ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES

OECD submission in response to call for written inputs on the resolution on the promotion of inclusive and effective tax cooperation at the United Nations[1]

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To: UN Secretariat - Department for Economic and Social Affairs

Sent via email: taxreport2023@un.org

Subject: OECD submission in response to call for written inputs on the resolution on the promotion of inclusive and effective tax cooperation at the United Nations

Overview and summary

The OECD Secretariat is pleased to provide this submission in response to the United Nations' call for input from stakeholders on the General Assembly Resolution on "Promotion of Inclusive and Effective Tax Cooperation at the United Nations" (A/RES/77/244). Together with the United Nations, the OECD shares the goal of ensuring inclusive and effective international tax cooperation.

As requested by the call for inputs,[2] this submission provides details of the international tax cooperation work undertaken by the range of intergovernmental groups convened at the OECD (including the Inclusive Framework on BEPS and the Global Forum on Transparency and Exchange of Information for Tax Purposes). This submission includes details on the relevant international legal instruments, other documents and recommendations that address tax cooperation, as well as the bodies through which the work is carried out. The submission describes the work to promote inclusive and effective international tax cooperation across five broad areas:

1. Improving tax transparency and combatting tax evasion and fraud

Tax transparency – the effective exchange of information for tax purposes – is key to international tax cooperation. Over the last twenty years, enormous progress has been made in establishing high standards of tax transparency and information sharing so as to improve tax authorities' ability to deter, detect and disrupt tax evasion and avoidance. Collectively, this provides an international framework for fighting illicit financial flows and to mobilise domestic resources.

- **The architecture overseen by the Global Forum on Transparency and Exchange of Information for Tax Purposes has effectively ended bank secrecy for tax purposes and achieved great success in the fight against offshore tax evasion.** Since 2000, the Global Forum has overseen a significant improvement in tax transparency worldwide, growing to 166 member countries and jurisdictions working on an equal footing. The Global Forum oversees the implementation of the exchange of information on request (EOIR) and the Automatic Exchange of Financial Account Information (AEOI) standards, working to maximise their effectiveness through robust peer reviews, capacity building and outreach activities. In 2021 alone, information on 111 million financial accounts was exchanged between countries, with a total value of around EUR 11 trillion; and more than EUR 114 billion of additional revenues have been identified by tax administrations. The work of the Global Forum builds on the Convention on Mutual Administrative Assistance in Tax Matters (MAAC), developed by the

[1] This document is issued under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Member countries of the OECD, nor the non-OECD Members which are also members of the Inclusive Framework on BEPS or the Global Forum on Transparency and Exchange of Information for Tax Purposes

[2] https://www.un.org/development/desa/financing/tax-report-2023

OECD and the Council of Europe, which provides a global, unified legal basis for multilateral cooperation in tax matters and has to date been adopted by 146 jurisdictions.

- **The delivery of the Crypto-Asset Reporting Framework (CARF) and related amendments to the Common Reporting Standard (CRS) ensure that new and emerging forms of financial assets are subject to transparency requirements for tax purposes.** The CARF and amendments to the CRS were delivered in 2022 to provide comprehensive reporting and exchange of information requirements for these assets, which would not have been covered under the existing tax transparency rules.
- **The Oslo Dialogue, launched by the OECD Task Force on Tax Crimes and Other Crimes (TFTC) in 2011, complements the tax transparency tools to provide a strong international framework for fighting illicit financial flows**. This work is underpinned by the OECD's Ten Global Principles for Fighting Tax Crime, which support whole of government approaches and offer the first comprehensive global standard on combatting tax crimes. These are supported by the TFTC and the biennial Forum on Tax and Crime, which provide guidance and capacity building to support implementation, particularly in lower-capacity countries. The OECD International Academy for Tax and Financial Crime Investigation, with Centres in Italy, Kenya, Japan, and Argentina are a core part of this strategy and had trained over 2 500 officials from 167 jurisdictions as at the end of 2022.

2. Countering base erosion and profit shifting and updating international business taxation

International cooperation on business taxation has increased dramatically in recent years, in recognition of the need to ensure that the international tax system is equipped to deal with the rapid digitalisation and globalisation of the economy. This has led to a major update of the international tax system to better align taxing rights to where value is created and reduce tax avoidance behaviours and treaty abuses. This work has focused especially on the challenges of Base Erosion and Profit Shifting (BEPS) – the tax planning strategies that shift profits from higher to lower tax jurisdictions (including preferential regimes), and exploit loopholes and mismatches in tax rules.

- **The BEPS project has achieved a major overhaul of several core aspects of the international tax system, materially reducing tax avoidance behaviours and treaty abuses.** The BEPS Actions, agreed and published in 2015, provide a range of options countries can use to better align taxing rights to where value is created and to reduce tax avoidance behaviours and treaty abuses. As a result, over 100 harmful tax regimes have been abolished; over 1 800 tax treaties have been amended; information on over 50 000 tax rulings have been exchanged; and the share of Foreign Direct Investment (FDI) channelled through offshore financial centres has declined.
- **The Inclusive Framework on BEPS (Inclusive Framework) provides an inclusive platform for international tax cooperation on business taxation**. In total, 142 countries and jurisdictions are members, on an equal footing, and the invitation remains open to other countries. The governance of the Inclusive Framework is likewise diverse: the Co-Chair and two Vice-Chairs are from developing countries, as are half of the Steering Group. In addition, there are a range of actions undertaken to empower all countries to participate meaningfully in the Inclusive Framework, these include briefings, consultations, and capacity building for developing countries.
- **As the next phase of the BEPS project, and after several years of negotiations, the Inclusive Framework published a statement in October 2021 on a Two-Pillar Solution to address the tax challenges arising from the digitalisation of the economy. To date, 138 countries and jurisdictions have endorsed the Two-Pillar Solution.** This marks a significant milestone in international tax cooperation, introducing new approaches including allocating taxing rights on a part of residual profits to market jurisdictions, using formulaic approaches, and the first-ever global minimum tax. As a result, the Two-Pillar Solution will lead to additional taxing rights for market jurisdictions (under Pillar One). It will also put a floor on tax competition

through the global minimum tax at an effective tax rate of 15% (under Pillar Two). The revenue impacts will be significant, with Pillar One allocating taxing rights on about USD 200 billion in profits to market jurisdictions annually and Pillar Two expected to result in annual global revenue gains of around USD 220 billion. Several features of the Two-Pillar Solution reflect the differing circumstances in developing countries, including simplifications, de minimis rules and carve-outs.

3. Eliminating barriers to cross-border trade and investment, and fostering economic growth

The OECD, through its intergovernmental expert groups, also works to promote international cooperation to reduce potential tax barriers to cross-border trade, investment and economic growth, including double taxation, uncertainty about tax treatment, and complex compliance requirements. A range of standards and tools have been developed to help reduce these barriers and provide certainty on taxation.

- **The OECD Model Tax Convention aims to eliminate double taxation and is used as the basis for thousands of bilateral tax treaties around the world**. The Model Tax Convention has been updated multiple times to include positions and commentaries from the wide range of countries worldwide using this standard.
- **The OECD Transfer Pricing Guidelines improve tax certainty and promote mutually satisfactory solutions for transfer pricing cases for both MNEs and tax authorities.** First published in 1979, they are widely used across the globe. They were the subject of a major overhaul in 2016 to address issues raised by BEPS with a subsequent revision in 2022 under the authority of the Inclusive Framework.
- **The International VAT/GST Guidelines, adopted by almost 90 countries so far, remove potential VAT barriers to cross-border trade in services and intangibles that could create obstacles to business activity, hinder economic growth and distort competition.** These Guidelines were developed in dialogue with over 100 countries; and the OECD has also developed regional implementation toolkits in partnership with the World Bank Group and regional organisations. In addition to avoiding potential distortions to the global economy, the Guidelines are already delivering significant revenues in the countries that have implemented them.
- **The Forum on Tax Administration (FTA) supports increased tax certainty through guidance, statistics and peer review on dispute resolution and reduction.** The FTA MAP Forum works under the Inclusive Framework to undertake peer reviews on Mutual Agreement Procedures (MAP), as well as, for instance, producing guidance and compiling statistics on both MAP and Advance Pricing Arrangements (APA) to improve dispute prevention and resolution.

4. Contributing to the implementation of the UN-led sustainable development and global climate goals

Both direct and indirect taxes, which are the largest and most stable source of domestic revenues in almost all countries, play an important role in the financing of the United Nations' Sustainable Development Goals (SDGs). The international taxation issues discussed above make an important contribution towards raising domestic revenues. However, the scale of the financing required to meet the SDGs is so vast that reforms to other taxes, both direct and indirect, will also be required to meet countries' financing needs.

- **In partnership with countries around the world and international and regional organisations, the OECD produces a wide range of internationally comparable tax data to underpin policy development and domestic resource mobilisation.** This includes the *Global Revenue Statistics Initiative*, which provides comprehensive, internationally comparable revenue statistics for 120 economies; *Corporate Tax Statistics*, including over 160 jurisdictions;

and collaboration on the *International Survey on Revenue Administration*, which is completed by more than 150 tax administrations annually.

- **In cooperation with the Inclusive Framework and in response to country demand, the OECD has developed tax policy analyses that more directly contribute to the implementation of the SDGs, particularly in the areas of health, gender, and addressing illicit financial flows.** Annual reports produced in collaboration with the Inclusive Framework track changes in global tax policy and the OECD Secretariat has also produced analysis on the contribution of tax policy to gender outcomes, health financing, addressing illicit financial flows and reducing informality.
- **In respect of global climate goals, the Inclusive Forum on Carbon Mitigation Approaches provides a new forum to help countries improve their emissions reduction efforts.** Recognising the centrality of the UNFCCC negotiations, the IFCMA will support global climate goals by fostering exchange and facilitating access to systematic data and analysis on emissions reduction efforts.

5. Capacity building and partnerships

Capacity building is essential to help developing countries meet their tax policy and tax administration goals. The OECD has developed a wide variety of capacity building initiatives, complementing those described in the earlier sections.

- The **OECD Global Relations Programme (GRP) has provided training to tens of thousands of tax officials on a range of issues.** This training spans in-person and virtual courses and is provided free of charge.
- **The joint OECD-UNDP Tax Inspectors Without Borders** Initiative**,** provides an innovative, hands-on, approach to international tax cooperation. To date, together with partners, it has facilitated the collection of over USD 2 billion in additional revenues.
- **Across this range of capacity building activities, as well as in all the areas of work mentioned elsewhere in this submission, the OECD seeks to work in partnership** with countries around the globe and with a wide range of international and regional organisations, and through the Platform for Collaboration on Tax, which brings together the IMF, OECD, UN and World Bank.

The remainder of this submission is divided into five sections covering the main activities carried out in each of these areas and includes annexes with links to key reports, tools and guidance referred to in this submission.

The OECD Secretariat stands ready to provide any further information on international tax cooperation work that would be helpful.

