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Tax Inspectors Without Borders

ANNUAL REPORT

A joint OECD/UNDP initiative



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Table of Contents

Executive Summary	4
Acronyms	6
Glossary	7
1. TIWB in Context	9
2. Activities and Results	15
3. Events and Communications	31
4. Objectives and Performance	35
Annex A. TIWB Programmes	41
Annex B. TIWB Programme Scorecard	47
Annex C. TIWB Governing Board	49
Tables	
Table 4.1. 2020 Progress against Objectives	36
Figures	
Figure 1.1. Expert time commitment under virtual missions	12
Figure 2.1. TIWB programmes status as of 30 June 2021	15
Figure 2.2. Regional distribution of programmes commenced by year	16
Figure 2.3. Geographic spread of TIWB programmes	17
Figure 2.4. Twin objectives of TIWB-CI programmes	20
Figure 2.5. TIWB Partner Administrations	22
Figure 2.6. Cumulative regionally reported revenue increases from TIWB assistance	23
Figure 2.7. Self-reported competencies of auditors	26
Figure 2.8. Expanded TIWB Roster of Experts and gender statistics	28
Figure 4.1. TIWB programmes Theory of Change	38
Boxes	
Box 1.1. Lessons learned from remote working	13
Box 2.1. First mutual agreement procedure (MAP) case in Nigeria	18
Box 2.2. Multi-year engagement yields tangible results in Zambia	18
Box 2.3. Progress on TIWB-CI pilot programmes	19
Box 2.4. Mongolian Tax Administration issues its first transfer pricing assessment	24
Box 2.5. Outcomes beyond increased tax revenues in Egypt	25
Box 2.6. Strengthening existing audit tools in Kosovo*	26
Box 2.7. Entrenching transfer pricing audit capacity at the Maldives Inland Revenue Authority	27

Executive Summary

Tax Inspectors Without Borders (TIWB), a joint initiative of the Organisation for Economic Co-operation and Development (OECD) and United Nations Development Programme (UNDP), is a unique approach to capacity building that deploys experts in developing country tax administrations to provide practical, hands-on assistance on actual tax audits and related international tax issues.

This report looks back at TIWB's achievements from July 2020 to June 2021, during a time when the COVID-19 pandemic had a huge impact on the health of both people and economies, with developing countries hit the hardest. Over the past year, governments have been caught between the need to provide income support and liquidity to individuals and businesses and trying to maximise revenue collection to finance spending programmes. Tax administrations are playing a crucial role in delivering pandemic responses and maintaining revenue collections. For developing countries that have limited fiscal space to begin with, including many that are already heavily indebted, this has been extremely challenging.

In a period of tight fiscal space, and as tolerance for tax avoidance and evasion continues to drop, this report demonstrates the clear relevance TIWB has for domestic resource mobilisation in developing countries. With its niche mandate and a track record of efficient and effective revenue collection for tax administrations, TIWB can help countries raise the revenues needed to overcome the pandemic's socio-economic repercussions. Reflecting this, the UN has included TIWB as part of its Menu of Options for Consideration of Heads of State and Government Part II to identify and promote concrete financing solutions to the COVID-19 emergency and its recovery.¹

Since 2012, TIWB and TIWB-style audit assistance, including anonymised casework conducted during joint workshops with the African Tax Administration Forum (ATAF), the OECD, and the World Bank Group (WBG) has led to impressive results in terms of increased tax revenues and tax assessments in participating countries. A total of USD 1.4 billion in additional tax revenues collected and USD 3.9 billion in additional tax assessed are attributed to these programmes across Africa, Asia, and Eastern Europe, as well as Latin America and the Caribbean (LAC).

TIWB programmes grew in the past year as a result of geographic expansion, a widening of the scope of assistance available, and requests for additional programmes from satisfied Host Administrations. As of 30 June 2021, TIWB programmes spanned 47 jurisdictions with 47 completed and 43 current programmes, including 17 South-South programmes. To respond to the particular challenges of delivering technical assistance during the pandemic, TIWB prioritised remote assistance, which allowed operations to continue effectively.

¹ https://www.un.org/sites/un2.un.org/files/financing_for_development_covid19_part_ii_hosg.pdf.

TIWB has traditionally focussed on providing assistance on complex transfer pricing audits, but the same model of hands-on assistance is equally applicable to other types of tax audit and investigation. The TIWB model has been expanded to cover criminal tax investigations, a crucial element in the global fight against Illicit Financial Flows (IFFs). The initiative is also exploring opportunities for pilot programmes on the effective use of automatic exchange of financial account information (AEOI), taxation of natural resource contracts and taxation and the environment.

Staying relevant and maintaining high-quality programmes is essential in the crowded international capacity building space. In 2019, TIWB conducted an internal stocktake to identify how the initiative could be improved and updated to continue responding to demand and ensuring that programmes meet the needs of Host Administrations. This stocktake generated concrete recommendations that TIWB has been implementing over the past year, including by expanding its Roster of Experts, developing a new monitoring and evaluation system, introducing e-learning modules and establishing a mentorship programme. Furthermore, the UNDP's new Country Office Engagement Strategy has been developed to improve co-ordination of TIWB programmes with other initiatives at the country level and create synergies with UNDP's work fostering long-term institutional development.

In a challenging year, TIWB has persevered in delivering additional revenue and building critical specialised skills that can improve the overall performance of developing country tax administrations in the longer term, making it an indispensable tool in the efforts to improve domestic resource mobilisation. With the collaboration of the many development partners that provide funding and expert resources, TIWB continues to expand in scope and reach.

Acronyms

AEOI	Automatic exchange of financial account information	KTA	Tax Administration of Kosovo*
APA	Advance Pricing Agreement	LAC	Latin America and the Caribbean
ATAF	African Tax Administration Forum	MAP	Mutual Agreement Procedure
BEPS	Base Erosion and Profit Shifting	MIRA	Maldives Inland Revenue Authority
CIAT	<i>Centro Interamericano de Administraciones Tributarias</i> (Inter-American Centre of Tax Administrations)	MNEs	Multinational Enterprises
COs	(United Nations Development Programme) Country Offices	MTA	Mongolian Tax Administration
CREDAF	<i>Cercle de Réflexion et d'Échange des Dirigeants des Administrations fiscales</i>	OECD	Organisation for Economic Co-operation and Development
CRS	Common Reporting Standard	PFF	Federal Fiscal Prosecutor's Office of Mexico
DIAN	<i>Dirección de Impuestos y Aduanas Nacionales</i> (National Directorate of Tax and Customs of the Republic of Colombia)	PITAA	Pacific Islands Tax Administrators Association
EOI	Exchange of Information	SAR	<i>Servicio de Administración de Rentas</i> (Revenue Administration Service of Honduras)
EMoF	Egyptian Ministry of Finance	SARS	South African Revenue Service
ETA	Egyptian Tax Authority	SDGs	Sustainable Development Goals
FIRS	Federal Inland Revenue Services	TIWB	Tax Inspectors Without Borders
GPN	Global Policy Network	TIWB-AEOI	TIWB effective use of AEOI programmes
IFFs	Illicit Financial Flows	TIWB-CI	TIWB criminal tax investigation programmes
IGF	Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development	UN	United Nations
IRBM	Inland Revenue Board of Malaysia	UNDP	United Nations Development Programme
KRA	Kenya Revenue Authority	VAT	Value Added Tax
KSP_{TA}	Knowledge Sharing Platform for Tax Administrations	WBG	World Bank Group
		WTO	World Trade Organisation
		ZRA	Zambian Revenue Authority

Glossary

Host Administration – The department or institution in a developing country or jurisdiction requesting TIWB assistance.

Partner Administration – The department or institution in a country or jurisdiction providing a tax expert to a TIWB programme.

Roster Experts – Accredited tax experts, including both serving and former officials of national tax administrations, identified by UNDP to implement TIWB programmes.

South-South Co-operation – Refers to the technical co-operation among developing countries with low- and middle-income status, mainly in Africa, Asia and the Pacific, Latin America and the Caribbean.

TIWB Expert – A current or former tax official deployed to implement a TIWB programme.

TIWB Programme Scorecard – The TIWB programme scorecard, aggregating 21 programme success indicators, is used to provide a quantitative assessment of programme impact.





TIWB in Context

Tax Inspectors Without Borders, a joint initiative of the OECD and UNDP, is a unique approach to capacity building that deploys experts in developing country tax administrations to provide practical, hands-on assistance on actual tax audits and related international tax issues, criminal tax investigation, effective use of AEOI data, tax and the environment, as well as tax and natural resource contracts. The past year has been particularly challenging as governments have had to cope with the COVID-19 pandemic and the ensuing economic and health fall-out.

Economic outlook and the need for TIWB

Whilst global economic prospects have improved in recent months, developing countries still face severe challenges. It is estimated that COVID-19 pushed an additional 100 million people into extreme poverty during 2020 alone², with sub-Saharan Africa experiencing its first recession in 25 years. The crisis has forced most countries to take on additional debt, and for low-income countries this may lead to a precarious fiscal position, particularly if interest rates are to rise. Developing countries already struggle with limited fiscal space – for example, the average tax-to-GDP ratio in African countries is 16.5%, as compared to the OECD average of 34.3%³ – and they have less scope for borrowing or quantitative easing.

This has left tax administrations and tax policymakers in developing countries with enormous challenges in managing the fiscal impact of the pandemic and a need for practical tools. Developing country tax administrations recognise that TIWB programmes deliver an immediate benefit in terms of revenue collection – a total of USD 1.4 billion additional tax collected to date – but also in terms of technical skills needed to tackle challenging tax audits going forward. In the past year, TIWB has met this demand by expanding its services, demonstrating clear impact on tax revenues and building the skills necessary for tax administrations to apply their tax laws effectively.

² World Bank. 2020. Poverty and Shared Prosperity 2020: Reversals of Fortune. Washington D.C., www.worldbank.org/en/publication/poverty-and-shared-prosperity.

³ OECD/AUC/ATAF (2020), Revenue Statistics in Africa 2020: 1990-2018, OECD Publishing, Paris, <https://doi.org/10.1787/14e1edb1-en-fr>.

Historic changes to the international tax rules

A historic step in addressing the tax challenges of the digitalisation of the economy was taken in mid-2021 when 133 members of the Inclusive Framework on Base Erosion and Profit Shifting (BEPS) agreed upon a two-pillar approach for reform. These reforms are designed to address two key problems with the existing international tax rules. First, existing rules provide that, broadly, the profits of a foreign company can only be taxed in another country where the foreign company has a physical presence. One hundred years ago, when business revolved around factories, warehouses and bricks and mortar stores, this made sense. But in today's digitalised world, multinational enterprises (MNEs) often conduct large-scale business in a jurisdiction with little or no physical presence. Second, most countries only tax domestic business income of their MNEs, but not foreign income, on the assumption that foreign business profits will be taxed where they are earned. The growth of intangibles, like brands, software algorithms, copyright and patents, which are often difficult to deal with, means that MNE profits can often escape taxation.

Pillar One of the reform updates international tax rules for the 21st century by providing the jurisdictions where the biggest and most profitable MNEs have their markets a right to tax a share of the profits, regardless of whether the MNE has a physical presence in the jurisdiction. Under this reform, more than USD 100 billion of profits are expected to be re-allocated to market jurisdictions, including developing countries. Pillar Two provides a minimum tax on corporate profits, putting a floor on tax competition. Where MNEs' effective tax rates in a jurisdiction are below the agreed minimum, additional taxes will be allowed to bring the rate up to the agreed minimum. This will mean that tax competition is now backstopped by a minimum level of taxation wherever an MNE operates. With an agreed minimum rate of at least 15%, it is estimated that Pillar Two will generate around USD 150 billion in additional tax revenues per year, again a share of which will benefit developing countries.

