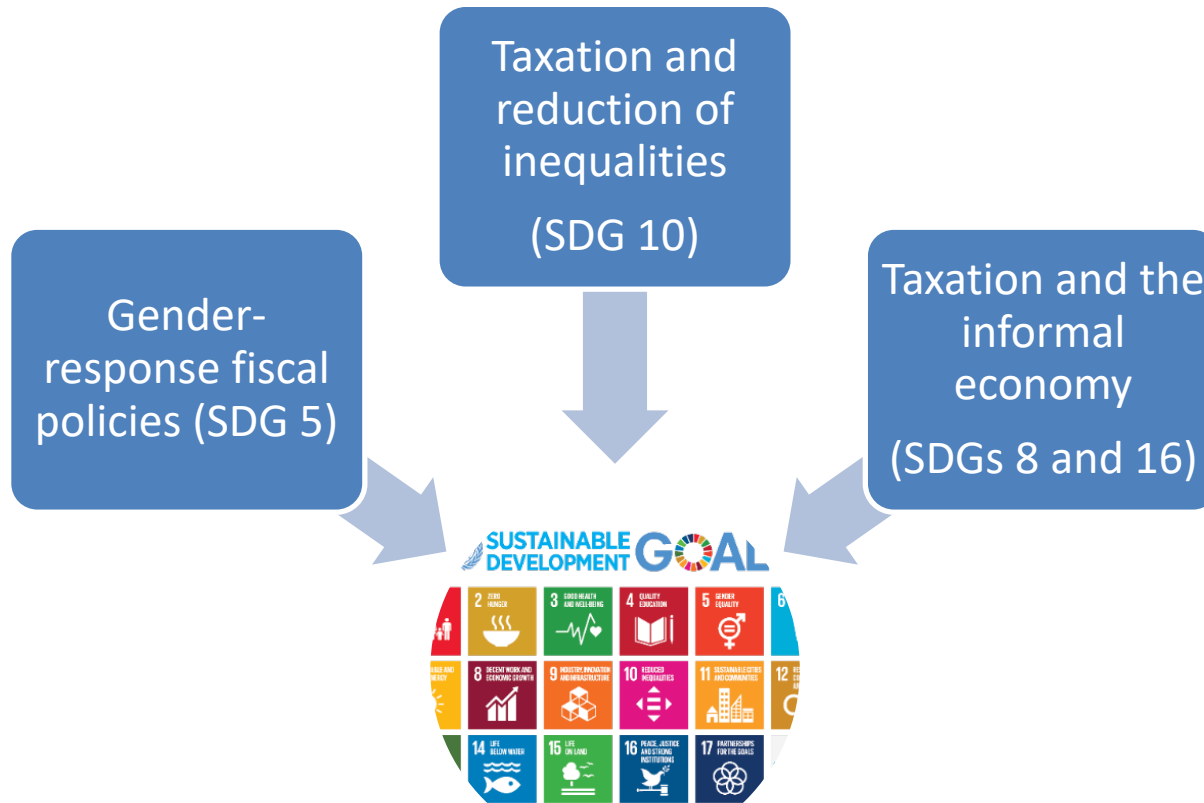


Future Events

- Workshop on environmental taxation: (Q4 2020, virtual)
- UN/OECD courses on tax treaty negotiation (Q1-Q2 2021, virtual)
 - Seoul and Asuncion - Regional
 - Vienna, July 2021 – Global
- Technical cooperation at the country level (Q1-Q2 2021)

Future events

- Regional Workshops on Taxation and the SDGs: (Q1/2021)



Planned online courses

Updates of existing online courses:

- Update of the Online Primer on Tax Treaties (2021)
- Update of the Online Primer on Transfer Pricing (2021)

Translation and development of new courses:

- Online Primer on MAP: French and Spanish versions (underway)
- Development of online course on Attribution of Profits to Permanent Establishment (2021)

Platform for Collaboration on Tax (PCT)

Update on joint work

- Adjusting to the COVID-19 context:
 - Through a dedicated COVID-19 tab on the PCT website, partners share tax policy and tax administration knowledge resources in the context of the pandemic response
 - PCT has made outreach activities available virtually, with successful workshops on the Toolkit on Addressing Difficulties in Accessing Comparables Data for Transfer Pricing Studies.



Platform for Collaboration on Tax: Update on joint work (cont'd)

- Key analytical outputs for 2020 are toolkits and webinars on:

- Taxation of Offshore Indirect Transfers
- Transfer Pricing
- Tax Treaty Negotiations



- The PCT is currently discussing its 2021 work programme.

Key focus areas will include:

- Medium Term Revenue Strategies (MTRS) and their links to Integrated National Financing Frameworks (INFFs);
- Tax and SDGs;
- COVID-19 response
- Joint toolkits on issues of international taxation

Platform for Collaboration on Tax (PCT)

Update on joint work

- In November 2020, the PCT Secretariat will hold a public consultation webinar for the draft PCT Toolkit on Tax Treaty Negotiations.
- ✓ The event will provide an opportunity for participants to follow a demo of the web-based version of the toolkit and a roundtable with tax negotiators.

Toolkit on Tax Treaties: Key Features

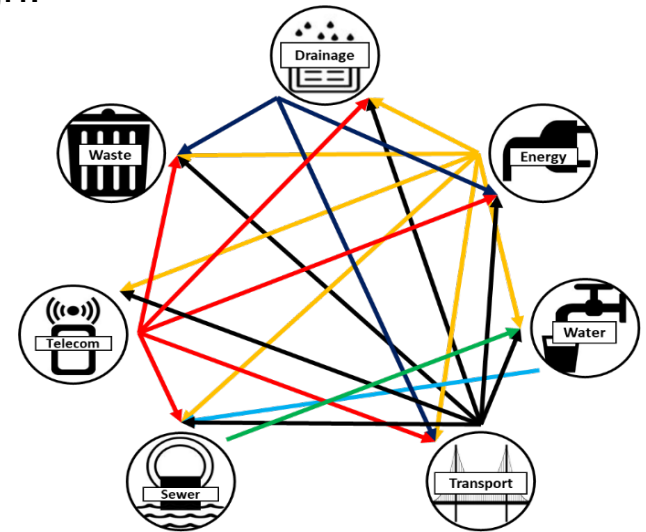
- Built on existent guidance (UN Manual Negotiation Bilateral Tax Treaties);
- Offers information and practical suggestions on tax treaty negotiations; and
- Provides capacity-building support to developing countries on such negotiations.



Capacity building on infrastructure asset management

- Infrastructure asset management supports DRM through:

- Enhanced productive capacity of the economy
- Better taxpayer compliance
- Bolstered local revenue streams (user fees, tax increments; property taxes)
- Strengthened collateral/creditworthiness of asset owners (e.g. national and local governments)



- In 2020, workshops implemented for local and central government officials on Covid-19 responsive infrastructure asset management (special focus on health facilities; shelter; water and sanitation systems)
- Publication on “Managing infrastructure assets for sustainable development – A handbook for local and national governments” (Q1 2021)
- Next steps: Disseminate the content of the Handbook with e-learning modules; series of regional online solutions dialogues; Massive Open Online Course



Thank you

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