Section 1. Improving tax transparency and combatting tax evasion and fraud

Summary and highlights

- Tax transparency – the effective exchange of information for tax purposes – is key to international tax cooperation and helps governments to deter, detect and disrupt tax evasion and avoidance.
- The Global Forum on Transparency and Exchange of Information for Tax Purposes, with 166 member countries and jurisdictions, working on an equal footing, has led to bank secrecy being effectively eliminated worldwide for tax purposes. In total, more than EUR 114 billion of

additional revenues have been identified so far thanks to voluntary disclosure programmes and offshore tax investigations related to the improvements in tax transparency. In 2021 alone, information on 111 million financial accounts was exchanged between countries, with a total value of around EUR 11 trillion.

- The Convention on Mutual Administrative Assistance in Tax Matters has 146 participating countries and jurisdictions.
- The Oslo Dialogue on *Fighting Tax Crimes and Other Financial Crimes*, developed through the Task Force on Tax Crimes and Other Financial Crimes, has developed principles and practices, and associated capacity building, for whole of government approaches to combat tax crimes and other financial crimes.
- Collectively, the standards, tools, dialogue and capacity building developed through expert groups provide a strong international framework for fighting illicit financial flows.

Tax Transparency Standards

A wide range of standards and instruments for international cooperation on tax transparency have been developed to counter tax evasion and fraud and strengthen domestic resource mobilisation. Rapid progress has been made since the 2007-2009 global financial crisis in particular. Alongside this evolution in the standards and instruments there has been a dramatic expansion in the number and diversity of jurisdictions committing and adhering to these standards.

The recent developments in improving tax transparency have their foundations in earlier work of the OECD, most notably the Convention on Mutual Administrative Assistance in Tax Matters (MAAC), developed in the framework of the OECD and the Council of Europe to facilitate tax information exchange and other forms of administrative cooperation. The MAAC opened for signature on 25 January 1988 and entered into force on 1 April 1995.

The MAAC was amended in 2010[3] to align it to the internationally agreed standard on exchange of information, and to become open for ratification by states other than Members of the OECD or Council of Europe. The amended MAAC came into force in 2011. To date 146 jurisdictions[4] have signed the MAAC, of which 139 already have it in force.

The MAAC facilitates international cooperation for a better operation of national tax laws, while respecting the fundamental rights of taxpayers. It provides for all possible forms of administrative cooperation between states in the assessment and collection of taxes. This cooperation ranges from exchange of information, including automatic exchange, to the recovery of foreign tax claims. The MAAC provides a global, unified legal basis for multilateral cooperation in tax matters. Over 8 000 bilateral exchange relationships are enabled through the MAAC, which covers a wider range of taxes than bilateral tax treaties (i.e., it covers VAT and social security contributions as well as income taxes). Given the comprehensive nature of the MAAC and the large number of jurisdictions covered by it, the MAAC has become the key legal basis to implement further developments in tax transparency including Automatic Exchange of Financial Account Information (see below) and the exchange of Country-by-Country reports (see The BEPS Action Plan section).

In 2014 the Common Reporting Standard (CRS) for Automatic Exchange of Financial Account Information (AEOI)[5] was agreed, to enable automatic exchange of certain financial account information. There are now 122 countries and jurisdictions that have committed to implementing AEOI[6], with over

[3] https://www.oecd-ilibrary.org/taxation/the-multilateral-convention-on-mutual-administrative-assistance-in-tax-matters_9789264115606-en

[4] https://www.oecd.org/ctp/exchange-of-tax-information/Status_of_convention.pdf

[5] OECD (2014), *Standard for Automatic Exchange of Financial Account Information in Tax Matters*, OECD Publishing, Paris, https://doi.org/10.1787/9789264216525-en

[6] https://www.oecd.org/tax/automatic-exchange/commitment-and-monitoring-process/AEOI-commitments.pdf

100 having already done so. To facilitate AEOI, a Multilateral Competent Authority Agreement for the CRS was developed. This operationalises the automatic exchange of information under the CRS, on the basis of the MAAC. Currently, 119 jurisdictions are signatories to this agreement[7], providing for 4 981 bilateral relationships for automatic exchange via the CRS. The OECD has also developed technical solutions to support the implementation of AEOI, most notably the XML Schema that allows the reporting of information under the CRS in an IT-based and standardised format.[8]

In light of the rapid development and growth of the crypto-asset market and to protect recent gains in global tax transparency, the OECD released the Crypto-Asset Reporting Framework (CARF) in October 2022[9]. This framework provides for the reporting of tax information on transactions in Crypto-Assets in a standardised manner similar to AEOI and addresses tax transparency risks associated with these assets. Alongside the release of the CARF, the OECD also amended the CRS to bring certain electronic money products and Central Bank Digital Currencies in scope and made other changes to ensure that indirect investments in crypto-assets through derivatives and investment vehicles are covered by the CRS. In addition, amendments have been made to strengthen the due diligence and reporting requirements and to foresee a carve-out for genuine non-profit organisations.

The work to support international cooperation on tax transparency through exchange of information has been translated into EU law, supported and welcomed by the G20 and endorsed by the United Nations. In 2017, ECOSOC passed a resolution which adopted a code of conduct on cooperation in combatting international tax evasion and called for states to endorse the CRS on AEOI. The resolution encouraged all states not yet a party to consider becoming a party to the MAAC.[10]

Table.1. Evolution of participation in Tax Transparency

	2016	2017	2018	2019	2020	2021	2022
Global Forum Members	137	147	154	158	161	163	165
Participating jurisdictions to MAAC	108	116	126	135	141	144	146
Signatories to MCAA CRS	N/A	53	101	102	108	110	113

Source: Global Forum Members - https://www.oecd.org/tax/transparency/who-we-are/members/ , MAAC participating jurisdictions - https://www.oecd.org/ctp/exchange-of-tax-information/Status_of_convention.pdf , MCAA CRS signatories - https://www.oecd.org/tax/exchange-of-tax-information/crs-mcaa-signatories.pdf

The Global Forum on Transparency and Exchange of Information for Tax Purposes

The Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) was originally established in 2000 and focused on engagement with non-OECD jurisdictions relevant to the work on geographically mobile capital. In the aftermath of the 2007-2008 Financial Crisis, the Global Forum was then reorganised in 2009 to allow all countries and jurisdictions interested in implementing the Exchange of Information on Request (EOIR) standard to become members, on an equal footing. A further commitment process on Automatic Exchange of Financial Account Information (AEOI) took place from 2014, and more than 120 jurisdictions are now committed to the implementation of the AEOI standard by a specific date. The Global Forum members are supported by a dedicated, self-standing secretariat housed in the OECD.

[7] https://www.oecd.org/tax/exchange-of-tax-information/crs-mcaa-signatories.pdf

[8] See https://www.oecd.org/tax/automatic-exchange/common-reporting-standard/schema-and-user-guide/

[9] OECD (2022), *Crypto-Asset Reporting Framework and Amendments to the Common Reporting Standard*, OECD, Paris, https://www.oecd.org/tax/exchange-of-tax-information/crypto-asset-reporting-framework-and-amendments-tothe-common-reporting-standard.htm

[10] See ECOSOC Resolution E/RES/2017/3

For more than 13 years,[11] working by consensus, the Global Forum has been tasked with ensuring the effective and widespread implementation of the Transparency and EOI standards around the world through robust peer reviews and capacity-building and outreach activities. Membership of the Global Forum has grown from 89 jurisdictions in 2009 to 166 by March 2023[12] (see Table.1Table.1. Evolution of participation in Tax Transparency

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The Global Forum's diverse membership is reflected in the composition of its Steering Group[13] and its subsidiary bodies (Peer Review Group (PRG)[14], AEOI Peer Review Group (APRG)[15] and APRG+). This diversity is also observed in all of the activities of the Global Forum including in the provision of expert assessors for the various peer reviews. The participation of developing countries in these activities is constantly increasing. For example, developing countries now represent a third of the membership of the subsidiary bodies.

Exchange of Information on Request (EOIR)

EOIR is the foundation of the international architecture for transparency and EOI for tax purposes and is the most widely used form of exchange. The peer review work on EOIR has also strengthened requirements in jurisdictions on many areas of transparency, including the lifting of bank secrecy for tax purposes, availability of beneficial ownership information of legal persons and legal arrangements,[16] and availability of identity information on the owners of bearer shares.

The networks for exchanging information have expanded at unprecedented speed and the volume of the information exchanged has sharply increased. More than 250 000 requests have been received by Global Forum members in 10 years.[17]

Automatic Exchange of Financial Account Information (AEOI)

The AEOI standard is being adopted on a global basis. Close to 100% of the jurisdictions committed to commence exchanges have done so since 2017 or 2018 and many more jurisdictions are expected to commence such exchanges in the coming years. In 2021, information on 111 million financial accounts was exchanged, with a total balance of EUR 11 trillion.[18]

The Global Forum has completed the peer review of the implementation of Automatic Exchange of Financial Account Information standard by over 100 jurisdictions.[19] A second round of peer reviews focused on the effectiveness of the implementation of the AEOI standard will be completed by the end of 2025. In addition, the Global Forum is working with developing countries to assist them in implementing the AEOI standard and reap its benefits (see below in the section Facilitating the adoption and implementation of AEOI by developing jurisdictions).

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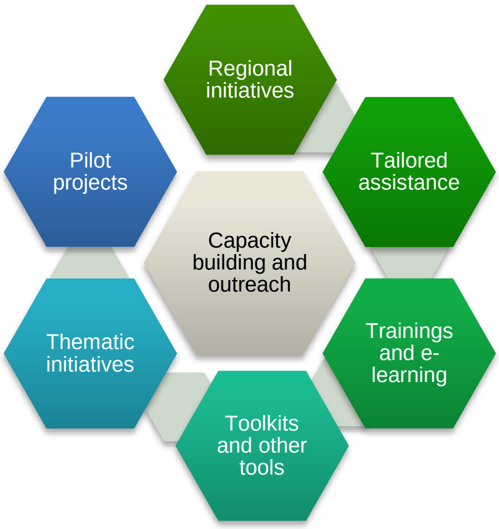
[11] See 2022 Global Forum Annual Report - https://www.oecd.org/tax/transparency/documents/global-forum-annual-report-2022.pdf
[12] https://www.oecd.org/tax/transparency/who-we-are/members/
[13] https://www.oecd.org/tax/transparency/documents/GF-steering-group.pdf
[14] https://www.oecd.org/tax/transparency/documents/GF-peer-review-group.pdf
[15] https://www.oecd.org/tax/transparency/documents/GF-automatic-exchange-peer-review-group.pdf
[16] This draws on the work of the Financial Action Task Force (FATF) regarding beneficial ownership and to work with the FATF to improve global implementation.
[17] Transparency and Exchange of Information for Tax Purposes - Multilateral Co-operation Changing the World 10th Anniversary Report, November 2019: http://www.oecd.org/tax/transparency/documents/global-forum-10-years-report.pdf
[18] See https://www.oecd.org/tax/transparency/documents/global-forum-annual-report-2022.pdf
[19] OECD (2022), *Peer Review of the Automatic Exchange of Financial Account Information 2022*, OECD, Paris, https://oe.cd/aeoi2022

Supporting the evolution of international cooperation on tax transparency through exchange of information

In 2011, the Global Forum began capacity building and outreach (CBO) to support its members to implement the EOI standards and ensure all its members are able to access the benefits of EOI, including helping jurisdictions in using EOI to mobilise domestic resources.[20]

Figure 1 Capacity Building and Outreach: a multi-faceted approach



The Global Forum has built a multi-faceted approach to capacity building and outreach (Figure 1), including regional initiatives, tailored assistance (mostly bilateral), training and e-learning, toolkits, thematic initiatives and pilot projects.[21]

Regional initiatives

Regional initiatives enable the provision of tailored support to address the needs and priorities of countries from each region to grow their capacity in exchange of information.