In the coming years, these reforms will impact on and reduce profit shifting. As a result, demand for TIWB services may evolve as developing countries' needs for new forms of assistance emerge. From 2022, TIWB will complement, and run in parallel with, a major new OECD effort to support the implementation of these reforms in developing countries.

Connecting TIWB with long-term change

UNDP is leading the effort to ensure that TIWB is integrated into broader efforts to achieve sustainable development in each developing country. In particular, UNDP is scaling up its country engagement through its Country Offices (COs) and TIWB Country Engagement Plans. Country Engagement Plans will outline UNDP support for effectively implementing TIWB programmes and generating synergy with other programmes at the country level to facilitate long-term institutional development and enhance the role of tax authorities in financing and achieving the Sustainable Development Goals (SDGs).

UNDP COs have already been active in providing support to implement TIWB programmes. In Cambodia, Sierra Leone, and Uganda, the COs liaised with tax administrations and aided in the initiation of the TIWB programmes. To date, the UNDP COs in Angola, Bolivia, Comoros, Lebanon, and Tunisia, amongst others, are helping to establish TIWB programmes locally. The COs in Cabo Verde and Mongolia are helping to provide interpreters and translators.

In certain jurisdictions, UNDP COs have already assisted TIWB tax experts to connect with a range of stakeholders and create a constituency of support around taxation issues. For example, in Uganda, the CO organised a stakeholder engagement session highlighting the benefits of robust transfer pricing legislation.



As part of UNDP's catalytic role of using more innovative and integrated approaches to sustainable development, and its involvement with the governments, civil society organisations and the private sector, UNDP has facilitated and co-ordinated stakeholder engagement towards TIWB activities.

Finally, the United Nations (UN) included TIWB in its menu of options for governments to consider in the Initiative on Financing for Development in the Era of COVID-19 and Beyond, which was launched to identify and promote concrete financing solutions to the COVID-19 health and development emergency.

COVID-19 pandemic impact on TIWB programmes

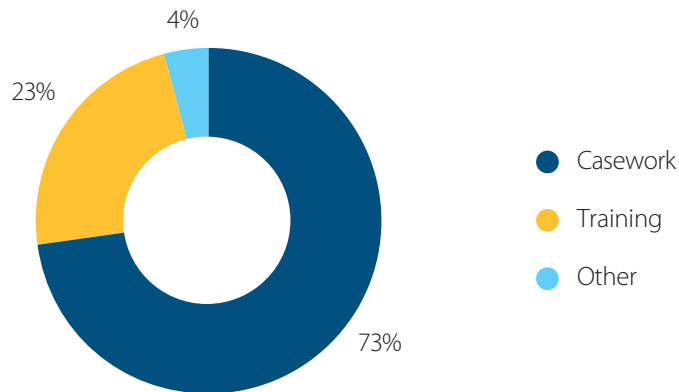
Since March 2020, the COVID-19 crisis has prevented all onsite TIWB missions. Also, TIWB Host Administrations' capacities have been constrained, as many countries suspended or curtailed audit activities due to lockdown measures, among other challenges. To continue its business operations during the COVID-19 pandemic, TIWB expanded remote assistance for programme implementation. TIWB further developed "virtual missions" to replace the previous week-long onsite missions. Virtual communication (i.e. email exchanges and videoconferences) have replaced face-to-face interactions. Initial results show that stakeholders strongly support this new method of collaboration to overcome travel restrictions. In the future, the vision is to conduct blended programmes which combine remote support and in-country missions.

During the COVID-19 pandemic, UNDP COs have made available different digital means to support remote assistance. As part of Country Engagement Plans, UNDP will provide additional investment through its COs to furnish technological support to tax administrations in the form of access to hardware, conferencing facilities, secure data transfer and communication mechanisms to effectively receive remote TIWB expertise. For example, the Egypt CO is supporting the Egyptian Tax Authority (ETA) with technological support to remotely participate in its TIWB programme.

Confidentiality of taxpayer information and data security remain a critical feature of the initiative, especially during current virtual working conditions. The TIWB Secretariat has developed guidance on supporting the secure transmission of confidential information (e.g. encrypting documents, securing information stored on a USB device and creating encrypted archives, and anonymisation of taxpayer information when discussing cases on video calls). This guidance has been systematically provided to all stakeholders.

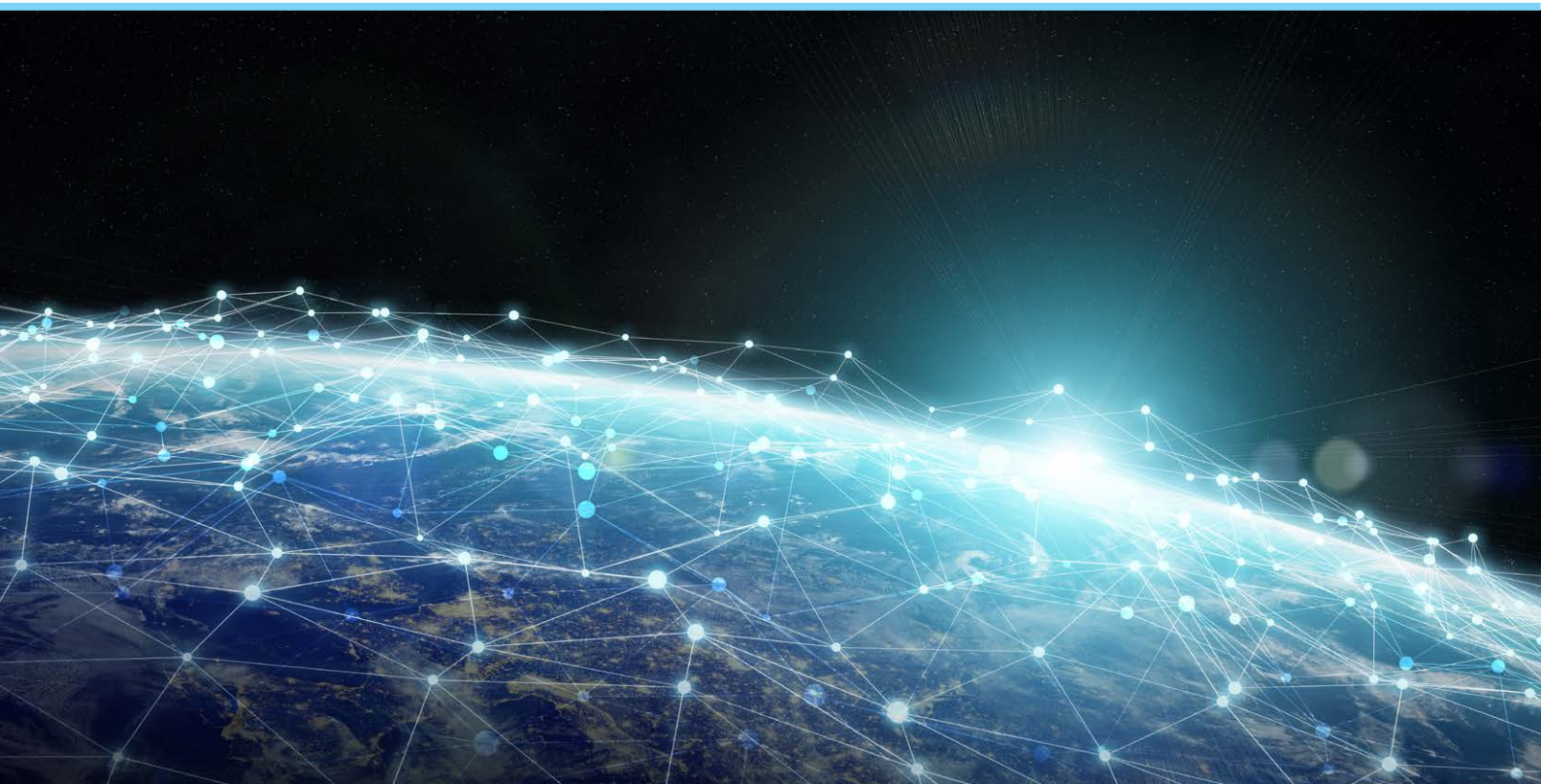
Since the pandemic began affecting operations in March 2020 and through 30 June 2021, TIWB experts have delivered 137 virtual missions (for a total of nearly 3200 hours, including mission preparation time) in 27 jurisdictions under 37 of the 43 ongoing programmes. A breakup of the time spent on casework, training and other activities conducted by experts is presented in Figure 1.1 below.

Figure 1.1. Expert time commitment under virtual missions



Source: TIWB Secretariat

More than a year of implementing TIWB programmes virtually has generated important lessons shared by Experts and Host Administrations, as well as other stakeholders. Most Host Administrations have confirmed that frequent engagements have been possible virtually with TIWB experts, as expert availability for TIWB programmes has increased. Providing support remotely does not require the same time commitment as travelling for onsite missions. This has helped in keeping the momentum of the assistance and allowed casework to progress more quickly through focussed support (see Box 1.1 for additional lessons learned). These takeaways will allow TIWB to improve its services under a blended approach going forward.



Box 1.1. Lessons learned from remote working

The main lessons emanating from remote programme implementation include the following:

- Host Administrations confirm that frequent virtual engagement with TIWB experts allow casework to progress more quickly and keeps momentum through focussed support.
- Expert availability for TIWB programmes has increased. Providing remote support does not require the same time commitment as travelling for onsite missions.
- Virtual skills transfer remains difficult to ascertain and may be less conducive than onsite “learning by doing.” Remote working has required all stakeholders to adapt to new methods of collaboration.
- Without onsite missions, trust-building facilitated by face-to-face interaction is reduced and may affect fluidity of communications between Host Administration officials and TIWB experts. This is particularly relevant in the case of countries or jurisdictions undertaking their first TIWB programme.
- Some Host Administrations are unable to share relevant audit information via email due to confidentiality and document size restrictions. Moreover, Host Administrations sometimes receive paper copies of tax documents, which are difficult to scan and transmit online.
- In some programmes, anonymised casework discussions via video conference is reported to be less effective for audit support.
- A few Host Administrations have found it challenging to connect virtually with their TIWB expert due to lack of high-speed internet access, lockdowns resulting from the COVID-19 pandemic and changes in governmental priorities, bringing on delays and suspensions of programme activities.

Source: TIWB webinars with Host Administrations, Partner Administrations and Experts

TIWB will maintain a flexible approach to address the priorities of tax administrations, offering a blend of onsite and remote assistance for programme implementation. This approach will help Host Administrations receive greater and timelier access to experts, as well as save resources and reduce experts’ carbon footprint by decreasing travel. At the same time, it is important to stress the essential aspects of onsite work, which shall be preserved. Onsite missions are necessary to build trust between programme participants and ensure fluid and efficient communication. Some Host Administrations are unable to share relevant audit information via email due to confidentiality and document size restrictions, which again demonstrates the importance of onsite missions. Increased political will and buy-in from senior management at Host and Partner Administrations are thus crucial to providing effective assistance, especially as TIWB moves towards a blended approach of onsite and increased remote assistance.

By echoing the increased need of tax administrations to mobilise revenues to cope with the persisting economic impact of COVID-19, the TIWB Secretariat is aligning its programme outcomes with governments’ changing priorities.





