

Distr.: General  
30 September 2024

Original: English

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**Committee of Experts on International  
Cooperation in Tax Matters  
Twenty-ninth session**

Geneva, 15-18 October 2024

Item 3(k) of the provisional agenda

**Digitalization and Other Opportunities to Improve Tax Administration**

**Co-Coordinator's Report**

***Summary***

This report is presented for ***discussion and approval*** at the Twenty-ninth Session of the Committee. It outlines the work carried out by the group on Digitalization and Other Opportunities to Improve Tax Administration in furtherance of its mandate and plan of work.

The report includes annexes containing Chapters of the draft Guide to Digitalization of Revenue Authorities.

The group presents ***for first reading and discussion*** the Outline of the Guide, Chapter 5 (Data Governance Strategy and Framework); ***for Second reading and discussion*** Part 2 on Legal Governance Framework (Chapters 3 and 4), and Part 4 on Innovative Technologies (Chapter 8); and for ***discussion and approval*** Chapter 1 (introduction and overview), Chapter 6 (Data Collection), Chapter 7 (Use of Data) and Case Studies.

The group also presents Chapter 2 which was approved at the Twenty-seventh Session (and edited after the Twenty-eighth Session to include updated references), for ease of reference.

Based on the discussion at this Session and any subsequent written comments, the group will further revise the Chapters now submitted for first and second reading, with a view to submitting them to the Thirtieth Session for approval.

## Background

1. At the Twenty-third Session of the Committee in October 2021, the Secretariat provided a paper on Digitalization and Other Opportunities to Improve Tax Administration [E/C.18/2021/CRP.30](#). That paper highlighted issues for consideration in assisting tax authorities to digitalize their operations and improve administration of taxes. At that session the Committee established a group on Digitalization and Other Opportunities to Improve Tax Administration to review the work done in other forums on the digitalization of tax administration and, in so doing, identify any existing gaps in this work and consider the possible value the Committee could add to this work, as well as consider other means of improving tax administration.

2. In subsequent meetings, the working group reported on its proposed (and now approved) workplan, and the progress made thus far. See the following relevant documents for reference:

- [Report on the twenty-third session](#)
- [E/C.18/2022/CRP.11](#) - Co-Coordinator's report presented to the Twenty-fourth Session.
- [Report on the Twenty-fourth Session.](#)
- [E/C.18/2022/CRP .33](#) - Co-Coordinator's report presented to the Twenty-fifth Session.
- [Report on the Twenty-fifth Session](#)
- [E/C.18/2023/CRP .4](#) - Co-Coordinator's report presented to the Twenty-sixth Session.
- [Report on the Twenty-sixth Session.](#)
- [E/C.18/2023/CRP.33](#) - Co-Coordinator's report presented to the Twenty- seventh Session.
- [Report on the twenty-seventh Session.](#)
- [E/C.18/2024/CRP. 4](#) - Co-Coordinator's report presented to the Twenty-eighth Session.
- [Report on the twenty-eighth Session](#)

3. At the Twenty-fifth Session, the Committee approved the proposal to develop a UN Guide to Digitalization of Revenue Authorities. At the Twenty-eighth Session, The Committee considered Chapters 1, 3, 4, 7 and case studies for a first reading.

## Meetings of the Working Group

4. The Group held three virtual meetings on 13 May, 17 July, and 16 September 2024 to discuss the identified workstreams to fulfill the mandate of the working group. This report reflects the outcome of those discussions.

5. The group discussed the feedback received from the Twenty-eighth Session and

took note that though the Committee had approved Chapter 2 at the Twenty-seventh session, it asked the group to update the chapter to reflect any recent developments and also update the Case Studies. Towards this end the group updated the chapter and included definitions on various tools used by revenue authorities for revenue monitoring and updated the case study from China.

6. Participants noted that there was need to include a Chapter on Data Governance Strategy in Part 3 of the guide (Data Governance Framework) as a preamble to that part. Hence Part 3 would now have three chapters, that is, Chapter 5 – Data Governance Strategy & Framework, Chapter 6 – Data Collection and Chapter 7 – Data Usage. This new chapter is now submitted for a first reading.

7. The group considered the remaining parts of the guide that is, Part 2 on the Legal Governance Framework (i.e. Chapters 3 and 4), and Part 4 on Innovative Technologies (Chapter 8) and agreed that these could benefit from more comments and input from the Committee and Observers and therefore would be submitted for a second reading at the Twenty-ninth Session.

8. It was observed that there were no further inputs or remarks received on the chapters dealing with the introduction and overview(Chapter 1), data collection (Chapter 6) and data usage (Chapter 7), and these would be submitted to the Committee for approval at the Twenty-ninth Session.

## **ISSUES**

9. The Committee is asked to provide feedback and give input to the following parts of the draft Guide;

- Outline (Annex 1);
- Part 2 on Legal Governance Framework comprising Chapters 3 and 4 (Annex 2);
- Part 4 on Innovative Technologies comprising Chapter 7 and (Annex 3);and
- Chapter 5 on Data Governance Strategy (Annex 4).

10. The Committee is asked to approve the following parts of the draft Guide;

- Chapter 6 on Data Collection and Chapter 7 on Data Usage (Annex 4);
- Chapter 1 on Introduction and Overview (Annex 5);
- Chapter 2 on Developing a Road Map to Digitalization - updates (Annex 6);
- Case Studies from different jurisdictions. (Annex 7).

**NEXT STEPS**

11. Upon consideration by the Committee of the submitted Chapters, the working group will incorporate the input and feedback received at the Twenty-ninth Session and prepare the Chapters with a view to approval at the Thirtieth Session.