These initiatives include:

- **Africa Initiative**: this initiative created in 2014 by the Global Forum, its 35 African members and a number of regional and international organisations and development partners aims to unlock the potential of tax transparency and exchange of information for Africa by ensuring that African countries are equipped to harness the improvements in global transparency to better tackle tax evasion and other illicit financial flows. An ambitious work programme is agreed to develop and consolidate a culture of transparency and exchange of information on request in African countries, and to progress towards the implementation of automatic exchange of information. It also includes a working group on cross-border assistance in recovery of tax claims.[22] Its latest progress can be found in Tax Transparency in Africa 2022: Africa Initiative Progress Report.[23]
- **The Latin America Initiative** was established in 2018 and now includes 16 signatories and four technical partners. The initiative focuses on maximising the effective use of the information exchanged under the international tax transparency standards to tackle tax evasion, corruption and other financial crimes. One area of development relates to the use of information exchanged through the EOI agreements for other purposes, such as the fight against money laundering. A pilot project with currently three countries was launched in November 2022 and is open to any Global Forum member wishing to participate. Recent progress can be found in Tax Transparency in Latin America 2022: Punta del Este Declaration Progress Report.[24]
- The **Asia Initiative** was launched in 2021 under the G20 Indonesian Presidency with the strong support of the Asia Development Bank (ADB). This initiative, supported by a strong political

[20] The latest iteration is the 2023 Global Forum capacity building report https://www.oecd.org/tax/transparency/documents/capacity-building-report-2023.htm
[21] 2023 Global Forum Capacity Building Report
[22] *Building effective frameworks for cross-border assistance in the recovery of tax claims in African countries*
[23] Tax Transparency in Africa 2022: Africa Initiative Progress Report (oecd.org)
[24] Tax Transparency in Latin America 2022: Punta del Este Progress Report

commitment expressed in the Bali Declaration,[25] focuses on setting tailored solutions to ensure the implementation of tax transparency and EOI across Asia. The first report will be issued in 2023.

- Together with the Asian Development Bank and other partners in 2020 the Global Forum launched a **Pacific initiative** to raise awareness and enhance tax transparency for the benefit of developing Pacific Islands.

Facilitating the adoption and implementation of AEOI by developing jurisdictions

To unleash the potential of AEOI for developing countries, the Global Forum released its new strategy at the end of 2021.[26] A comprehensive and structured capacity-building programme is available to developing countries to effectively implement and use AEOI. A modular approach has been established, which covers the various implementation requirements in respect of the legal framework, the practical operational and confidentiality and data safeguarding aspects.

Training activities, thematic initiatives and toolkits

The Global Forum offers innovative programmes including *Train the Trainers* and *Women Leaders in Tax Transparency,* and a range of other tools in multiple languages (see Annex B).

The **Women Leaders in Tax Transparency** programme recently launched its second iteration after the successful completion of its first year pilot programme in 2022.

More than **10 400 officials** have been trained on different areas of tax transparency through various capacity-building initiatives.

The **Train the Trainer programme** pilot resulted in the training of more than 800 officials in Africa, and was expanded to Asia and Latin America, and led **to 2 600 officials** trained in 2022.

Fighting Tax Crimes and Other Financial Crimes

All countries face common threats posed by increasingly complex forms of financial crime. Tax evasion, fraud, corruption, money laundering, and other financial crimes threaten the strategic, political, and economic interests of all countries and undermine public trust in government and the financial system and represent a significant component of illicit financial flows. Combatting these closely related crimes requires financial transparency, robust legal and institutional frameworks, and effective cooperation between tax administrations and other law enforcement authorities, both within and between jurisdictions.

The Task Force on Tax Crimes and Other Crimes (TFTC) brings together over 80 jurisdictions and promotes international cooperation and supports global efforts to stamp out financial crimes through implementation of the “Oslo Dialogue”, a strategy launched in 2011 to promote ‘whole of government’ approaches to fighting tax crime and other financial crimes. The TFTC develops principles for fighting tax crimes, shares best practices, and provides state of the art capacity building. The Oslo Dialogue culminates in a biennial Forum on Tax and Crime, bringing together the world’s policy and administrative leaders in combating tax crimes and financial crimes.

This Oslo Dialogue is underpinned by the OECD’s Ten Global Principles for Fighting Tax Crime,[27] which offer the first comprehensive global standard on combatting tax crimes, by setting out the essential legal, institutional, administrative, and operational frameworks necessary to effectively prevent, detect, investigate, and prosecute tax crimes, and to recover the proceeds of those crimes. Underpinned by

[25] Bali Declaration (Asia Initiative Declaration) (oecd.org)

[26] OECD (2021), *Unleashing the potential of automatic exchange of information for developing countries*, *2021 Strategy*, www.oecd.org/tax/transparency/documents/aeoi-strategy-developing-countries.pdf

[27] https://www.oecd.org/tax/crime/tftc-standard-setting-best-practices/

these principles, the TFTC delivers policy recommendations, practical tools, guidance, training, and other capacity building initiatives to support jurisdictions in their fight against tax and other financial crimes both domestically and internationally. The TFTC is open to developing countries, and a growing number are participating in its meetings and activities; an even larger number of developing countries participate in the Forum on Tax and Crime.

To support lower capacity countries seeking to improve their ability to combat tax crimes and other financial crimes, the OECD established the International Academy for Tax and Financial Crime Investigation. The first centre was launched in Italy in 2013 and in response to high demand, the Academy has since established regional centres in partnership with the host countries for Africa (in Kenya), Asia-Pacific (in Japan), and Latin America (in Argentina). The Academy provides law enforcement authorities with the core skills required to combat tax and other financial crimes and empowers them to implement and share this knowledge in their day-to-day roles. By the end of 2022, the Academy had trained over 2 500 officials from 167 jurisdictions. In addition, the Tax Inspectors Without Borders (TIWB) Initiative has recently expanded, bringing the unique TIWB learning-by-doing approach (see Tax Inspectors Without Borders section below) to criminal investigations.

Section 2. Countering Base Erosion and Profit Shifting and updating international business taxation

Summary and highlights

- International cooperation on business taxation has increased dramatically in recent years to better align taxing rights to where value is created and reduce tax avoidance and treaty abuse.
- The BEPS Actions, agreed and published in 2015, provide a range of options and tools for countries to address BEPS. These Actions included new commitments to exchanging information, as well as new multilateral legal instruments to enable rapid and widespread implementation. As a result, over 100 harmful tax regimes have been abolished; over 1 800 tax treaties have been amended to improve safeguards against BEPS; information on over 50 000 tax rulings have been exchanged; the share of Foreign Direct Investment (FDI) channelled through offshore financial centres has declined.[28]
- The Inclusive Framework on BEPS (Inclusive Framework) was established in 2016. Working by consensus, it provides a forum for the ongoing standard setting on remaining BEPS issues, as well as monitoring the implementation of the BEPS Actions. It currently has 142 members working on an equal footing.
- The Inclusive Framework's Two-Pillar Solution to address the tax challenges arising from the digitalisation of the economy, released in October 2021, is a milestone in international tax cooperation, introducing new approaches including, allocating taxing rights on a part of residual profits to market jurisdictions, using formulaic approaches rather than traditional facts-and-circumstances approaches and agreement to a global minimum effective corporate tax rate.
- The global minimum tax is expected to result in annual global revenue gains of around USD 220 billion, or 9% of global corporate income tax revenues. Pillar One, designed to ensure a fairer distribution of taxing rights among jurisdictions over a portion of the residual profits of the largest and most profitable multinational enterprises (MNEs) is expected to allocate taxing rights on USD 200 billion in profits to market jurisdictions annually. This is expected to lead to annual global tax revenue gains of between USD 13-36 billion, and OECD analysis finds that low and middle-income countries are expected to gain the most as a share of existing corporate income tax revenues.[29]

[28] The IMF attributes this in part to the BEPS Actions - https://www.imf.org/en/Blogs/Articles/2022/12/07/united-states-is-worlds-top-destination-for-foreign-direct-investment
[29] See https://www.oecd.org/tax/beps/webinar-economic-impact-assessment-two-pillar-solution.htm

The BEPS Action Plan

BEPS refers to the tax planning strategies to shift profits from higher tax jurisdictions to lower tax jurisdictions (including preferential regimes), exploiting loopholes and mismatches in tax rules. To address a growing concern at increasing BEPS practices by MNEs, in 2015 the 15-point BEPS Action Plan was agreed and published.[30] This action plan represented a major update of the international tax system, recognising that fundamental changes were needed in order to bolster its coherence, realign substance with taxation rights and increase transparency. Twenty-five non-OECD countries, including 14 developing countries and all non-OECD G20 members, actively participated in the development of the Action Plan. There was also wide consultation with other countries, business, civil society and other stakeholders.

The BEPS Action reports (See Annex A) were issued in 2015 addressing a number of issues that were facilitating BEPS, including hybrid mismatches, treaty abuse and avoidance of permanent establishment status. The BEPS Actions also included the Country by Country (CbC) reporting standard, a new form of reporting for MNEs which requires the provision of key data for each country in which the MNE operates to enable more effective high level risk analysis by tax administrations. The BEPS Actions were accompanied by comprehensive guidance to support countries in implementation, and this guidance has continued to be developed to reflect best practices and lessons learned from the implementation processes to date (See Annex A). Additional support is made available to developing countries through dedicated toolkits, training and capacity building (see Capacity building and partnerships section).

To implement these new standards, new instruments for international tax cooperation also needed to be developed. To give some of the BEPS Actions legal effect they need to be inserted into bilateral tax treaties. Doing this on a bilateral basis would take significant time and resources, so the Inclusive Framework developed a first of its kind multilateral convention to modify bilateral tax treaties. The development of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS[31] was undertaken by an ad hoc group in which all interested jurisdictions were invited to participate, on an equal footing basis. 103 jurisdictions participated in this group, and the multilateral instrument was completed in November 2016. The number of signatories has grown over time to 100 as of the end of 2022 (see Table 2), and over 1 850 bilateral treaties are covered by this instrument.[32]

In addition, to facilitate the exchange of Country-by-Country reports from the jurisdictions where the parent entity files the report to the jurisdictions where the MNE has operations, modifications were needed to existing exchange of information agreements. To this end, the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports (MCAA CbC)[33] was developed, enabling the automatic exchange of CbC reports between signatories. The first exchanges took place in June 2018. There are now 96 signatories to the MCAA CbC[34], giving rise to 3 489 bilateral exchange relationships activated between jurisdictions to date. The OECD is working to further increase the number of countries participating in exchange of CbC reports,[35] and support is being provided to help countries put in place the necessary requirements. As envisaged in BEPS Action 13, the Inclusive

[30] See https://www.oecd.org/tax/beps/beps-actions/

[31] https://www.oecd.org/tax/treaties/multilateral-convention-to-implement-tax-treaty-related-measures-to-prevent-BEPS.pdf

[32] See https://www.oecd.org/tax/treaties/multilateral-convention-to-implement-tax-treaty-related-measures-to-prevent-beps.htm for further details

[33] https://www.oecd.org/tax/automatic-exchange/about-automatic-exchange/cbc-mcaa.pdf

[34] https://www.oecd.org/tax/beps/CbC-MCAA-Signatories.pdf

[35] See for example OECD (2022), *G20/OECD Roadmap on Developing Countries and International Taxation: OECD report for the G20 Finance Ministers and Central Bank Governors*, OECD Publishing, Paris, https://doi.org/10.1787/cf46900c-en

Framework also collects anonymised and aggregated CbC data and publishes them as part of the annual *Corporate Tax Statistics* report, discussed in the Data section below.