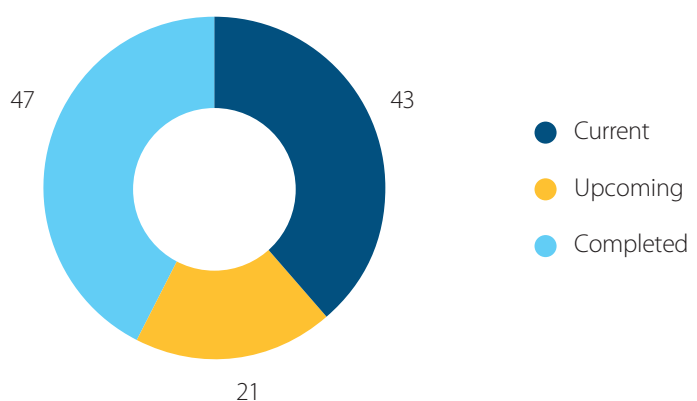
Activities and Results

This chapter sets out significant activities and results of TIWB programme implementation. It also highlights the steps taken to implement the recommendations of the TIWB stocktake carried out in 2019.

Since 2012, TIWB and TIWB-style audit assistance, including anonymised casework conducted during joint workshops with ATAF, the OECD, and the WBG has led to impressive results in terms of increased tax revenues and tax assessments in participating jurisdictions. A total of USD 1.4 billion in additional tax revenues collected and USD 3.9 billion in additional tax assessed are attributed to these programmes across Africa, Asia, and Eastern Europe, as well as LAC.

As of end June 2021, TIWB had completed 47 programmes, and counted 43 ongoing programmes, spanning 47 different jurisdictions. In addition, 21 programme requests are in the pipeline, of which 13 programmes are projected to launch between July and December 2021. Figure 2.1 below shows the cumulative number of TIWB programmes through 30 June 2021. A full list of TIWB programmes can be found at Annex A.

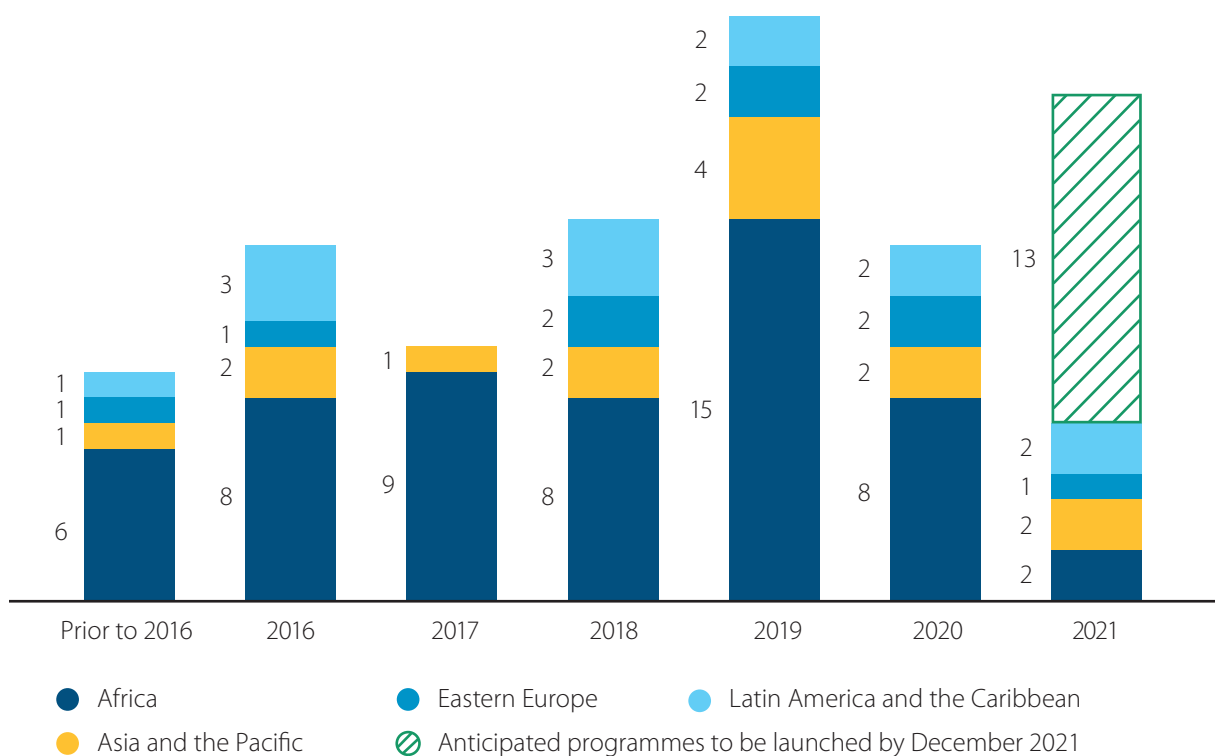
Figure 2.1. TIWB programmes status as of 30 June 2021



Source: TIWB Secretariat

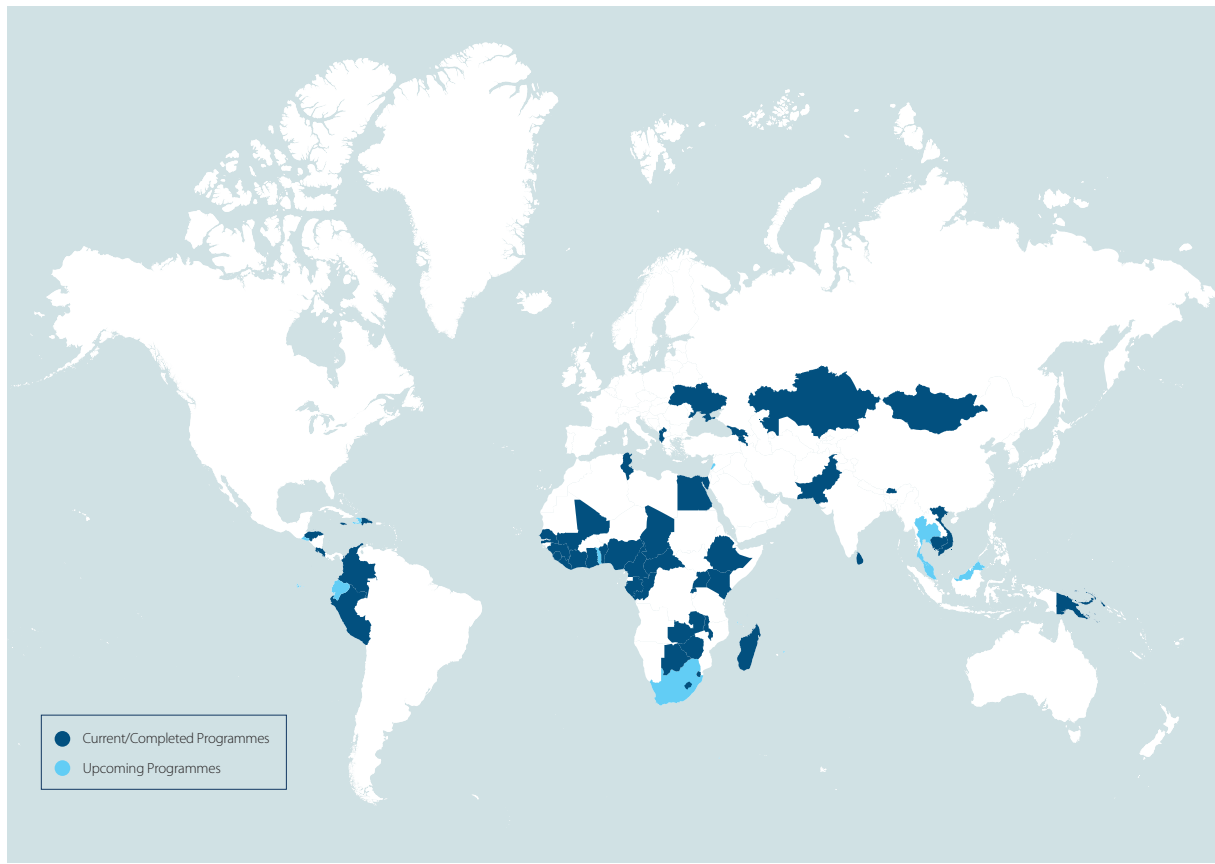
As Host Administrations seek to improve domestic resource mobilisation to fund the challenges created by the pandemic and meet the SDGs, TIWB programmes continue to expand across all regions of the world. Figure 2.2 below depicts the spread of programmes commenced across Africa, Asia and the Pacific, Eastern Europe, and LAC since 2012. During the reporting period of July 2020 to June 2021, and in spite of travel restrictions imposed by the COVID-19 pandemic, a total of 12 programmes were launched remotely. Africa continues to account for more than half of all TIWB programmes initiated in 2020/21, with a significant increase in programmes in the LAC region, as well. This highlights TIWB's well-established networks and collaboration with regional partners like ATAF and the Inter-American Centre of Tax Administration (CIAT). Figure 2.3 indicates the geographic coverage of TIWB programmes across the world.

Figure 2.2. Regional distribution of programmes commenced by year



Note: Start date of TIWB programmes from 2012 to 30 June 2021. The 13 programmes projected to be launched between July and December 2021 are part of the 21 pending assistance requests in the pipeline.

Source: TIWB Secretariat

Figure 2.3. Geographic spread of TIWB programmes

Source: TIWB Secretariat

ATAF collaboration

TIWB's collaboration with ATAF continues to provide an excellent platform for co-ordinating TIWB programmes for African Host Administrations, which have seen very positive results for additional revenue collection, as well as organisational improvements and improved taxpayer compliance. To date, on the African continent, TIWB assistance, in collaboration with ATAF/OECD/WBG technical assistance programmes, has raised over USD 989.6 million in additional tax revenues and USD 2.7 billion in tax assessments. Host Administrations also report significant improvements in skills, competencies and confidence of local officials when conducting international tax audits.



Despite the challenges arising due to the COVID-19 pandemic, ATAF and TIWB technical assistance programmes continue to help Host Administrations effectively collect taxes due to them by MNEs operating in their countries, providing essential tax revenues crucial for African countries to recover from the economic repercussions of the COVID-19 crisis. The increased practical challenges of delivering capacity building during the pandemic make strong regional co-operation between ATAF and TIWB particularly important. See Box 2.1 for an illustration of the effective co-operation under the TIWB programme in Nigeria.

Box 2.1. First mutual agreement procedure (MAP) case in Nigeria

In Nigeria, TIWB recently expanded its existing support of the Federal Inland Revenue Service (FIRS), in collaboration with ATAF and WBG, to assist in reviewing FIRS' first Mutual Agreement Procedure (MAP) case. This represents a new area of assistance for the initiative. To date, the support has been provided remotely due to travel restrictions brought on by the COVID-19 pandemic. The TIWB expert has assisted FIRS in drafting a position paper in response to the treaty partner tax administration's position paper. This programme also delivers support to FIRS on complex transfer pricing audit cases and on the review of draft Advance Pricing Agreement (APA) guidelines.

ATAF and TIWB collaboration goes a step further in Zambia, where a number of development partners are working together to build capacity for officials at the Zambian Revenue Authority (ZRA). This assistance takes multiple years to generate tangible results - see Box 2.2 for details on the co-operation.

Box 2.2. Multi-year engagement yields tangible results in Zambia

African countries report that transfer pricing represents one of the highest risks to their tax base, with millions of USD of tax at stake. In the region, international and regional partners are joining forces to support tax administrations. Since 2014, the OECD has delivered technical assistance to ZRA. Building on this early work, two successful programmes were deployed by TIWB, ATAF, and the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development (IGF), focussed on general audit support. The TIWB assistance was then expanded to feature sector-specific guidance on BEPS challenges in the mining industry. This assistance, provided by a coalition of partners, has helped the ZRA collect additional tax amounting to USD 100 million, but this has taken a number of years to observe. In further support of Zambia, TIWB has facilitated a new programme in partnership with the Swedish Tax Agency, which launched virtually in January 2021. This programme will focus on transfer pricing audit assistance in the telecommunications and financial sectors.

Progress in TIWB pilot areas

Demand remains, not only for classic (MNE audit) TIWB programmes, but also for programmes in new tax areas, such as criminal tax investigations, effective use of AEOI data and natural resources and environmental tax issues.

Criminal tax investigations

Tax Inspectors Without Borders for Criminal Investigation (TIWB-CI) pilot programmes provide bespoke technical assistance to analyse the capacity gaps in a Host Administration for conducting criminal tax investigations, resolving complex cases with the help of an international tax inspector, and addressing associated systemic issues needed for a successful tax crime investigation system.

Criminal tax investigations typically target high net worth individuals with offshore accounts, corporations evading tax, and attacks on the VAT system through carousel frauds and other means. Investigations in these cases require experts to "follow the money" across borders, often through a complex web of legal structures with opaque ownership patterns (legal and beneficial) across multiple jurisdictions.



The first phase of a TIWB-CI pilot typically involves a self-assessment of the Host Administration through the Tax Crime Investigation Maturity Model⁴ (Maturity Model) in order to determine capacity gaps. This leads to the development of a gap analysis, an action plan report and a work plan for implementation of recommendations within a fixed timeframe. In the second phase, an expert tax inspector from a Partner Administration or the UNDP Roster of Experts works with the Host Administration investigators for resolution of complex tax crime cases.

Currently, there are 7 TIWB-CI pilot programmes underway in Armenia, Colombia, Honduras, Kenya, Pakistan, Tunisia and Uganda, and the relative action and work plans are being finalised. There has been excellent progress under these pilot programmes, such as in Colombia and Honduras (see Box 2.3 for more details). An additional pilot programme is being put in place in Costa Rica.

Box 2.3. Progress on TIWB-CI pilot programmes

Colombia

The *Dirección de Impuestos y Aduanas Nacionales* (DIAN) of Colombia requested assistance in November 2020 to build capacity to fight tax crimes more efficiently. Following an initial mission to define the programme scope, DIAN underwent restructuring which has resulted in the establishment of its first Tax Crime Investigation Unit, as well as a Transfer Pricing/APA Unit. Setting up dedicated units for specific tax areas reflects best practice procedures and will help DIAN to gain significant experience, ultimately building greater capacity.

Honduras

Under a TIWB-CI pilot programme, the Revenue Administration Service of Honduras (SAR) and the Federal Fiscal Prosecutor's Office of Mexico (PFF) have entered into an official partnership to improve capacity to combat tax crimes and IFFs in Honduras and strengthen international co-operation in the LAC region. When collaboration began in April 2021, over 100 officials from SAR and PFF participated in the Maturity Model self-assessment workshop facilitated by TIWB, OECD and CIAT. Results from the analysis were documented in a detailed gap analysis and action plan.

⁴ <https://www.oecd.org/tax/crime/tax-crime-investigation-maturity-model.htm>.

The twin objectives of TIWB-CI programmes - improved resolution of criminal tax investigation cases and systemic capacity building for combatting tax crimes and IFFs - are more fully illustrated in Figure 2.4.

Figure 2.4. Twin objectives of TIWB-CI programmes

Improved resolution of criminal tax investigation cases

- Resolution of complex cases on real time basis
- Happens alongside systemic reforms
- Primarily between Host Country and Partner Country

The Kenya Revenue Authority (KRA) has begun discussing casework with a TIWB-CI expert from the Indian Revenue Service (Partner Administration). Four anonymised cases from four diverse sectors have been identified. A total of 83 officers have been split into four teams, with team leads co-ordinating each team. These four teams have virtual interactions with the TIWB Expert every two weeks to discuss the sectoral characteristics of the cases and modalities of intelligence gathering. After two rounds of such meetings over a period of one month, a plenary discussion is held about the progress made and lessons learnt. In addition, there will be exchange of best practices prevailing in the Partner Administration relative to the selected sectors.

As a result of action plan recommendations, the President of the Republic of Colombia, by way of Clause 33 of the decree issued on 22 December 2020, created a new tax crime unit within DIAN. The initial phase of recruitment for the unit has been completed. An initial round of criminal investigation training was conducted by the Partner Administration for the local officials.

Systemic capacity building for combatting tax crimes & IFFs

- Gap analysis through the Maturity Model
- Key areas: Legislative changes, risk assessment framework and strategy; operational constraints including inter-agency and international co-operation (including Exchange of Information (EOI))
- Co-ordination with various International Organisations in areas of expertise

Source: TIWB Secretariat

Effective use of automatic exchange of information

Many countries are facing challenges in using and interpreting data that has been transferred under AEOI arrangements using the Common Reporting Standard (CRS). As a response, the TIWB model was extended to support developing countries and jurisdictions in the effective use of AEOI data (TIWB-AEOI). TIWB-AEOI programmes complement the OECD-hosted Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum)'s capacity building programme on effective use of CRS data by providing practical, hands-on assistance to developing countries in order to best exploit the information received. Accordingly, the TIWB-AEOI test phase was launched during the Global Forum Plenary in November 2019. In February 2021, a new pilot request was accepted from the Inland Revenue Board of Malaysia (IRBM). Her Majesty's Revenue & Customs of the United Kingdom will help IRBM use and analyse the CRS data more effectively and identify risks under this TIWB-AEOI pilot programme.

Natural resources

Extractive industries have the potential to drive economic growth, provide employment, contribute to domestic mobilisation goals and transfer real economic wealth to local communities. Extractives resource deposits are immobile and the vast majority of these resources reside in developing countries, thereby providing a unique opportunity for these countries to benefit. The magnitude of the sector cannot be understated, accounting for more than 20% of GDP for 41 developing countries, and more than 10% of GDP for a further 13 developing countries in 2019.⁵

For many developing countries, there will be few areas of economic policy in the coming decade that will be more important than ensuring the effective taxation of the extractive sector. Despite the significance of the sector, for many developing countries, extractive resources have, in the past, failed to deliver on expected fiscal benefits to government and its citizens. Indeed, OECD data has shown that government fiscal revenues from the extractives sector have declined from 2013 to 2018 in the African and LAC regions⁶, which is not fully explained by commodity price fluctuations.

In recognition of the challenges that confront developing countries, as well as the overwhelming demand for extractive industry expertise, consideration is being given to how the TIWB approach may have a role in supporting developing country tax administrations at the negotiating, contracting and auditing stages.

One of the areas identified as a major concern for developing countries has been the lack of capacity support for government officials during major investment contract negotiations for activities in the extractive industries. Government officials often face both an information and experience deficit when negotiating with MNE and state-owned enterprise investors. Indeed, anecdotal evidence from TIWB experts indicate that many taxation problems arise from poorly negotiated investment/license agreements. Examples of problematic areas include overly generous tax concessions granted to the investor, the provision of unrestricted fiscal stabilisation clauses and a lack of awareness of how tax planners can use such agreements to create new tax loopholes.

TIWB pilot programmes for natural resources will seek to provide extractive industry contract negotiation capacity building and technical support for developing country governments in order to rebalance the scales. This new application of the TIWB model will begin with a pilot programme which maintains the 'learning by doing' approach. Once tested and confirmed, the assistance could be offered to more interested countries.

Maintaining the pace of TIWB programmes

Over the past year, TIWB has maintained operations effectively, responding well to a challenging environment with virtual missions to meet the needs of Host Administrations. Additional programmes will be launched in the second half of 2021 to exceed the original TIWB objective of 100 programmes.

Demand for TIWB programmes

Looking ahead, requests for programmes commencing in mid-2022 and beyond are materialising at a slower pace. Host Administrations are facing competing challenges in response to the COVID-19 pandemic, in some cases necessitating a temporary reprioritisation of scarce resources away from new audit work. It is anticipated that with

⁵ World Bank Group and World Mining Data.

⁶ OECD RevStats.

the resumption of some Secretariat and expert travel in 2022 and 2023, face-to-face engagement will be important in encouraging the development of new requests. UNDP’s new Country Office Engagement Strategy, which has been developed to improve co-ordination of TIWB programmes with other initiatives at the country level, will also enable more intensive and direct dialogue to support the development of requests. This will include marketing the offer of new TIWB solutions to other taxation challenges, such as more specialised sector-based assistance in transfer pricing audits, supporting the effective use of AEOI information, and help on criminal tax investigations, where good progress has already been made. The ability to better tailor programmes to individual Host Administration needs will be an important factor in generating future demand.

Supply of TIWB experts

Throughout the COVID-19 crisis, the pursuit of TIWB programmes would not have been possible without the ongoing commitment of TIWB Partner Administrations and other experts. The remote delivery of programmes allowed TIWB experts to increase support to local audit teams by managing their time in a flexible manner and leveraging virtual communication tools to maintain regular contact with Host Administration teams. Since July 2020, three additional Partner Administrations have joined the initiative to deploy their experts, Chile (Colombia programme), Norway (Kosovo*⁷ programme) and Sweden (Zambia programme), bringing the total number of Partner Administrations to 20.

Figure 2.5. TIWB Partner Administrations



Source: TIWB Secretariat

Partner Administrations remain the main source of experts and such experts have been deployed and engaged in 48 completed or ongoing TIWB programmes. In addition, 12 programmes have been led by Roster experts. Regional or international partners substantially contribute to programme implementation and have also deployed 16 experts to support Host Administrations under TIWB programmes.

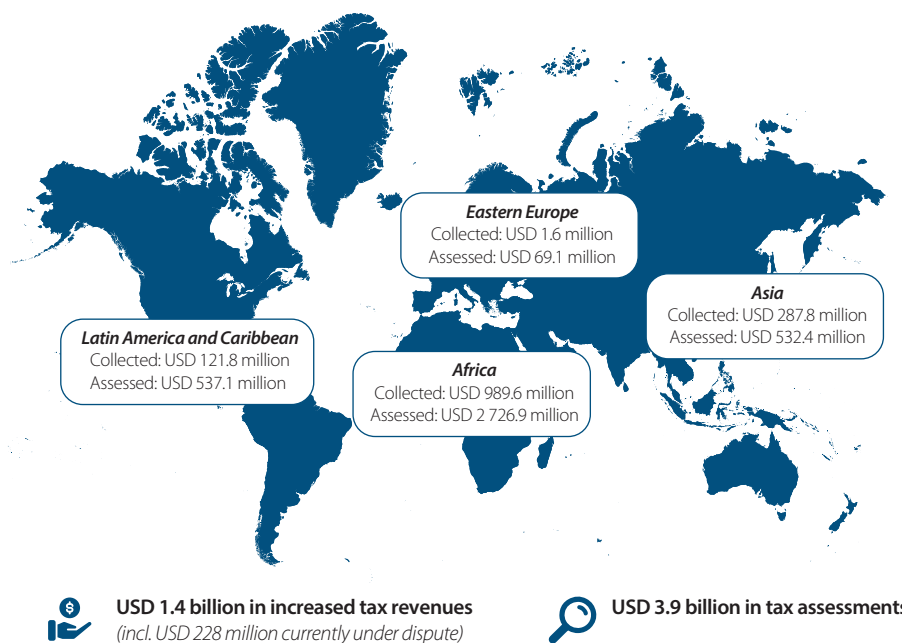
⁷ This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo’s declaration of independence.



Growing revenues and value for money

TIWB continues to help Host Administrations mobilise domestic resources by generating impressive revenue results. TIWB audit assistance, including anonymised casework conducted by ATAF/OECD/WBG, has helped Host Administrations issue tax assessments of USD 3.9 billion and collect more than USD 1.4 billion in additional tax revenue, as of 30 June 2021 (Figure 2.6).