The Inclusive Framework

The Inclusive Framework on BEPS was established in 2016. Working by consensus, its priorities include the ongoing standard setting on remaining BEPS issues, particularly to address the tax challenges arising from the digitalisation of the economy, as well as monitoring the implementation of the BEPS Actions. The OECD Centre for Tax Policy and Administration serves as the Secretariat for the Inclusive Framework. Individuals from all Inclusive Framework member jurisdictions may serve in the Secretariat. The membership of the Inclusive Framework has grown from 82 jurisdictions at its launch in 2016 to 142[36] members as of 1 March 2023 (see Table 2), including 69 developing countries and other countries are still welcome to join. In addition, there are 15 observer organisations to the Inclusive Framework, including the United Nations, International Monetary Fund (IMF), World Bank Group (WBG) and several regional organisations and development banks. The observer organisations bring the voice and perspective of all their members, including those that are not yet Inclusive Framework members.

The Steering Group of the Inclusive Framework guides the work of the Inclusive Framework. This group is composed of 25 countries and jurisdictions with broad geographic representation and twelve of the members are developing countries. In 2022, the governance of the Inclusive Framework was modified to move from a single Chair to two Co-Chairs to increase representation. The current Co-Chairs are from France and Jamaica and the vice-chairs of the Steering Group are from the People's Republic of China and Nigeria.[37] There is also diverse representation in the leadership positions within the subsidiary bodies of the Inclusive Framework.[38] In addition, the mandate of the OECD's Advisory Group for Co-operation with Partner Economies[39], established to develop the OECD's capacity building work on taxation, was revised in 2021. The renamed Advisory Group for Global Dialogue on Tax Matters is now better aligned to the current international tax landscape and provides a platform to facilitate the sharing of developing country perspectives on the development of standards, best practices and guidance undertaken by the Inclusive Framework.

A key function of the Inclusive Framework is to monitor progress on implementation of the four BEPS minimum standards[40], which countries choosing to join the Inclusive Framework are expected to implement. These four actions were agreed as minimum standards as they address negative spillovers. In recognition of their different circumstances, developing countries are able to defer peer reviews in some of the minimum standards, if there is limited risk of spillovers.

Developing countries joining the Inclusive Framework are offered the opportunity of an induction programme. To date, 48 induction programmes have been established, providing for high level dialogue to identify countries' priorities in combatting BEPS and a tailor-made Action Plan for implementation of BEPS Actions.

Regular briefings and regional consultation events are held in partnership with regional tax organisations. These allow countries (including non-Inclusive Framework members) to benefit from additional materials to follow the developments in the Inclusive Framework, ask technical questions and provide feedback. Regional meetings have been running since the establishment of the Inclusive Framework; in 2022 there were 14 events in five regions, reaching more than 1 900 participants from over 130 jurisdictions. The OECD Secretariat has provided a series of pre-meeting briefing sessions to

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[36] https://www.oecd.org/tax/beps/inclusive-framework-on-beps-composition.pdf

[37] See https://www.oecd.org/tax/beps/steering-group-of-the-inclusive-framework-on-beps.pdf

[38] For example, Argentina, India and Senegal are Vice-Chairs of the Task Force on the Digital Economy, Nigeria is Co-Chair of Working Party 6, South Africa Vice-Chair of Working Party 2, India is Co-Chair of Working Party 10 and Vice-Chair of Working Party 11.

[39] https://www.oecd.org/tax/tax-global/advisory-group-for-global-dialogue-on-tax-matters.htm

[40] The four minimum standards are in Actions, 5, 6, 13 and 14

support developing country members of the Inclusive Framework, especially those of the Steering Group. In response to country demand, technical sessions on specific, complex issues have also been provided.

The African Tax Administration Forum (ATAF) plays a critical role by pooling technical capacity on international tax in Africa through the ATAF Cross Border Taxation technical committee. In recognition of this role ATAF participates in the Steering Group of the Inclusive Framework, supporting the African members of the Group.

Table 2. Evolution of participation in BEPS

	2016	2017	2018	2019	2020	2021	2022
IF Members	82	111	125	137	137	141	142
MLI BEPS	N/A	72	85	93	95	96	100
MCAA CbC	52	69	76	85	89	92	96

Addressing the Tax Challenges Arising from the Digitalisation of the Economy

Since its establishment, a primary focus of the Inclusive Framework has been on addressing the tax challenges arising from the digitalisation of the economy. Due to digitalisation and new business models, MNEs can have a sustained engagement in market jurisdictions without having a physical presence and thus without having a taxable presence. BEPS Action 1 on the Tax Challenges Associated with Digitalisation considered this issue, and the Task Force on the Digital Economy (TFDE) was established in September 2013. Following the publication of the Action 1 report in 2015, work on the tax challenges arising from the digitalisation of the economy continued, with country participation in the TFDE expanding in line with the establishment and expansion of the Inclusive Framework. The *Interim Report on the Tax Challenges Arising from Digitalisation*[41] was published in 2018, analysing the digitalising economy and the challenges posed to the existing international tax architecture, leading to the Inclusive Framework members committing to further negotiations to find a consensus-based solution to the challenges identified.

By October 2021 these negotiations led to the statement on a Two-Pillar Solution to address the tax challenges arising from the digitalisation of the economy[42], which to date has been endorsed by 138 of the Inclusive Framework member countries and jurisdictions[43]. The Two-Pillar Solution marks a significant new development in international tax cooperation, introducing new approaches including allocating taxing rights on a part of residual profit to market jurisdictions, using formulaic approaches rather than traditional facts-and-circumstances approaches and agreeing a global minimum effective corporate tax rate. All members of the Inclusive Framework have the right to participate in these negotiations to reshape the international tax system, on an equal footing. The work has advanced by consensus, in recognition of the need for widespread, coordinated implementation of the standards. This consensus-based negotiation between such a diverse group of jurisdictions on fundamental changes to the international tax rules represents a significant milestone in international tax cooperation.

Amount A of Pillar One provides for a reallocation of taxing rights over a portion of the profits of the largest and most profitable MNEs based on the location of the customers or users – taxing rights are assigned to the market jurisdictions where the profits are generated. It will do this via a new multilateral, formulaic, approach to allocating this portion. To implement Amount A, a new multilateral convention will be required. This is currently being developed by the Inclusive Framework and is expected to be

[41] OECD (2018), *Tax Challenges Arising from Digitalisation – Interim Report 2018: Inclusive Framework on BEPS, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing*, Paris, https://doi.org/10.1787/9789264293083-en

[42] https://www.oecd.org/tax/beps/statement-on-a-two-pillar-solution-to-address-the-tax-challenges-arising-from-the-digitalisation-of-the-economy-october-2021.pdf

[43] https://www.oecd.org/tax/beps/oecd-g20-inclusive-framework-members-joining-statement-on-two-pillar-solution-to-address-tax-challenges-arising-from-digitalisation-october-2021.pdf

open for signature from mid-2023. The OECD Secretariat estimates that taxing rights on USD 200 billion of profits will be reallocated through the implementation of Pillar One.[44] The gains would be shared widely, with low-, middle-, and high-income jurisdictions gaining revenues, while investment hubs would lose revenues on average. Low- and middle-income jurisdictions would gain the most as a share of existing corporate income tax revenues – they are allocated new taxing rights but tend not to give up any taxing rights. Investment hubs tend to lose tax revenues – due to their large profits, they surrender more taxing rights than they are allocated.

In addition, Pillar One will also provide a simplified and streamlined approach to the application of the arm's length principle in specific circumstances, with a particular focus on the needs of low-capacity countries (this is referred to as Amount B). The work on Amount B is in large part in response to concerns raised by low-capacity jurisdictions, especially the lack of appropriate local market comparables through which arm's length prices can be established. Amount B aims to specifically address this issue, and once implemented will bring significant benefits to low-capacity jurisdictions, both in terms of revenues and simplified administrative burden as it will cover a large number of overall transfer pricing cases in many developing countries.

Under Pillar Two, a series of interconnected rules are proposed to implement a global minimum corporate tax at an effective rate of 15%. Most of these rules are to be implemented in domestic legislation (with the exception of the subject to tax rule – see below). Implementation has already commenced in over 45 jurisdictions, and it is estimated that over 90% of MNEs that meet the scope criteria will be subject to the global minimum tax by 2025. A key feature of Pillar Two is that it allows source countries to implement a domestic minimum top up tax, before other jurisdictions (and ultimately the jurisdiction where the MNE is headquartered) apply their rules, effectively ensuring that source countries have the priority taxing right. It is estimated that Pillar Two will provide USD 220 billion in revenues annually.[45]

In both Pillars, specific design features reflect the needs and circumstances in developing countries, for instance on Pillar One:

- The profits from extractive industries are excluded from Amount A of Pillar One, to ensure that the countries in which natural resources are located do not lose taxing rights.
- There are special nexus thresholds to ensure that smaller jurisdictions can secure allocations under Amount A.
- The de minimis rules (e.g., for the elimination of double taxation) ensure that smaller countries are unlikely to have to surrender taxing rights under Amount A.
- The tail-end revenue provisions in the revenue sourcing rules for consumer facing businesses provide additional Amount A revenue for low-income jurisdictions; and
- Developing countries with limited experience of dispute resolution will be eligible for an elective dispute resolution mechanism rather than a mandatory binding process.

Under Pillar Two, the African Tax Administration Forum (ATAF) is very active in developing guidance for African countries on domestic minimum top up taxes.[46] Further the proposed Subject to Tax Rule targets risks to source jurisdictions posed by BEPS structures relating to intragroup payments that take advantage of low nominal rates of taxation in the other contracting jurisdiction. It provides a solution in situations where the source jurisdiction has ceded taxing rights via a treaty to enable them to apply a top up tax to the agreement minimum rate on intragroup payments that are not taxed or taxed below the minimum rate in the other jurisdiction. Inclusive Framework members that impose a low rate on the relevant income have agreed to implement the STTR into their bilateral treaties with developing countries when requested to do so. A multilateral treaty will be developed to facilitate this.