Figure 2.6. Cumulative regionally reported revenue increases from TIWB assistance



Note: 2012 to June 2021. All reported revenues are generated through the collective work of development partners (incl. ATAF, IGF, WBG, among others).
Source: TIWB Secretariat

These results show that TIWB is having a significant, concrete impact on helping developing countries collect the taxes that are legally due. Furthermore, Mongolia's success under its first TIWB programme clearly demonstrates the dramatic and immediate impact TIWB can have for developing countries (see Box 2.4).

Box 2.4. Mongolian Tax Administration issues its first transfer pricing assessment

In 2020, TIWB reinforced its position as a trusted partner for tax administrations, with programmes taking on very significant audit cases in the mining sector, often building on countries' prior engagement in the OECD BEPS project and Global Forum. For example, Mongolia's TIWB programme officially launched in August 2019 to focus on audits of the extractives sector, supported by OECD and TIWB Roster experts, in collaboration with IGF. The extractives sector contributed to more than 80% of Mongolia's exports and 24% of the country's fiscal revenues in 2019.

The Mongolian Tax Administration (MTA) had no previous experience in transfer pricing audits and established its Transfer Pricing Unit in October 2019 based on recommendations provided by TIWB experts. The support effectively progressed remotely beginning in March 2020, with the experts working with local officials. Fourteen months after programme commencement, in December 2020, the MTA completed its first transfer pricing audit and issued its first transfer pricing tax assessment for approximately USD 228 million and a denial of USD 1.5 billion in carried-forward losses. This case represents a significant step forward for the MTA in executing its strategy to combat BEPS in the mining sector.

Note: The case currently remains under dispute

TIWB assistance can translate into crucial revenues for developing countries and Mongolia's results demonstrate how international co-operation is beneficial in fiscal matters. As it stands, for every USD 1 spent on TIWB activities, an average of USD 125 in supplementary tax revenues is generated by Host Administrations.⁸ The important increase in TIWB's value for money estimation since last year stems from relatively lower costs related to TIWB missions, which became completely virtual due to the COVID-19 pandemic travel restrictions as of March 2020.

Broader impact beyond tax assessments

Monitoring and evaluation tools for measuring the impact of TIWB programmes are being progressively improved. Initial recommendations from the stocktake are being implemented to improve effectiveness and increase standardisation of processes.

Beyond increased tax revenues collected, tax administrations supported by TIWB and other technical assistance providers (e.g. ATAF) are reporting a range of outcomes, including:

- skills development to conduct higher quality audits;
- improved internal tools, procedures and processes; and
- organisational improvements.

⁸ Cost data estimated by the TIWB Secretariat as of 30 June 2021.

These outcomes have been gleaned from expert mission reports and tax auditor self-assessments, as well as progress reviews and programme evaluations completed by Host Administrations and TIWB experts.

Skills and knowledge transfer

Overall, Host Administrations completing TIWB programmes report improvements for participating tax officials. Specifically, they highlight technical gains on effectively applying transfer pricing methodology, performing database searches, detailed risk assessments and functional analysis. Moreover, officials have strengthened their audit capacity by enhancing their drafting skills (especially for transfer pricing reports), and in conducting taxpayer interviews. Tax officials' increased confidence level has helped them engage in more fruitful and detailed case discussions on relevant facts. The current TIWB programme in Egypt demonstrates some of the wider impact on skills and organisational capacity beyond revenue (see Box 2.5).

Box 2.5. Outcomes beyond increased tax revenues in Egypt

The current TIWB programme with Egypt was launched in-country in 2019 and has continued to deliver capacity building support, providing virtual workshops to ETA officials during the pandemic. In 2020, 17 virtual workshops were conducted under this TIWB transfer pricing programme which supported the ETA in the following:

- finalising transfer pricing adjustments amounting to EGP 685 million (USD 98 million) leading to additional tax of EGP 154 million (USD 22 million) collected, as well as USD 10 million in related penalties;
- ensuring MNEs are taxed fairly by reaching equitable settlements with taxpayers subject to deemed assessments, resulting in final tax collected of EGP 154 million (USD 22 million) from initial deemed assessments of EGP 1.6 billion (USD 233.4 million); and
- assisting the ETA in developing end-to-end processes to ensure actual payment of additional transfer pricing related tax revenues.

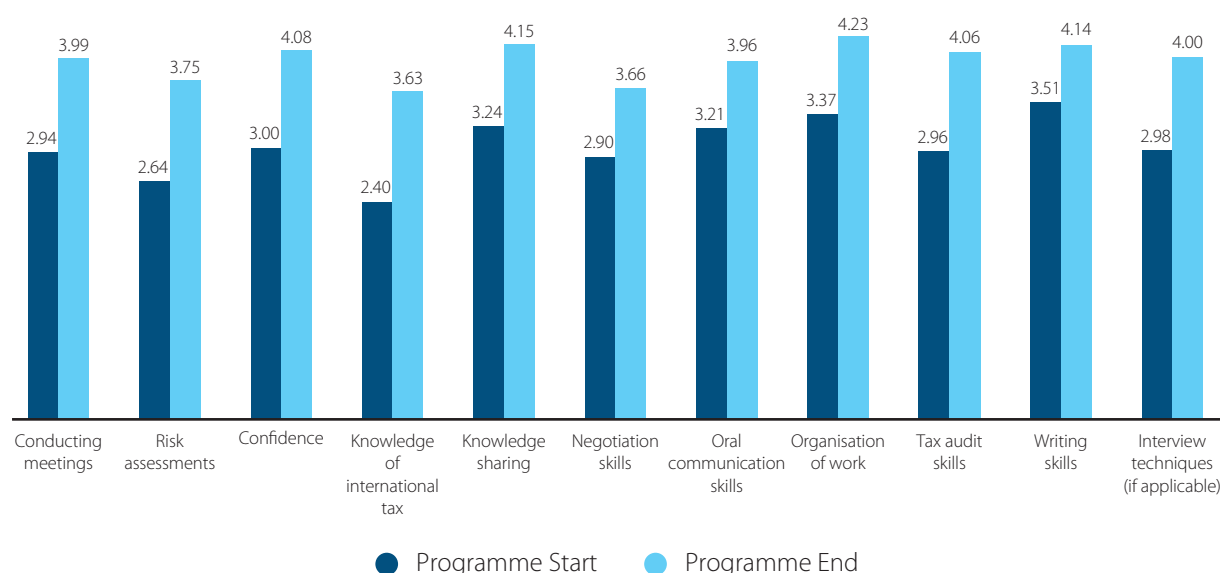
In November 2020, with the increase in the number of transfer pricing audit files and as a result of additional revenues from successful audits, the Egyptian Ministry of Finance (EMoF) decided to expand its Transfer Pricing Unit, hiring new auditors. The TIWB programme supported the EMoF in its screening of candidates for ETA's transfer pricing team. After conducting face-to-face interviews with 25 candidates, 10 successful applicants were appointed to the ETA Transfer Pricing Unit, resulting in a total of 20 transfer pricing auditors.

This TIWB programme brought to light the challenges encountered by ETA officials during transfer pricing audits and the importance of legislative reform to strengthen the rules and close loopholes. In 2020, this generated strong political support, driving significant amendments to the transfer pricing articles related to documentation, country-by-country reporting and related penalties.

The impact of TIWB assistance can be seen at multiple levels. Firstly, auditors' skills and organisational capacity have improved. As reported by ETA, there has been significant progress in terms of ETA transfer pricing auditors' ability to critically analyse taxpayers' transfer pricing documentation, appropriately use transfer pricing methodologies, perform comparable searches, and conduct transfer pricing audits with strong technical arguments and a results-oriented approach. Secondly, there has been a noticeable shift in taxpayers' attitudes, resulting in an improved response rate to the transfer pricing audit-related requests.

Additionally, the skills and knowledge transfer is evidenced by the self-assessments completed by 98 participating tax auditors, when surveyed at the start and end of each TIWB programme (see Figure 2.7). Further analysis of these results show that, compared to the previous year, overall increase in competencies is slightly reduced at 31% (compared to 33% in 2020). The main gains, however, were realised in the areas of international tax knowledge (+51%), conducting risk assessments (+42%) and general tax audit skills (+37%).

Figure 2.7. Self-reported competencies of auditors



Note: Auditor self-assessments performed at start and end of TIWB programmes in 11 categories, rated on a scale from 1 (Poor) to 5 (Excellent)

Source: Host Administration tax official self-assessments through 30 June 2021

Improved tools, processes and procedures

Together with TIWB experts, tax officials in Host Administrations have developed administrative manuals, risk assessment tools, guidance materials and practice notes on the interpretation of tax laws, and recommended changes to the draft transfer pricing legislation, regulations, and general audit processes. Such support helps in building long-term and sustainable capacity, as well as knowledge management in Host Administrations (see Box 2.6).

Box 2.6. Strengthening existing audit tools in Kosovo*

In Kosovo*, tax administration officials have benefitted from the support of an international tax expert sourced from the UNDP Roster of Experts. The deployment of the expert to the Tax Administration of Kosovo* (KTA) permitted the extensive review of the transfer pricing audit processes in place. One of the main deliverables of the programme was the design of a tool allowing the team to perform risk assessment exercises for more than 50 taxpayers. A transfer pricing audit manual and a transfer pricing report template were drafted for use on future audits. Moreover, training sessions around the transfer pricing manual were designed by KTA's transfer pricing team to deliver to KTA's large taxpayers auditors and regional auditors.

Organisational improvements

Support provided by TIWB experts has also helped create awareness within tax administrations of the need for special units and a dedicated team for transfer pricing tax audits in order to improve application of legislation and transfer pricing practices. Such organisational changes have led to more focussed and effective audits of MNEs (see Box 2.7).

Box 2.7. Entrenching transfer pricing audit capacity at the Maldives Inland Revenue Authority

The Maldives Inland Revenue Authority (MIRA) concluded its initial TIWB programme in July 2020 after receiving support from the Financial Directorate of the Slovak Republic. This was MIRA's first effort to develop transfer pricing expertise. A few months into the programme, the fruitful co-operation between MIRA senior managers led to the creation of a separate unit for transfer pricing audits within the organisational structure of the tax administration. The unit currently consists of four tax auditors and one head of unit, who have been specially trained on transfer pricing audits under the TIWB programme. The unit may be expanded in the future.

MIRA officials benefited from TIWB expert guidance in risk profiling, and recommendations on changes to draft transfer pricing regulations, transfer pricing documentation, and general audit processes. This work is crucial in order to establish a strong practice of transfer pricing audits in Host Administrations.

Implementation of stocktake recommendations

In May 2019, the OECD and UNDP had agreed to take stock of the TIWB initiative's progress since the partnership began in 2015, in order to identify what was working effectively and where gaps still existed, as well as to agree on an action plan of next steps. In particular, there was a need to address and systematise the ad hoc processes in the delivery of TIWB programmes, which were appropriate for the experimental development stage, but less suited to a more ambitious scale. In 2020/21, good progress has been made in the implementation of the stocktake recommendations, including the expansion of the TIWB Roster of Experts, production of an e-learning module, development of a mentorship programme and creation of an expert risk governance framework. Another key stocktake recommendation relates to the development of a comprehensive monitoring and evaluation system, which is described in Chapter 4: Objectives and Performance.

Expanded TIWB Roster of Experts

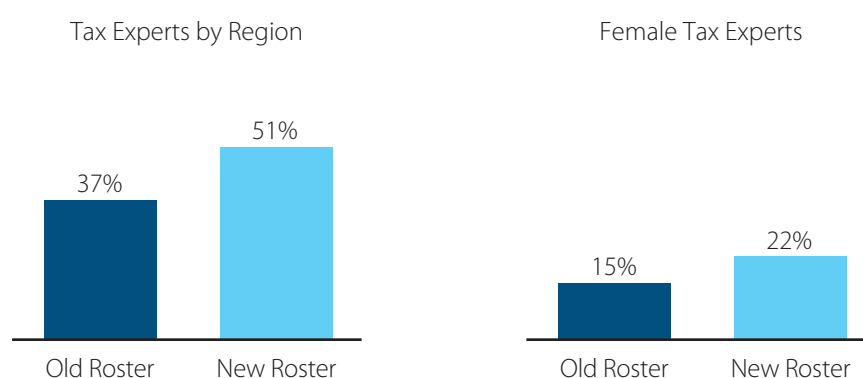
Ensuring that TIWB is able to meet programme demand for experts is fundamental to its success, and so maintaining a roster of experts to implement TIWB programmes is a high priority. In the first years of operation, Host Administrations were more likely to be in need of general transfer pricing audit assistance. However, demand for TIWB assistance has evolved and Host Administrations are increasingly precise about the types of help they need. In 2020, 6 out of the 18 TIWB assistance requests contained sector-specific focuses.

Thus, TIWB has expanded its capacity to deliver on these sector-specific requests by renewing and expanding the UNDP-managed Roster of Experts to include tax experts with more specialised and diverse expertise. The Roster now contains a strong pool of competent tax experts with varied industry expertise and language skills. TIWB is also partnering with other multilateral players, such as IGF, to complement the work of tax audit experts with that of industry experts in order to deliver a holistic package on tax audit support.

UNDP has implemented a new automated Global Policy Network (GPN) Express-One Platform to allow for quicker and more accurate matching of requests for Roster experts. Once terms of reference for a particular programme assignment have been drafted, the GPN is solicited to propose relevant candidates. These experts are then assessed and invited to interviews.

In expanding the Roster, the initiative has increased representation of female experts and experts from the Global South, a key objective set by the TIWB Governing Board. Figure 2.8 shows the distribution of female experts and experts from Global South in the expanded Roster of Experts, as compared to the former Roster.

Figure 2.8. Expanded TIWB Roster of Experts and gender statistics



Source: TIWB Secretariat / UNDP GPN

E-learning module for TIWB experts

Building on its experience of implementing capacity building programmes in developing countries for the past six years, TIWB will launch its first e-learning module destined for TIWB experts in Q4 2021. This interactive module will prepare experts ahead of programme deployment by giving insights on how to optimise support provided to local audit teams when delivering onsite or virtual missions. The module highlights interpersonal skills to foster sustainable knowledge sharing and where to find key information in order to learn more about the country or jurisdiction of deployment.

By completing the e-learning module, TIWB experts will be advised of the processes in place to ensure missions are conducted smoothly and securely, as well as the elements linked to continuous programme monitoring and evaluation. It contains important insights into the main challenges faced by experts during a TIWB programme and best practices established to address them. Finally, the e-learning module provides lessons learned to guide and prepare new TIWB experts for successful programme deployment.

The module will be accessible through the Knowledge Sharing Platform for Tax Administrations (KSP_{TA}).⁹

⁹ <https://ksp-ta.org/>.

Mentorship programme

Further to the stocktake recommendation, a TIWB mentorship programme will be established in the second half of 2021. Under the programme, a mentee expert will be selected and deployed to support a lead expert on a TIWB programme covering any area of TIWB assistance. The mentee will actively participate in supporting the Host Administration officials on real cases alongside the mentor, who will provide supervision and guidance. TIWB mentorship programmes may be conducted onsite and/or remotely.

Such mentorship programmes will provide an opportunity for experience sharing between tax administrations, as mentees and mentors provide co-ordinated support to Host Administrations, thus exchanging methods and guidance to learn from one another. Resulting acquired competences and knowledge may have a peer-to-peer learning effect as mentees become more experienced in training other officials within their own tax administration. Furthermore, TIWB promotes regional co-operation through these mentorship programmes involving tax administrations from the Global South.

The initiative continues to require highly trained and specialised experts to deliver its future programmes in transfer pricing, as well as in new areas of support to assist countries in mobilising their domestic resources. This mentorship programme will help address this need by training tax officials to become future TIWB experts.

During TIWB webinars held with stakeholders in the first quarter of 2021, more than 20 Host and Partner Administrations declared that their tax auditors might be willing to take up mentorship programmes as either mentors and/or mentees.

Expert Engagement Governance Framework

TIWB experts are involved in guiding work on large and strategic audit cases carried out by Host Administrations. As a means of ensuring that the support provided is adequate and devoid of any conflict of interest, TIWB has implemented an Engagement Governance Framework to assist experts during their deployment on programmes. This Framework covers guidelines and best practices to ensure quality of expert assistance during the audit cycle, from risk selection to the final stage of case completion. For example, a process to request a secondary expert opinion from an industry practitioner or second tax official during critical steps of the programmes is in place; criteria for such second opinions can be either qualitative or quantitative. The Engagement Governance Framework also specifies potential risk areas for experts and provides them with guidelines on handling such risks.



Events and Communications

Getting the message out to potential Host and Partner Administrations about the benefits and developments of TIWB, as well as ensuring that TIWB remains engaged with its stakeholders, continues to be a high priority for the Secretariat. In the past year, TIWB has been very active in organising and participating in a range of events, as well as maintaining an effective and diverse communications strategy.

Participation in international events

Throughout the previous year, TIWB organised and participated in a multitude of international events and fora held virtually in light of COVID-19 restrictions. This allowed the initiative to not only share its lessons learned, but also benefit from important feedback from stakeholders.

On 28 September 2020, TIWB Governing Board Co-Chairs, Angel Gurría (former Secretary-General, OECD) and Achim Steiner (Administrator, UNDP) launched the 2020 Annual Report at a high-level event in the margins of the United Nations' General Assembly. The side event, "Supporting Financing for Development in the Era of COVID-19 and Beyond through the Tax Inspectors Without Borders Initiative" assembled a panel of ministers and senior officials who examined how the TIWB approach of bringing countries together can tackle tax avoidance, tax evasion and illicit financial flows. The panel reflected on how the experiences from the initiative can be utilised to recover from COVID-19 and re-imagining a new future, specifically in the context of the "Financing for Development in the Era of COVID-19 and Beyond" process.

In January 2021, following the Inclusive Framework plenary, the OECD organised a Tax and Development Day, which included a dedicated session focused on "Next Steps for Tax Inspectors Without Borders". TIWB provided an update to the public on the initiative's expansion beyond auditing MNEs to new pilot areas and continued work during the COVID-19 pandemic. With 300 participants, the TIWB session had the second highest attendance out of the 12 virtual Tax and Development Day sessions.

In May 2021, the Secretariat participated in a hybrid webinar in collaboration with IGF and the Blavatnik School of Government (BSG), University of Oxford, chaired by TIWB Governing Board member, Sir Paul Collier. The webinar informed BSG students and alumni about TIWB's technical assistance in the mining sector and the initiative's expansion to areas beyond audit. It was attended by over 40 participants and featured presentations by the TIWB Secretariat, UNDP and IGF, followed by a lively question and answer session.

In June 2021, the Secretariat organised its annual Experts Roundtable and Stakeholders Workshop attended virtually by nearly 150 participants from 37 different jurisdictions and 6 international and regional organisations. Stakeholders were advised of the upcoming e-learning module, revised monitoring and evaluation of programmes, as well as plans for a mentoring programme and an update on the expansion of the initiative. Governing Board member, Ms. Mary Baine (Director of Tax Programmes, ATAF), chaired the two-day Stakeholders Workshop.

In addition, the Secretariat had the opportunity to present TIWB's new areas for expansion and provide an update on its activities at the following virtual meetings over the past year:

- Joint Directorate General of Taxes of Indonesia-OECD Virtual Capacity Building on Transfer Pricing (*July 2020*)
- FTA MAP Forum (*September 2020*)
- 8th Meeting of the Africa Initiative (*October 2020*)
- Joint National Tax Administration-ADB-OECD Virtual Capacity Building on MAP and APA (*October 2020*)
- Seminar on BEPS for the African Union Commission (*October 2020*)
- Tax Treaty Negotiations Toolkit Webinar (*November 2020*)
- 3rd Punta del Este Declaration Meeting (*November 2020*)
- 6th Regional Meeting on BEPS for Eurasian Countries (*November 2020*)
- Global Forum Plenary (*December 2020*)
- Forum on Tax Administration Capacity Building Network (*April 2021*)

Internally, webinars were held in English/French in March, April and November 2020 to engage with Host Administrations, experts and Partner Administrations on the challenges and successes of programme implementation during COVID-19 travel restrictions, as well as how to plan for the post COVID-19 era when work could resume onsite.

Communications

In order to ensure the continued support of its donors and Partner Administrations, TIWB endeavours to be transparent and publicise programme demand and successes. Through its different communication channels, the initiative shares information on its activities, programmes and results. Stakeholders are kept informed of progress and TIWB stays in close touch with programme focal points and regional organisations.

Moreover, the TIWB Secretariat held outreach calls in Q1 2021 to explore new ways to co-operate with regional organisations, including the African Development Bank, the Asian Development Bank, ATAF, CIAT, *Cercle de Réflexion et d'Echange des Dirigeants des Administrations fiscales* (CREDAF), IGF and the Pacific Islands Tax Administrators Association (PITAA).

Virtual meetings were organised to better understand expert availability and any resource constraints faced by Partner Administrations. TIWB engaged with focal points from almost all Partner Administrations, including Belgium, Chile, France, Germany, India, Italy, Mexico, Morocco, Netherlands, Slovak Republic, South Africa, Spain, Sweden, the United Kingdom and the United States.

TIWB regularly reports to important global institutions that monitor progress on key development initiatives, including the G20 Finance Ministers, the Inter-Agency Task Force on Financing for Development, the Addis Tax Initiative Monitoring Report, the Platform for Collaboration on Tax, and the Global Partnership for Effective Development Co-operation. The initiative also contributes to the OECD/G20 Inclusive Framework on BEPS Progress Report and the OECD's Tax Co-operation for Development Progress Report, both of which are issued annually.

UNDP is engaging relevant programmes and networks in the UN system and reporting on TIWB in a new SDG Finance newsletter.

Finally, the TIWB website (www.tiwb.org) continues to be a primary channel through which news and information about the initiative is disseminated. E-newsletters with updates on programmes, country experiences and insights were published in December 2020 and April 2021. The e-newsletters feature case studies about TIWB programmes and have included pieces on Georgia, Uganda, and Zambia over the last year.

Bimonthly newsletters are planned going forward to create a more continuous stream of information for stakeholders and the wider public. To increase subscriber numbers, a facilitated sign-up process for the TIWB newsletter was introduced in March 2021, with positive initial results.

Increasing TIWB's presence on social media via its official Twitter account (@TIWB_News) has been a renewed priority in improving transparency. Efforts have been made to share information about the initiative more frequently on the platform and to increase the number of engagements and followers. An uptick in both mentions and followers are evidence of these efforts.





4

Objectives and Performance

Each year the Governing Board agrees a detailed work plan to set TIWB's objectives for the coming year, instrumental in ensuring that progress can be clearly tracked. Coupled with this, the stocktake underlined a need to have a more granular, comprehensive system for monitoring and evaluating TIWB's impact to make sure it continues to respond to demand and deliver high quality, innovative capacity-building assistance.