[44] See https://www.oecd.org/tax/beps/webinar-economic-impact-assessment-two-pillar-solution.htm
[45] See https://www.oecd.org/tax/beps/webinar-economic-impact-assessment-two-pillar-solution.htm
[46] See ATAF Suggested Approach to Drafting Domestic Minimum Top-Up Tax Legislation - https://events.ataftax.org/index.php?page=documents&func=view&document_id=191

Collectively, the changes being taken forward under the Two Pillars represent a significant change in international cooperation in tax. These achievements are the result of years of intense work, many thousands of hours of technical meetings and stakeholder consultations, and several thousands of pages of discussion drafts,[47] an indication of the effort and infrastructure required to deliver consensus-based outcomes.

Section 3. Eliminating barriers to cross-border trade and investment, and fostering economic growth

Summary and highlights

- A range of tools and instruments have been widely adopted to reduce barriers to cross-border trade, investment and economic growth, including double taxation, uncertainty about tax treatment, and complex compliance requirements.
- The OECD Model Tax Convention helps eliminate double taxation and is used as the basis for thousands of bilateral tax treaties around the world. This has also been updated multiple times to include positions and commentaries from a wider range of countries to reflect its worldwide use.
- The OECD Transfer Pricing Guidelines provide practical solutions to determining the prices at which an enterprise transfers goods, intangibles or services within an MNE group. These guidelines have been updated several times, most recently to reflect the results of the BEPS Actions (see BEPS Action Plan).
- The International VAT/GST Guidelines were developed recently, by over 100 jurisdictions, to address the challenges of applying VAT in the digital age, where a supplier may not be physically present in the country. With over 90 jurisdictions already implementing the guidelines, they are not only providing clarity on VAT treatment and a level playing field between all suppliers, but also providing significant revenues to governments.
- Increasing tax certainty through tax administration cooperation, brings benefits to tax administration and taxpayers alike. The work of the Forum on Tax Administration (FTA) on reducing and resolving disputes, through improving mutual agreement procedures and advance pricing arrangements, play a valuable role in increasing tax certainty.

OECD Model Tax Convention

Double taxation has harmful effects on the exchange of goods and services and on movements of capital, technology and persons; as such, it is important to remove the obstacles that double taxation presents to the development of economic relations between countries.

International cooperation is necessary to address double taxation, and countries have been using bilateral treaties to eliminate double taxation for around 100 years.

To facilitate the negotiation of tax treaties, the OECD members developed a draft Double Taxation Convention on Income and Capital in 1963. This was revised in 1977 and again in 1992. Recognising

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[47] On BEPS, there have been 13 calls for inputs, 28 discussion drafts and 22 public consultations (see https://www.oecd.org/ctp/planned-stakeholder-input-in-oecd-tax-matters.htm). On Pillar Two alone there have been over forty meetings of the Working Party discussing Pillar Two in the period 2019-2022 (with 150 – 200 participants on average), and three public consultations amounting to approximately 2 000 pages of comments. On Pillar One in 2022 alone, there have been 37 meetings of the Working Party (with 430 participants on average), and 10 public consultations amounting to approximately 3 800 pages of comments received. A further 3 500 pages of comments were received in 2020 on the Pillar One and Pilar Two Blueprints.

the need for more frequent updates, the 1992 model was accompanied by an ongoing revision process, which led to subsequent revisions in 1994,1995, 1997, 2000, 2002, 2005, 2008, 2010, 2014 and 2017.[48] In addition, the OECD also provided guidance on tax treaty issues arising due to the impact of COVID-19 on cross-border activities.[49] The existence of the Model Convention has facilitated bilateral negotiations between OECD member countries and enabled harmonisation between their bilateral conventions for the benefit of both taxpayers and national administrations.

The OECD Model Tax Convention has been used well beyond the OECD membership. In recognition of this, the 1997 and subsequent revisions include the positions of a number of non-member countries on its provisions and Commentaries.

Since 2016, the OECD and the UN secretariats have joined forces to strengthen developing country capacity to negotiate tax treaties through joint workshops[50] that bring together government officials from all over the world and provide them with first-hand experience in negotiating bilateral tax treaties. Participants engage in simulated negotiations of the provisions of a tax treaty between two fictitious countries, based on both the OECD and the UN Model Conventions. These workshops draw on the experience of experts from both developed and developing countries responsible for negotiating, interpreting, and administering bilateral tax treaties for their countries. To prepare for these workshops, participants may benefit from the *Toolkit for Tax Treaty Negotiation*,[51] a joint effort of the Platform for Collaboration on Tax (IMF, OECD, UN and WBG), which provides guidance on how to prepare for and conduct negotiations.

Transfer Pricing Guidelines

The OECD Transfer Pricing Guidelines were developed to address the practical difficulty, for both MNEs and tax administrations, of determining the income and expenses of a company or permanent establishment that is part of an MNE group that should be taken into account within a jurisdiction, particularly where the MNE group's operations are highly integrated. One of the most difficult issues that has arisen is the establishment for tax purposes of appropriate transfer prices. Transfer prices are the prices at which an enterprise transfers physical goods and intangible property or provides services to associated enterprises. The OECD Transfer Pricing Guidelines are intended to help tax administrations (of any country wishing to make use of them) and MNEs by indicating ways to find mutually satisfactory solutions to transfer pricing cases, thereby minimising conflict among tax administrations and between tax administrations and MNEs, avoiding costly litigation.

The first version of the Transfer Pricing Guidelines were published in 1979 and they have been revised several times since, including a major revision in 2016 to reflect developments arising out of the OECD/G20 Base Erosion and Profit Shifting (BEPS) Project (see The BEPS Action Plan section above). The most recent edition was published in 2022.[52] The Transfer Pricing Guidelines are approved and published under the authority of the Inclusive Framework membership.

International VAT guidelines

The digitalising economy also presents challenges for indirect taxation. Against the background of the strong growth of international trade in services, there is growing evidence that VAT could distort cross-

[48] https://www.oecd.org/ctp/treaties/model-tax-convention-on-income-and-on-capital-condensed-version-20745419.htm

[49] https://www.oecd.org/coronavirus/policy-responses/oecd-secretariat-analysis-of-tax-treaties-and-the-impact-of-the-covid-19-crisis-947dcb01/

[50] See https://www.un.org/development/desa/financing/events/fifth-joint-un-oecd-practical-workshop-negotiation-tax-treaties

[51] https://www.tax-platform.org/sites/pct/files/publications/The Toolkit on Tax Treaty Negotiations Toolkit_Updated 052021.pdf

[52] OECD (2022), *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022*, OECD Publishing, Paris, https://doi.org/10.1787/0e655865-en.

border trade in services and intangibles and that this situation can create obstacles to business activity, hinder economic growth and distort competition. Traditional VAT rules often lack effective provisions to impose VAT on supplies that do not require the supplier to be physically present in the jurisdiction of its customers, leading to no or inappropriately low amounts of VAT being levied. In addition, online sales have led to strong growth in the volume of imports of low-value goods, on which VAT is not collected effectively under the existing rules and procedures, and which therefore often enter jurisdictions untaxed. To address these challenges the International VAT/GST Guidelines[53] were developed by the Global Forum on VAT. Through this process over 100 jurisdictions from all regions and different levels of development participated in the dialogue to prepare these guidelines.

The guidelines have already been implemented in almost 90 jurisdictions worldwide, with many more in the process of implementing, or considering doing so. The revenue impact is significant. Implementing VAT reforms on international trade in services and intangibles has delivered USD 171 million in the first ten months of implementation in Thailand, USD 481 in the first 22 months of implementation in Chile, USD 1.2 billion in the first four years in Australia, and USD 935 million in the first seven years in South Africa.

To support countries interested in implementing these guidelines the OECD together with the World Bank Group has developed a series of regional toolkits for Latin America and the Caribbean (in partnership with CIAT and IDB)[54], Asia-Pacific (in partnership with ABD)[55] and Africa (in partnership with ATAF).[56] Development of the toolkits involved wide consultation with over 100 jurisdictions to tailor each toolkit to the specific needs of the region.

Increasing tax certainty through tax administration cooperation

Cooperation between tax administrations enables effective and efficient service to compliant taxpayers and allows enforcement to be better focussed on high-risk taxpayers. Primarily delivered through the Forum on Tax Administration (FTA), in recent years the OECD has supported improvements in dispute resolution and tax certainty, as well as new initiatives to facilitate enhanced voluntary cooperation between tax administrations.

The Forum on Tax Administration (FTA) was established in 2002 and brings together Commissioners from 52 jurisdictions, including all OECD members, with the secretariat housed in the OECD. The FTA allows tax administrators to share knowledge, undertake research and develop new ideas to enhance tax administration. The FTA harnesses the collective expertise and experience of its members to undertake collaborative projects, ranging from knowledge-sharing reports to thought leadership to the development of practical tools. This provides opportunities for in-depth dialogues and cooperation between tax administration experts across tax administration functions.

A key issue for increasing tax certainty is to improve the resolution of tax-related disputes between jurisdictions. This is done via mutual agreement procedures (MAP) – provided for in Article 25 of the Model Tax Convention – and ensures that taxpayers are treated in accordance with the tax treaty. To ensure that access to MAP is available and that MAP cases are resolved within a reasonable timeframe and MAP outcomes are implemented quickly, BEPS Action 14 introduced a minimum standard and a

[53] OECD (2017), International VAT/GST Guidelines, OECD Publishing, Paris, https://doi.org/10.1787/9789264271401-en

[54] OECD/WBG/CIAT/IDB (2021), *VAT Digital Toolkit for Latin America and the Caribbean*, OECD, Paris; https://www.oecd.org/tax/consumption/vat-digital-toolkit-for-latin-america-and-the-caribbean.pdf

[55] OECD/WBG/ADB (2022), VAT Digital Toolkit for Asia-Pacific, OECD, Paris, https://www.oecd.org/tax/consumption/vat-digital-toolkit-for-asiapacific.htm

[56] OECD/WBG/ATAF (2023), VAT Digital Toolkit for Africa, OECD, Paris, https://www.oecd.org/tax/consumption/vat-digital-toolkitfor-africa.htm

robust peer review process, carried out by the FTA MAP Forum under a mandate from the Inclusive Framework,[57] and the OECD regularly publishes statistics on MAP cases to track progress. The peer reviews under stage 1 and stage 2 of the monitoring process have already been completed and have spurred changes in the management of MAP cases, a greater number of closed cases, and an increase in the availability of information about how MAP cases are conducted, including through the OECD MAP profiles and countries' own guidance on the rules and procedures for MAP cases.[58] A new peer review process has started in 2023.

Advance Pricing Arrangements (APA) are a valuable tool to prevent disputes arising. APAs, and, in particular, bilateral and multilateral APAs, involve both the taxpayer and the affected tax administrations and provide comprehensive tax certainty with respect to transfer pricing issues to taxpayers in a collaborative and transparent manner. The FTA Map Forum, together with the FTA Large Business International Programme has developed guidance to help streamline the APA process,[59] and the Inclusive Framework members have decided to start reporting statistics on APAs from 2024.