Objectives

TIWB has ambitious objectives for 2021/22 and beyond, with the ultimate aim of enhancing domestic resource mobilisation for developing countries and encouraging a more predictable investment climate for taxpayers. The 2021/22 work plan was approved by the Governing Board and builds on the initial 2016-20 Objectives for the initiative. Progress against the 2020/21 Objectives can be found in Table 4.1.

Among other important tasks, the TIWB Secretariat plans to undertake the following activities in the coming year:

- Maintain existing TIWB programmes and commence new programmes in order to meet the goal of 100 completed or ongoing programmes by the end of 2021.
- Increase South-South co-operation in order to reach 20 South-South programmes by end 2021.
- Implement pilots for existing requests of eight criminal tax investigation and two effective use of AEOI data programmes, while exploring other emerging tax areas for TIWB.
- Develop relationships with at least three new Partner Administrations willing to deploy tax experts for TIWB programmes.
- Use various platforms at regional and international levels to increase visibility of TIWB programmes and ascertain developing countries' needs.
- Finalise the UNDP Roster of Experts selection process for six thematic areas.
- Launch new mentoring programmes with a particular focus on women, with a view to expand the participation of female experts from developing countries.

Since 2020, the initiative has demonstrated impressive flexibility to meet developing countries' demand. Even as the world moves beyond the pandemic, the challenges will not subside and 2021 has already presented developing countries with additional pressures stressing their tax capacities. TIWB stands ready to assist tax administrations meet these challenges in collaboration with its international development partners.

Performance

Essential to evaluating performance is assessing the progress made against the prior year's objectives. Overall, TIWB was able to continue operations in spite of the COVID-19 pandemic and achieve the majority of the 2019/20 objectives. These are set out below along with a report on progress.

Table 4.1. 2020 progress against objectives

Objective	Status
1 Maintain existing TIWB programmes and commence new programmes to meet the goal of 100 completed or ongoing programmes by the end of 2020.	Achieved 90 completed and ongoing programmes; progress was hindered due to complications emanating from the COVID-19 pandemic.
2 Implement five tax crime investigation and two effective use of AEOI pilot programmes, and develop concepts for the other emerging tax areas under TIWB.	Seven criminal tax investigation pilots and one upcoming effective use of AEOI pilot programmes. Concepts for Taxation and Environment Issues, as well as Digitalisation of Tax Administrations are under development.
3 Develop new relationships with at least five new Partner Administrations willing to deploy tax audit experts for TIWB programmes, with a particular focus on tax administrations from the Global South.	Three new Partner Administrations (Chile, Norway, and Sweden) will support TIWB programme deployments.
4 Increase South-South co-operation in order to reach 15 South-South programmes by December 2020.	15 South-South Programmes
5 Encourage stronger support from regional/ international organisations in delivery of TIWB programmes, including through facilitating at least two regional and/or sector-based capacity building workshops.	Key relationships strengthened. See Chapter 3 on Events and Communications.
6 Expand the TIWB offering in the LAC and Asia and the Pacific regions by 50% with the support of regional and international bodies.	With 7 new programmes commenced during the period July 2020 – June 2021, there are now 23 completed and ongoing programmes in these regions.

Objective	Status
7 Expand the UNDP Roster of Experts to include at least 10 new Spanish-speaking and at least 10 new French-speaking experts.	The UNDP Roster of Experts was renewed and will be finalised in the second half of 2021.
8 Disseminate two newsletters in three languages (English, French, and Spanish) and increase subscriber numbers.	The Secretariat published and disseminated two newsletters – in May and December 2020.
9 Publish the TIWB Annual Report in three languages (English, French, and Spanish).	The TIWB Annual Report was published in English, French, and Spanish in September 2020.
10 Launch three new mentoring programmes with a particular focus on women, with a view to expand the participation of female experts from developing countries.	The mentorship programme is under development. Progress was hindered due to complications emanating from the COVID-19 pandemic.
11 Maintain active engagement by at least 20 experts on the TIWB Experts Community of Practice using the Knowledge Sharing Platform (KSP _{TA}) to facilitate the exchange of experiences.	52 active TIWB experts are registered on the TIWB Expert Community of practice. Low engagement from experts - a strategy to increase traffic on the platform has been designed with the support of the KSP team at the Canada Revenue Agency.
12 Convene the TIWB Governing Board and organise update meetings with the TIWB Technical Advisory Group.	The TIWB Governing Board meeting was held on 27 April 2021. TIWB Technical Advisory Group was updated via email.
13 Organise a virtual Experts' Roundtable and Stakeholders' Workshop.	Both events were conducted successfully in June 2021.
14 Implement recommendations emanating from the stocktake exercise, including expansion into new tax areas.	Most of the stocktake recommendations were implemented. The e-learning module for TIWB experts, programme management solution and new monitoring and evaluation system are in progress.

Source: TIWB Secretariat

Monitoring and evaluation system

Recognising the importance of transparency around results for all stakeholders, a key recommendation from the stocktake exercise was to elaborate a comprehensive monitoring and evaluation system. The mechanical exercise of seeing whether annual objectives have been met is useful, but on its own does not answer the question of whether there is real progress on the ground within Host Administrations. TIWB has developed a “theory of change” for its programmes to clearly articulate each programme’s objectives and identify the inputs that contribute to its success. This new system has been informed by the experience of delivering capacity building programmes over the past six years through impact reporting by Host Administrations and TIWB experts.

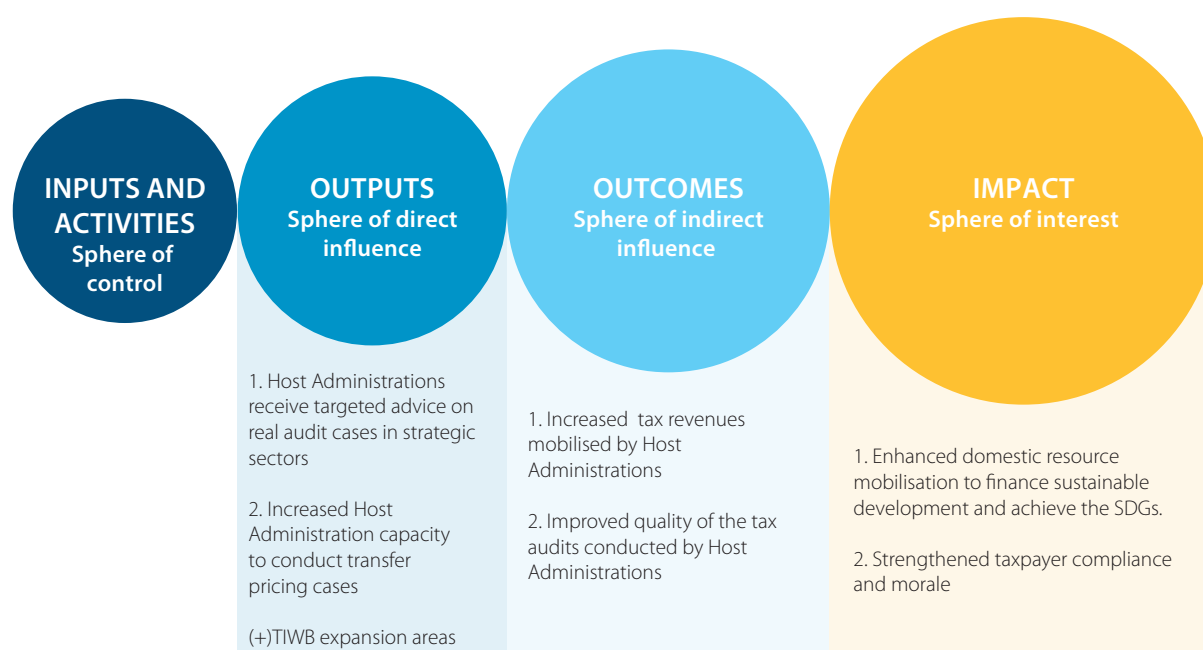
TIWB Programmes Theory of Change

The aim of the TIWB initiative is to promote positive change in the ability of Host Administrations to administer their tax laws. As part of the stocktake exercise, a “TIWB Programmes Theory of Change” was elaborated as a framework within which to understand and evaluate the desired long-term impacts of the inputs, programme activities and outputs of a TIWB programme. This theoretical framework provides a common understanding about the objectives of each TIWB programme as a basis for elaborating a comprehensive monitoring and evaluation system.

The Theory of Change is built on key assumptions that are essential to build the causal framework outlined above:

- Audit skills transferred to Host Administration auditors (tax officials) through the TIWB programme are used in new cases.
- Additional tax revenues generated by TIWB programmes are directed towards financing the SDGs.
- Host Administrations ensure sustainability of the programme and do not allow the TIWB expert to substitute local tax officials.

Figure 4.1. TIWB Programmes Theory of Change



Source: TIWB Secretariat

TIWB programme scorecard

To reflect the Theory of Change and ensure the TIWB initiative reaches its objectives, a TIWB Programme Scorecard has been created to harmonise the indicators used to assess the success of the assistance provided to Host Administrations. The scorecard aggregates not only results on revenue generation, but also wider outcomes of capacity building work and behavioural changes of MNEs. Overall, 21 indicators are included in this scorecard (Annex B) which features quantitative and qualitative measures of the outputs, outcomes and impacts of the support provided by TIWB experts to Host Administrations.

Utilised for each TIWB programme, the scorecard offers wider analytical capabilities of refined data on key outcomes of TIWB engagements in-country. To this end, the scorecard provides a common understanding of the starting point of each Host Administration to reflect on initial capacity, and the expectation of benefits stemming from the TIWB programme's capacity building. A thorough baseline evaluation will establish such initial capacity along the scorecard indicators and inform the Host Administrations and experts on each programme's priorities. In this regard, Host Administrations have provided detailed baseline data, collected through questionnaires developed by the initiative. Aggregating progress on such priorities through the scorecard will offer additional learning opportunities and analysis, such as regional differences and best practices to optimise knowledge transfer. Collecting such data systematically may also help Host Administration senior managers further prioritise areas of focus where assistance on cases is required.

The enhancement of TIWB's monitoring and evaluation mechanism has allowed the Secretariat to re-examine how knowledge transferred by TIWB experts creates long-term capacity for local audit teams. Furthermore, TIWB has created more in-depth programme reporting in order to increase its monitoring of the recommendations and techniques provided by experts.

To ensure alignment with all stakeholders, a consultation on the set of scorecard indicators was held to shed light on some important variables to take into account, while assessing the long-term impact of capacity building. The TIWB Secretariat involved programme participants throughout the development of the scorecard. In November 2020, approximately 20 representatives from Host Administrations and donors, TIWB experts from Partner Administrations and the Roster, were invited to comment on the scorecard indicator set initially proposed by the Secretariat. The collective work concluded with a dedicated workshop held on 10 March 2021 which helped gain consensus and gathered feedback on the methodology employed to ensure usefulness of results communicated to stakeholders.