The FTA is also active in promoting practical international cooperation between tax administrations, most notably through the International Compliance Assurance Programme (ICAP).[60] ICAP is a voluntary risk assessment and assurance programme to facilitate open and co-operative multilateral engagements between MNE groups and tax administrations. By co-ordinating conversations between an MNE group and multiple tax administrations, ICAP supports the effective use of transfer pricing documentation, including the MNE group's Country-by-Country report, providing a faster, clearer and more efficient route to improved multilateral tax certainty. 22 jurisdictions currently participate in ICAP.

Section 4. Contributing to the implementation of the UN-led Sustainable Development Goals and global climate goals

Summary and highlights

- Both direct and indirect taxes, which are the largest and most stable source of domestic revenues in almost all countries, play an important role in the financing of the United Nations' Sustainable Development Goals (SDGs).
- The international taxation issues covered earlier in this submission represent an opportunity for domestic resource mobilisation, making an important contribution towards SDG 17.1. However, the scale of the financing required to meet the SDGs is so vast that reforms to other taxes, both direct and indirect, will also be required to meet countries' financing needs.
- The OECD, in partnership with countries around the world and international and regional organisations, produces a wide range of Data and Tax Policy analysis to support countries in reforming their domestic tax policies to provide this sustainable source of financing.
- In addition to ensuring sustainable financing, Tax Policy can also contribute more directly to the implementation of the SDGs by promoting behavioural change, particularly in areas such as the environment, health, social protection and gender equality, as well as in addressing informality and

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[57] The peer reviews undertaken by the FTA MAP Forum are under the mandate of the Inclusive Framework, and are open to all jurisdictions that have committed to the Action 14 minimum standard. All members of the Forum participate in the work on an equal footing. See OECD (2023), *BEPS Action 14 on More Effective Dispute Resolution Mechanisms – Peer Review Documents*, OECD/G20 Base Erosion and Profit Shifting Project, OECD, Paris.

[58] https://www.oecd.org/tax/beps/beps-actions/action14/

[59] See OECD (2022), *Bilateral Advance Pricing Arrangement Manual*, OECD Publishing, Paris, https://doi.org/10.1787/4aa570e1-en

[60] https://www.oecd.org/tax/forum-on-tax-administration/international-compliance-assurance-programme.htm

illicit financial flows. In cooperation with the Inclusive Framework and in response to country demand, the OECD is working to strengthen domestic tax policies to contribute to the implementation of these SDGs, particularly in the areas of health, gender and addressing illicit financial flows.

- In respect of global climate goals, the Inclusive Forum on Carbon Mitigation Approaches (IFCMA) facilitates peer exchange, multilateral dialogue and mutual learning to help improve the global impact of emissions reduction efforts.

Data

High quality, internationally comparable data are a vital resource for policymakers in seeking to assess and reform their tax policies. Effective international cooperation on the production and publication of international tax data has enabled a vast expansion of the coverage of these data in recent years. To contribute to the provision of high-quality, inclusive data to promote tax policy reforms and to support domestic resource mobilisation, the OECD partners with countries and other international and regional organisations to produce several key datasets.

The Global Revenue Statistics Initiative[61] supports countries in mobilising domestic revenues to fund public policies and development. The initiative provides detailed data on tax and non-tax revenues and analysis of revenue trends, having grown from covering 47 countries in two annual publications in 2012 to 120 economies across four annual publications today (see Table 3).

Global Revenue Statistics is produced in partnership with participating countries and with regional and international partners, including the African Union Commission, the African Tax Administration Forum (ATAF), the African Development Bank, the Asian Development Bank (ADB), the Economic Commission for Latin American and the Caribbean (UN-ECLAC), the European Union, the Inter-American Centre of Tax Administrations (CIAT), the Inter-American Development Bank (IDB), the Pacific Community (SPC) and the Pacific Island Tax Administrators Association (PITAA). The data are produced under an internationally recognised classification consistent with the System of National Accounts 2008 and the IMF's Government Fiscal Statistics 2014 and the OECD and IMF work together to coordinate on the production and classification of revenue data, to compare results, and to further understanding between the datasets.

Corporate Tax Statistics,[62] published annually, provide a further source of international tax data for policymakers and researchers. First published in 2019 covering approximately 100 jurisdictions, the 2022 edition has expanded to bring together data from over 160 jurisdictions worldwide. This database includes data on corporate tax revenues, statutory and effective corporate tax rates, R&D and intellectual property regime incentives, withholding taxes, interest limitation rules, controlled foreign company rules, and anonymised and aggregated Country-by-Country Reporting (CbCR) information. The CbCR data provide governments with important new information to analyse MNE behaviour, particularly in relation to tax, and provide unique insights into the global activities of MNEs. Information on CbCRs is collated by countries, anonymised, aggregated and sent to the OECD in a standardised form and published annually. In 2022, the data covered over 7000 MNE groups worldwide and the OECD is working with countries to improve the coverage, granularity and timeliness of the data in future editions of the report.

Table 3. Evolution of economies included in the Global Revenue Statistics Initiative

Year	Region					Total
	Africa	Asia-Pacific	LAC	OECD	Rest of the world	

[61] https://www.oecd.org/tax/tax-policy/global-revenue-statistics-database.htm
[62] https://www.oecd.org/tax/beps/corporate-tax-statistics-database.htm

2011			12	34		**44**
2012			15	34		**47**
2013			15	34		**47**
2014		4	18	34		**52**
2015		5	20	34		**55**
2016	8	6	22	35		**67**
2017	16	7	24	35		**78**
2018	21	16	25	36		**92**
2019	26	17	25	36		**98**
2020	30	21	26	37	2	**109**
2021	30	24	27	38	3	**114**
2022	31	28	27	38	4	**120**

Note: The "Rest of the world" column refers to economies included in the Global Revenue Statistics Database but that are not part of regional publications. Total differs from the sum of regions as OECD members are also included in relevant regional publications/datasets.

The International Survey on Revenue Administration (ISORA),[63] a collaboration between the IMF, the Intra-European Organisation of Tax Administrations (IOTA), CIAT and the OECD, with the participation of the ADB, collects tax administration data from more than 150 tax administrations on an annual basis. The survey data provides information on the performance of tax administrations across a range of functions as well as on organisational issues. This comparative information is intended to assist tax administrations in managing and evaluating their administration's performance as well as providing insights into global trends in tax administration.

The Pricing Greenhouse Gas Emissions[64] series supports countries in the transition to net zero greenhouse gas (GHG) emissions via the provision of comparable data on explicit carbon prices, energy taxes and subsidies. Building on the initial work which covered 41 countries in 2015, the 2022 edition has expanded to cover 71 countries across the world, covering approximately 80% of global GHG emissions and energy use. The data support governments in meeting their climate targets, improving air and water quality, and supporting public finances.

The OECD also collects and publishes data on development assistance provided to support domestic revenue mobilisation. In response to demand for better monitoring, a dedicated purpose code was introduced in the development assistance creditor reporting system for spending from 2015 onwards.[65] This data is widely used, including by the Addis Tax Initiative as part of their monitoring process for tracking progress against the commitment by ATI member development partners to collectively double their development assistance to DRM between 2015-2020. More recently the OECD has also started collecting and publishing OECD member policies on the taxation of development assistance, to support monitoring of the commitment made in the Addis Action Agenda on Financing for Development for donors to review their policies in this area[66]. The online hub[67] currently has information on the policies of 21 OECD members, representing over 80% of total bilateral development assistance.

Tax Policy

In addition to providing sustainable domestic resources to support the implementation of the SDGs, tax policy can also contribute more directly to implementing the SDGs by changing behaviours and practices. This is particularly the case in areas such as the environment, health, social protection and

[63] https://data.rafit.org/?sk=BA91013D-3261-42F8-A931-A829A78CB1EC

[64] https://www.oecd.org/tax/tax-policy/pricing-greenhouse-gas-emissions-turning-climate-targets-into-climate-action.htm

[65] See OECD ODA Creditor Reporting System - https://stats.oecd.org/Index.aspx?DataSetCode=crs1 – DRM data is reported under purpose code 15114.

[66] See paragraph 58 of the Addis Ababa Action Agenda - https://unctad.org/system/files/official-document/ares69d313_en.pdf

[67] https://www.oecd.org/tax/tax-treatment-official-development-assistance/

gender equality as well as in addressing informality and illicit financial flows. In cooperation with the Inclusive Framework and in response to country demand, the OECD has produced an array of analysis to support countries in shaping tax policies to more directly contribute to SDG implementation.

The annual Tax Policy Reforms publication tracks the development of global tax policies. All members of the Inclusive Framework are invited to participate in an annual survey which provides the basis for the analysis, and participation is growing annually, with 71 jurisdictions featured in the 2022 publication.[68] With the increase in developing countries participating, a supplementary analysis focussed specifically on the tax policy reforms in low- and middle-income countries was also prepared in 2022[69]. To assist governments in their use of tax policy to address the COVID-19 crisis, a database of over 700 tax policy measures from over 100 countries was updated in real time,[70] and the OECD has prepared analysis on how tax and fiscal policy can cushion the impact of continued containment and mitigation policies and subsequently support economic recovery.[71]

Under the guidance of the Inclusive Framework, the OECD has also undertaken tax policy analysis on specific topics related to the SDGs. For example, the OECD has produced analysis to help global understanding of the gender dimensions of taxation, publishing a stocktake of country approaches in 2022,[72] with details from 43 countries at varying levels of development. Other statistical and analytical work has provided insights into the tax incentives provided by the tax system to part-time and second earners, the vast majority of which are women.[73] The OECD works in active dialogue with other international organisations on the role of tax policy in impacting gender outcomes through the Platform for Collaboration on Tax (PCT), and on the role of tax policy in health financing with the UN Committee of Experts on Tax and the World Health Organisation.

In response to country demand, the OECD has worked with a number of developing countries to produce analysis on using tax policies to address illicit financial flows (South Africa[74]) contribute to health financing (Cote d'Ivoire[75] and Morocco[76]), reduce informality (Tunisia) and establish a tax policy unit (Pakistan). The approaches developed in these country-specific analyses have the potential for wider application in other countries and to the development of more general tax policy guidance and tools.

Inclusive Forum on Carbon Mitigation Approaches

The Inclusive Forum on Carbon Mitigation Approaches (IFCMA)[77] is an initiative designed to help improve the global impact of emissions reduction efforts around the world through data and information sharing, evidence-based mutual learning and inclusive multilateral dialogue. It brings together all

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[68] OECD (2022), *Tax Policy Reforms 2022: OECD and Selected Partner Economies*, OECD Publishing, Paris, https://doi.org/10.1787/067c593d-en.

[69] OECD (2022), *Tax Policy Reforms in Low- and Middle-Income Countries: Policy brief*, OECD, Paris, www.oecd.org/tax/tax-policy/tax- policy-reforms-in-low-and-middle-income-countries-policy-brief.htm

[70] https://www.oecd.org/tax/covid-19-tax-policy-and-other-measures.xlsm

[71] https://www.oecd.org/tax/tax-policy/tax-and-fiscal-policy-in-response-to-the-coronavirus-crisis-strengthening-confidence-and-resilience.htm

[72] OECD (2022), *Tax Policy and Gender Equality: A Stocktake of Country Approaches*, OECD Publishing, Paris, https://doi.org/10.1787/b8177aea-en

[73] Harding, M., D. Paturot and H. Simon (2022), "Taxation of part-time work in the OECD", OECD Taxation Working Papers, No. 57, OECD Publishing, Paris, https://doi.org/10.1787/572b72d3-en

[74] OECD (2022), *Assessing Tax Compliance and Illicit Financial Flows in South Africa*, OECD Publishing, Paris, https://doi.org/10.1787/e8c9ff5b-en

[75] OECD (2020), *Mobilising Tax Revenues To Finance The Health System in Côte d'Ivoire*, OECD, Paris. www.oecd.org/tax/tax-policy/mobilising-tax-revenues-to-finance-the-health-systemin-cote-ivoire.htm

[76] OECD (2020), *Mobilising Tax Revenues To Finance The Health System in Morocco*, OECD, Paris. www.oecd.org/tax/tax-policy/mobilising-tax-revenues-to-finance-the-health-system-in-morocco.htm

[77] https://www.oecd.org/climate-change/inclusive-forum-on-carbon-mitigation-approaches/

relevant policy perspectives from countries around the world, participating on an equal footing, to take stock of and consider the effectiveness of different carbon mitigation approaches.

The IFCMA's inaugural meeting on 9-10 February 2023 brought together a diverse range of advanced, emerging, and developing economies to shape the initiative and discuss approaches to taking stock of the different carbon mitigation policies in place and considering their combined effect on global emissions. Over 600 senior government officials and delegates representing 104 countries and jurisdictions and nine international and other organisations, discussed ways to boost global emissions reductions through improved collaboration. Together, the countries that participated in the inaugural IFCMA meeting account for more than 90% of global GDP and around 85% of global CO_2 emissions.

Section 5. Capacity building and partnerships

Summary and highlights

- Capacity building is essential to help developing countries meet their tax policy and tax administration goals.
- The OECD Global Relations Programme (GRP), established in 1992, provides global assistance and training for tax officials from around the world, free of charge. It delivers over 50 events per year, together with a range of e-learning courses. It focuses on key areas of international tax cooperation and emerging issues relevant to developing countries, regularly training over 20 000 officials per year.
- The joint OECD-UNDP Tax Inspectors Without Borders (TIWB) initiative, launched in 2015, provides an innovative approach to international tax cooperation and capacity building, facilitating experienced tax auditors from partner administrations to work alongside officials in developing countries in addressing live audit cases. To date, 114 TIWB programmes have been initiated and over USD 2 billion in additional tax revenues raised.
- Bespoke bilateral capacity building programmes provided by the OECD (often in partnership with others) on a range of issues provide countries with tailored assistance in implementing tax reforms. Many of these programmes complement the efforts underpinning the international tax work discussed in earlier sections.
- Across the range of capacity building activities, as well as in all the areas of work mentioned earlier in this submission, establishing effective partnerships is vital. The OECD works in partnership with countries around the globe, with a wide range of international and regional institutions, and with the Platform for Collaboration on Tax.

Capacity Building

Capacity building is essential to help developing countries implement their tax policy and tax administration objectives. Working with a wide range of partners, the OECD undertakes a range of capacity building activities, in addition to those detailed earlier in this submission.

➢ *Global Relations Programme*

The OECD Global Relations Programme (GRP) was established in 1992 to provide support on international tax issues for Eastern European countries in transition. Since then it has evolved to a truly global programme, delivering more than 50 events per year (both virtually and in the six OECD multilateral tax centres[78] around the world) to equip tax officials from developing countries with the

[78] https://www.oecd.org/ctp/theoecdmultilateraltaxcentres.htm

knowledge and skills to tackle today's most pressing challenges in international taxation. The GRP offers a full range of training activities from developing a basic understanding of the issues to consolidating practical knowledge and skills. The programme focuses on key areas of international tax cooperation and on emerging issues relevant to developing countries, including, but not limited to, tax treaties, transfer pricing, BEPS, tax and digitalisation, exchange of information, tax administration, VAT and tax and crime.

The goal of the GRP is to enable tax officials to share their experiences, acquire a common understanding of international tax systems and develop solutions to common problems. All capacity building activities are offered free of charge. Teaching is provided by a combination of OECD staff and serving officials from a range of countries. Many of these events are delivered in partnership with regional and international tax organisations.

The OECD training offering has recently expanded to offer a fully integrated and blended learning ecosystem. Tax officials have flexibility to choose from several live and self-paced training options, which cover the most basic to the most complex issues. Participation in the GRP training activities has grown significantly over the years, with around 20 000 officials participating in GRP training activities in 2022. (See Annex A for further details on the GRP).

Tax Inspectors Without Borders

Tax Inspectors Without Borders (TIWB), established in 2015 as a joint initiative of the OECD and United Nations Development Programme (UNDP), was designed to support developing countries in building tax audit capacity. This unique approach to international tax cooperation enables experienced serving tax auditors from partner administrations to work alongside officials in developing countries to share their knowledge and experience of auditing multinational enterprises by working with them on current audit cases. To date there have been 114 TIWB programmes, of which 59 have concluded and 55 are still ongoing.[79] These programmes, including those implemented with partners including ATAF and the World Bank Group, have already resulted in additional tax revenues of over USD 2 billion across Africa, Asia and the Pacific, Eastern Europe, and Latin America and the Caribbean (LAC).[80]

While the focus of the TIWB is to support developing countries in effectively auditing MNEs, the initiative has evolved. TIWB has sought to broaden the pool of experts available, supporting South-South international cooperation in particular. Since 2016, there have been 21 South-South programmes. In addition, TIWB has recently begun a mentorship programme to further build the pool of Southern-based TIWB experts.

The scope of TIWB programmes has also evolved. Within the audit realm, programmes have adapted to country demands, with more specialised programmes focussing on specific sectors (e.g., telecoms), or specific aspects of international taxation such as Advance Pricing Arrangements.

The TIWB initiative has also expanded beyond MNE audits to bring the unique TIWB approach to other areas. Pilot TIWB programmes in tax crime investigations began in 2019 and there are now nine tax and crime programmes running. Pilots on use of information received under AEOI began in 2021 and pilots on supporting tax administrations in their digitalisation began in 2022.

The TIWB initiative is a unique form of international tax cooperation. Twenty-three partner administrations are committed to providing experts to work directly with developing country tax administrations. In addition, TIWB partners with other regional and international organisations, principally ATAF in Africa, to help both initiate and deliver programmes.

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[79] See https://www.tiwb.org/programmes/

[80] See https://tiwb.org/resources/events/oecd-tax-and-development-days-2023-making-a-difference-for-developing-countries.htm

Bilateral capacity building programmes

The OECD began providing bespoke bilateral capacity building on international tax issues in 2011, initially providing support to five countries on transfer pricing issues. Since then, over 40 countries have received in-depth support on transfer pricing and BEPS issues. This support has developed from general principles of transfer pricing to increasingly complex issues, reflecting the fact that many countries have developed both the regulatory environment and human resources to undertake more complex work. It has also evolved to include many BEPS Actions, and more recently the Two-Pillar solution.

Capacity building on exchange of information began in 2011 with the Global Forum developing pilot projects in Ghana and Kenya. Since then, bilateral support has been provided to over 90 jurisdictions, the vast majority developing countries. This support is tailored to the demands of each jurisdiction and has evolved to encompass changes to the standard on EOIR and the introduction of AEOI (see The Global Forum section above for further details).

More recently, the OECD has begun to provide bilateral assistance to natural resource rich countries facing BEPS challenges in the extractives sector. The impact of these bilateral programmes can be significant. As demonstrated by the results in Mongolia, where in 2021, just 14 months after the programme commenced, the Mongolian authorities issued a tax assessment of USD 228 million that has been paid in full and denied USD 1.5 billion in carried forward losses.[81]

With the establishment of International Guidelines on VAT/GST there is also a need for capacity building activities to complement the regional toolkits (see International VAT guidelines section above). Given high demand, the OECD is providing technical assistance to a range of countries both on specific aspects of implementing the guidelines, or more comprehensively across all aspects of implementation.

Partnerships with regional and international organisations

The OECD works in partnership across the breadth of its activities. These partnerships reduce the risk of duplication and increase impact. At the institutional level, the OECD is a member of the Platform for Collaboration on Tax, together with the IMF, UN and WBG. The four members work together on various projects, including toolkits on international taxation. The OECD also has formal Memoranda of Understanding with a number of Regional Tax Organisations (RTO).

The OECD participates as an observer to the UN Committee of Experts on Tax Matters, and attends all sessions where observers are permitted. The OECD also partners with the UN on delivery of capacity building on tax treaty negotiations, including under the PCT (see OECD Model Tax Convention section above).

[81] See https://www.oecd.org/tax/tax-global/tax-and-development-case-studies.htm#mongolia

Annex A. OECD resources on international tax collaboration

BEPS Actions:

BEPS 2015 Final Reports and BEPS Actions:

- Explanatory Statement 2015 (EN / FR / ES / DEU)
- Action 1: Addressing the Tax Challenges of the **Digital Economy** (EN / FR)
    - Additional publications:
        - Tax Challenges Arising from Digitalisation – Interim Report 2018
        - Challenges rising from the digitalization of the economy 2021
- Action 2: Neutralising the Effects of **Hybrid Mismatch Arrangements** (EN / FR / DEU)
    - Additional publications: Neutralizing the effects of branch mismatch arrangements 2017
- Action 3: Designing Effective **Controlled Foreign Company Rules** (EN / FR / ES)
- Action 4: Limiting Base Erosion Involving **Interest Deductions** and Other Financial Payments (EN / FR / DEU / KOR)
    - Additional publications: Limiting Base Erosion Involving Interest Deductions and Other Financial Payments 2016
- Action 5: Countering **Harmful Tax Practices** More Effectively, Taking into Account Transparency and Substance (EN / FR / ES / DEU)
- Action 6: Preventing the Granting of **Treaty Benefits** in Inappropriate Circumstances (EN / ES)
- Action 7: Preventing the Artificial Avoidance of **Permanent Establishment** Status (EN / FR / ES)
    - Additional publications: The Attribution of Profits to a Permanent Establishment 2018
- Actions 8-10: Aligning **Transfer Pricing** Outcomes with Value Creation (EN / FR / ES)
    - Additional publications: Transfer pricing country profiles 2022, OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022
- Action 11: **Measuring** and Monitoring BEPS (EN)
    - Additional publications: Risks arising from the digitalization of the economy-Impact Assessment 2020
    - Corporate Tax Statistics
- Action 12: Mandatory **Disclosure Rules** (EN / FR / ES / KOR)
    - Additional publications: Model Mandatory Disclosure Rules for CRS Avoidance Arrangements and Opaque Offshore Structures 2018

- Action 13: Guidance on **Transfer Pricing Documentation** and Country-by-Country Reporting (EN / FR / ES / DEU)
    - Additional publications: CbC guidance
    - Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports
- Action 14: Making **Dispute Resolution** Mechanisms More Effective (EN / FR / ES / KOR)
- Action 15: Developing a **Multilateral Instrument** to Modify Bilateral Tax Treaties (EN / FR / ES)
    - Additional publications: Text of the multilateral instrument 2016

BEPS Progress Reports

- OECD/G20 Inclusive Framework on BEPS: Progress Report September 2021-September 2022 - OECD
- OECD/G20 Inclusive Framework on BEPS: Progress July 2020-September 2021
- OECD/G20 Inclusive Framework on BEPS: Progress July 2019-July 2020
- OECD/G20 Inclusive Framework on BEPS: Progress July 2017-June 2018
- OECD/G20 Inclusive Framework on BEPS: Progress July 2016-June 2017

Developing Countries and the Inclusive Framework Reports

- Developing Countries and the OECD/G20 Inclusive Framework on BEPS: OECD Report for G20 Finance Ministers and Central Bank Governors, October 2021, Italy - OECD
- G20/OECD Roadmap on Developing Countries and International Taxation: OECD report for the G20 Finance Ministers and Central Bank Governors | en | OECD

Common Reporting Standard Guidance

- Standard for Automatic Exchange of Financial Account Information in Tax Matters, Second Edition 2017
- CRS Implementation Handbook
- CRS Status Message XML Schema
- CRS XML Schema
- Model Mandatory Disclosure Rules for CRS Avoidance Arrangements and Opaque Offshore Structures
- International Exchange Framework for Mandatory Disclosure Rules on CRS Avoidance Arrangements and Opaque Offshore Structures

Transfer Pricing Guidelines

- OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations

OECD Model Convention

- Model Tax Convention on Income and Capital 2017 (Full Version)

Multilateral Convention on Mutual Administrative Assistance in Tax Matters

- The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol

Toolkits on International Taxation (with PCT partners IMF, OECD, UN, WBG)

- Toolkit on Tax Treaty Negotiations (Online Version)
- Toolkit on Tax Treaty Negotiations
- Transfer Pricing Documentation
- The Taxation of Offshore Indirect Transfers - A Toolkit
- Toolkit for addressing difficulties in accessing comparable data for transfer pricing analyses
- Tools for the assessment of tax incentives for investment

Toolkits on taxation of extractive industries (with IGF)

- Limiting the Impact of Excessive Interest Deductions on Mining Revenue
- Tax Incentives in Mining: Minimising Risks to Revenue
- Monitoring the Value of Mineral Exports: Policy Options for Governments

Regional toolkits on VAT on e-commerce (with WBG)

- VAT Digital Toolkit for Latin America and the Caribbean (with CIAT and IDB)
- VAT Digital Toolkit for Asia (with ADB)
- VAT Digital Toolkit for Africa (with ATAF)

OECD Tax and Development Annual Reports

- Tax Co-operation for Development 2021
- Tax Co-operation for Development 2020
- Tax Co-operation for Development 2019
- OECD work on tax and development 2018

Tax Administration Resources

- ISORA data (with CIAT, IMF, IOTA)
- Bilateral Advance Pricing Arrangement Manual
- Manual on the Handling of Multilateral Mutual Agreement Procedures and Advance Pricing Arrangements
- MAP Statistics
- International Compliance Assurance Programme (ICAP)
    - ICAP Handbook
- Tax Administration Maturity Model Series
- Tax Capacity Building: A Practical Guide to Developing and Advancing Tax Capacity Building Programmes
- Tax Administrations and Capacity Building: A Collective Challenge

Revenue Statistics

- Global Revenue Statistics Database
- Revenue Statistics Publications:
    - OECD Economies
    - Latin America and Caribbean
    - Africa
    - Asia and the Pacific

Tax Policy

- Tax Policy Reforms
- Tax Policy Reforms in Low- and Middle-Income Countries
- Tax Policy and Gender Equality: A Stocktake of Country Approaches
- Taxation of part-time work in the OECD
- Assessing Tax Compliance and Illicit Financial Flows in South Africa
- Mobilising Tax Revenues To Finance The Health System in Côte d'Ivoire
- Mobilising Tax Revenues To Finance The Health System in Morocco

Environmentally Related Taxation

- Net Effective Carbon Rates data base
- Pricing Greenhouse Gas Emissions (Report and Country Summaries)
- Taxing Energy Use for Sustainable Development: Opportunities for energy tax and subsidy reform in selected developing and emerging economies.

Global Relations Programme Training

- Global relations calendar of events 2023
- e-Learning Courses on International Taxation:

TITLES	Language
BEPS	
BEPS Minimum Standards (Register)	EN/FR/ES
BEPS Actions 2, 3, 4 and 12: Hybrids, Interests and CFCs (Register)	EN/FR/ES
TAX TREATIES	
Introduction to Tax Treaties (Register)	EN/FR/ES
The Multilateral Instrument (MLI) (Register)	EN/FR/ES
TRANSFER PRICING	
Basic concepts of Transfer Pricing (Register)	EN/FR/ES
Introduction to Transfer Pricing (Register)	EN/FR/ES
A toolkit for addressing difficulties in accessing comparables data for transfer pricing analyses (Register)	EN/FR/ES
VAT	
Securing VAT revenue on cross-border trade (Register)	EN/FR/ES
OECD VAT standards and guidelines (Register)	EN/FR/ES
Implementing the VAT standards and guidelines (Register)	EN/FR/ES
TAX ADMINISTRATION	
Enterprise Risk Management: the essentials (Register)	EN/FR/ES
Responses to Covid19: Business continuity considerations (Register)	EN/ES
Tax Administration Responses to COVID-19: Recovery Period Planning (Register on the KSP or watch the public link)	EN
TAX CRIME	
Tax Crime Investigation Maturity Model (Register)	EN/FR/ES
Fighting Tax Crime: The Ten Global Principles (Register)	EN/FR/ES
Money Laundering and Terrorist Financing Indicators: a handbook for tax auditors and tax examiners (Register)	EN

- Recorded webinars

TITLES		Language
TWO-PILLAR SOLUTION		
Overview of the Pillar One building blocks		EN / ES FR / ARA
Overview of the Pillar Two - Focus on GloBE Rules		EN / ES FR / ARA
Q&A session related to recorded webinars on Pillar 2		EN
Elimination of Double Taxation - Part I		EN
Elimination of Double Taxation - Part II		EN
Essential aspects of the Draft Model Rules for Nexus and Revenue Sourcing - Part I		EN
Essential aspects of the Draft Model Rules for Nexus and Revenue Sourcing - Part II		EN
Marketing and Distribution Profits Safe Harbour		EN
5 STEPS IN APPLYING THE KEY PROVISIONS OF THE GLOBE RULES		
(1) Identifying Constituent Entities within Scope		EN
(2) Computation of GloBE Income or Loss		EN
(3) Adjusted Covered Taxes		EN
(4) How to compute the Effective Tax Rate (ETR) and the Top-up Tax in the GloBE rules		EN
(5) Applying the Top-Up Tax under the IIR and UTPR		EN
TRANSFER PRICING		
OECD Transfer Pricing Guidelines		EN/ES
Transfer Pricing Aspects of Financial Transactions		EN
Transfer Pricing Aspects of Intra-Group Services		EN
Special Considerations for Intra-Group Services		EN
Implications of the LIBOR transition - Part I		EN
Implications of the LIBOR transition - Part II		EN
Replay of the virtual class OECD/CIAT Introduction to transfer pricing - May 2020 (KSP link)		ES
TAX TREATIES		
Tax treaty treatment of royalties		EN
Webinar BEPS Action 6 Peer Review - Opening and Session A		EN

Webinar BEPS Action 6 Peer Review - Session B	EN
Overview of the Permanent Establishment concept in tax treaties	EN
TAX ADMINISTRATION	
Joint OECD/ATAF Virtual Discussion on Tax Policy and Tax Administration Responses to COVID-19 (KSP link)	EN
Respuestas de política y Administración Tributaria al COVID-19 (KSP link)	ES

- Training capsules:

Background of the Two-Pillar Solution - March 2022 (click here)	EN
TIWB Expansion Areas - February 2021 (click here)	EN/ES/FR
Understanding Tax Morale: What drives people and businesses to pay tax? - January 2021 (click here)	EN

Compare your Country

Compare-Your-Country map to track of implementation of international tax standards: https://www.compareyourcountry.org/tax-cooperation

Annex B. Resources by the Global Forum on Transparency and Exchange of Information for Tax Purposes on international tax collaboration

Strategic documents

- Capacity Building: A new strategy for the widest impact | version française
- Key figures on capacity building, 2011-2021 | version française
- Unleashing the potential of Automatic Exchange of Information for developing countries - 2021 Strategy | version française

Guidance materials

- A Beneficial Ownership Implementation Toolkit | version française | versión en español
- Building Effective Beneficial Ownership Frameworks - A joint Global Forum and IDB Toolkit | version française | versión en español
- Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information | version française | versión en español
- A Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters | version française | versión en español
- Confidentiality and Information Security Management Toolkit | version française | versión en español
- Establishing and Running an Effective Exchange of Information Function - A joint Global Forum and ATAF Toolkit | version française | versión en español
- Model Manual on Exchange of Information for Tax Purposes | version française | versión en español | versão em português
- CIAT Manual for the Control of International Tax Planning: Chapter 5.3: International Cooperation | versión en español
- Keeping it Safe - Joint OECD/Global Forum Guide on the Protection of Confidentiality of Information Exchanged for Tax Purposes
- Keeping It Safe - The OECD Guide on the Protection of Confidentiality of Information Exchanged for Tax Purposes | version française | versión en español
- Documents available to tax authorities upon request | version française

Reports

- 2023 Global Forum Capacity Building Report | version française
- 2022 Global Forum Capacity Building Report | version française
- 2021 Global Forum Capacity Building Report | version française
- Tax Transparency in Africa 2022: Africa Initiative Progress Report | version française
- Tax Transparency in Africa 2021: Africa Initiative Progress Report | version française
- Tax Transparency in Africa 2020: Africa Initiative Progress Report | version française

- Tax Transparency in Africa 2019: Africa Initiative Progress Report | version française
- Tax Transparency in Latin America 2022: Punta del Este Declaration Progress Report | versión en español
- Tax Transparency in Latin America 2021: Punta del Este Declaración Progress Report | versión en español
- Tax and Development Case Studies

Special programmes

- Train the Trainer - Building a sustainable EOI capacity within tax administrations | version française
- Women leaders in tax transparency - Building a network of women officials championing tax transparency in their tax administrations | version française

Global forum e-learning courses

- Automatic Exchange of Information (2022) - available in English, French and Spanish
- Understanding Information Security Management Framework (2022) - available in English (French and Spanish to follow shortly)
- Confidentiality and data safeguards assessment process (2021) - available in English, French and Spanish
- Confidentiality and data safeguards requirements (2021) - available in English, French and Spanish
- Beneficial Ownership, with the Asian Development Bank (2020) - available in English, French and Spanish
- Exchange of Information on Request (2020) - available in English, French and Spanish
- Global Forum: Exchange of Information as a Tool to Combat Tax Evasion (2019) – available in English, French and Spanish