A

Annex A. TIWB Programmes

Ongoing TIWB programmes (as of 30 June 2021)

#	Host Administration Country or Jurisdiction	Host Administration	Programme No.	Expert(s)	Commenced in	Number of Missions through June 2021	Total weeks in country
1	Armenia (1)	State Revenue Committee	F2018-0020	Serving tax official	2019	4	1
2	Benin (1)	<i>Direction générale des impôts</i>	F2017-0010	Serving tax official	2019	10	1
3	Bhutan (1)	Department of Revenue and Customs	F2019-0022	Serving tax official	2021	1	0
4	Botswana (5)	Botswana Unified Revenue Service	F2017-0014	Former tax official	2017	18	7
5	Cambodia (1)	General Department of Taxation	F2019-0024	Serving tax official	2020	6	0
6	Colombia (3)	<i>Dirección de Impuestos y Aduanas Nacionales</i>	F2018-0002	Former tax official	2018	1	0.5
7	Colombia (6)	<i>Dirección de Impuestos y Aduanas Nacionales</i>	F2020-0008	Serving tax official	2021	1	0
8	Dominican Republic	<i>Dirección General de Impuestos Internos</i>	F2018-0017	Serving tax officials	2020	1	0
9	Egypt (2)	Egyptian Tax Authority	F2019-0003	Roster Expert	2019	9	3
10	Egypt (3)	Egyptian Tax Authority	F2019-0004	Serving tax official	2020	5	2
11	Eswatini (1)	Eswatini Revenue Authority	F2017-0004	Serving tax official	2018	2	2

#	Host Administration Country or Jurisdiction	Host Administration	Programme No.	Expert(s)	Commenced in	Number of Missions through June 2021	Total weeks in country
12	Eswatini (2)	Eswatini Revenue Authority	F2018-0027	Former tax official	2020	1	1
13	Gabon (1)	<i>Direction Générale des Impôts du Gabon</i>	F2018-0013	Roster Expert	2019	1	1
14	Georgia (3)	Georgia Revenue Service	F2020-0005	Roster Expert	2021	1	0
15	Ghana (2)	Ghana Revenue Authority	F2019-0005	Serving tax official	2019	5	1
16	Ghana (3)	Ghana Revenue Authority	F2019-0006	Serving tax official	2019	1	1
17	Ghana (4)	Ghana Revenue Authority	F2020-0013	Former tax official	2020	5	0
18	Guinea (1)	<i>Direction nationale des Impôts</i>	F2019-0018	Serving tax official	2021	2	0
19	Kazakhstan	State Revenue Committee	F2020-0009	Former tax official	2020	5	0
20	Liberia (2)	Liberia Revenue Authority	F2017-0009	Serving tax officials	2017	3	3
21	Madagascar	<i>Ministère de l'Économie et des Finances</i>	F2019-0016	Serving tax official	2019	3	1
22	Maldives	<i>Maldives Inland Revenue Authority</i>	F2020-0002	Roster Expert	2021	1	0
23	Mali	<i>Direction générale des impôts</i>	F2019-0011	Serving tax official	2020	7	1
24	Mongolia	General Department of Taxation	F2019-0001	Former tax official	2019	17	2
25	Nigeria (2)	Federal Inland Revenue Service Nigeria	F2017-0011	Roster expert	2018	4	3
26	Nigeria (4)	Federal Inland Revenue Service Nigeria	F2020-0012	Former tax official	2019	6	0
27	Papua New Guinea (1)	Papua New Guinea Internal Revenue Commission	F2018-0014	Serving tax official	2019	3	2
28	Papua New Guinea (2)	Papua New Guinea Internal Revenue Commission	IE2018-02	Industry expert	2019	7	1
29	Papua New Guinea (3)	Papua New Guinea Internal Revenue Commission	F2020-0014	Former tax official	2020	1	0

#	Host Administration Country or Jurisdiction	Host Administration	Programme No.	Expert(s)	Commenced in	Number of Missions through June 2021	Total weeks in country
30	Sierra Leone	National Revenue Authority	F2018-0023	Serving tax official	2020	1	1
31	Sri Lanka (1)	Inland Revenue Department	L2016-0005	Former tax official	2016	5	4
32	Uganda (4)	Uganda Revenue Authority	F2019-0025	Former tax official	2019	13	2
33	Zambia (3)	Zambia Revenue Authority	IE2018-04	Industry expert	2018	8	4
34	Zambia (4)	Zambia Revenue Authority	F2019-0008	Former tax official	2019	17	6
35	Zambia (5)	Zambia Revenue Authority	F2020-0003	Serving tax official	2021	13	0
36	Zimbabwe (2)	Zimbabwe Revenue Authority	F2017-0001	Serving tax official	2019	4	3

Note: Numbers in parentheses indicate a unique identifier for countries/jurisdictions where multiple TIWB programmes are in place

Source: TIWB Secretariat

Ongoing TIWB pilot programmes (as of 30 June 2021)

#	Host Administration Country or Jurisdiction	Host Administration	Programme No.	Expert(s)	Commenced in	Missions till June 2021	Total weeks in country
1	Armenia (2)	State Revenue Committee	TC2019-0002	Serving tax officials	2019	1	0.5
2	Colombia (5)	<i>Dirección de Impuestos y Aduanas Nacionales</i>	TC2019-0001	Former tax official	2019	1	1
3	Honduras	<i>Servicio de Administración de Rentas</i>	TC2019-0005	Serving tax official	2021	1	0
4	Kenya (2)	Kenya Revenue Authority	TC2019-0004	Former tax official	2019	1	0.5
5	Pakistan (2)	Federal Board of Revenue	TC2018-0002	Serving tax official	2019	1	1
6	Tunisia (1)	<i>Direction Générale des Impôts</i>	TC2019-0006	Serving tax official	2020	2	0
7	Uganda (3)	Uganda Revenue Authority	TC2019-0003	Serving tax official	2019	1	0.5

Note: Numbers in parentheses indicate a unique identifier for countries/jurisdictions where multiple TIWB programmes are in place

Source: TIWB Secretariat

Completed TIWB programmes (as of 30 June 2021)

#	Host Administration Country	Host Administration	Programme No.	Expert	Term	Missions completed	Total weeks in country
1	Albania	Albanian Tax Directorate	F2015-0001	Serving tax officials	2015	1	52
2	Botswana (1)	Botswana Unified Revenue Service	L2015-0003	Former tax official	2015 – 2017	4	4
3	Botswana (2)	Botswana Unified Revenue Service	F2016-0006	Serving tax officials	2016 – 2018	5	5
4	Botswana (3)	Botswana Unified Revenue Service	IE2017-01	Industry expert	2017	1	0.5
5	Cambodia (1)	General Department of Taxation	L2016-0003	Former tax official	2016	1	1
6	Cameroon (1)	<i>Direction Générale des Impôts</i>	F2017-0002	Serving tax officials	2017 – 2019	7	6
7	Cameroon (2)	<i>Direction Générale des Impôts</i>	F2018-0012	Serving tax official	2019	6	6
8	Central African Republic	<i>Direction générale des impôts et des domaines</i>	F2019-0009	Serving tax official	2020 - 2021	2	1
9	Chad	<i>Direction Générale des Impôts</i>	F2018-0010	Serving tax official	2019 - 2021	5	4
10	Colombia (1)	<i>Dirección de Impuestos y Aduanas Nacionales</i>	L2012-0001	Former tax official	2012 – 2014	9	8
11	Colombia (2)	<i>Dirección de Impuestos y Aduanas Nacionales</i>	F2018-0001	Serving tax official	2018 - 2021	7	4
12	Congo (Republic of)	<i>Direction Générale des Impôts et des Domaines</i>	F2016-0012	Serving tax official	2017	5	4.5
13	Costa Rica (1)	<i>Dirección General de Tributación</i>	F2016-0005	Serving tax officials	2016 – 2017	5	4
14	Costa Rica (2)	<i>Dirección General de Tributación</i>	F2018-0011	Serving tax officials	2018	2	2
15	Côte d'Ivoire	<i>Direction Générale des Impôts</i>	F2017-0005	Serving tax official	2018	6	6
16	Egypt (1)	Egyptian Tax Authority	F2016-0011	Roster expert and Egyptian tax expert	2017	7	7
17	Ethiopia (1)	Ethiopian Revenues and Customs Authority	F2016-0016	Serving tax officials	2015	9	10
18	Ethiopia (2)	Ethiopian Revenues and Customs Authority	IE2018-01	Industry expert	2018	1	0.5

#	Host Administration Country	Host Administration	Programme No.	Expert	Term	Missions completed	Total weeks in country
19	Georgia (1)	Georgia Revenue Service	F2016-0008	Roster expert	2016 – 2017	3	3
20	Georgia (2)	Georgia Revenue Service	F2017-0013	Roster expert	2018	4	4
21	Ghana (1)	Ghana Revenue Authority	F2014-0001	Serving tax officials	2013 – 2018	9	8.5
22	Honduras (1)	<i>Servicio de Administración de Rentas</i>	F2019-0007	Roster expert	2020 - 2021	6	1
23	Jamaica (1)	Tax Administration Jamaica	F2016-0004	Former tax official	2016	4	5
24	Jamaica (2)	Tax Administration Jamaica	F2016-0013	Serving tax official	2017	7	13.5
25	Jamaica (3)	Tax Administration Jamaica	IE2019-02	Industry expert	2019	1	1
26	Kenya (1)	Kenya Revenue Authority	L2012-0002	Former tax official	2020	16	14
27	Kenya (3)	Kenya Revenue Authority	IE2019-01	Industry expert	2019	1	1
28	Kosovo*	Tax Administration of Kosovo*	F2017-0008	Roster expert	2018	6	6
29	Lesotho	Lesotho Revenue Authority	F2015-0003	Serving tax officials	2015 – 2019	11	12
30	Liberia (1)	Liberia Revenue Authority	F2016-0002	Roster expert	2016 – 2018	10	10.5
31	Liberia (3)	Liberia Revenue Authority	IE2016-01	Former tax official	2016 – 2018	7	7.5
32	Malawi	Malawi Revenue Authority	L2016-0002	Serving tax officials	2016 – 2017	5	5
33	Maldives (1)	Maldives Inland Revenue Authority	F2018-0004	Serving tax official	2018	6	5
34	Nigeria (1)	Federal Inland Revenue Service	F2016-0003	Roster expert	2016 – 2018	6	7
35	Nigeria (3)	Federal Inland Revenue Service	L2018-0001	Former tax official	2018	2	2
36	Pakistan (1)	Federal Board of Revenue	F2018-0016	Serving tax officials	2018	4	4

#	Host Administration Country	Host Administration	Programme No.	Expert	Term	Missions completed	Total weeks in country
37	Peru (1)	<i>Superintendencia nacional de administración tributaria</i>	L2017-0001	Former tax official	2016	2	1.5
38	Rwanda	Rwanda Revenue Authority	F2016-0014	Serving tax officials	2017	2	2.5
39	Senegal (1)	<i>Direction Générale des Impôts et des Domaines</i>	F2015-0002	Serving tax officials	2014 – 2015	6	5
40	Senegal (2)	<i>Direction Générale des Impôts et des Domaines</i>	F2016-0007	Serving tax officials	2017 – 2018	5	5
41	Uganda (1)	Uganda Revenue Authority	F2016-0010	Roster expert and former tax official	2017	10	19
42	Uganda (2)	Uganda Revenue Authority	L2016-0001	Former tax official	2016	4	4
43	Ukraine	State Fiscal Service of Ukraine	F2017-0012	Roster expert	2020	2	3
44	Viet Nam (1)	General Department of Taxation, Ministry of Finance	L2016-0006	Former tax official	2015	4	3
45	Zambia (1)	Zambia Revenue Authority	L2015-0001	Former tax official	2016	3	2
46	Zambia (2)	Zambia Revenue Authority	F2018-0009	Serving tax official	2018	7	7
47	Zimbabwe (1)	Zimbabwe Revenue Authority	L2015-0002	Former tax official	2016	4	3

Note: Numbers in parentheses indicate a unique identifier for countries/jurisdictions where multiple TIWB programmes are in place

Source: TIWB Secretariat



Annex B.

TIWB Programme Scorecard

#	Output/Outcome/ Impact	Indicators
1	Output	Number of cases reviewed during the programme / Number of pending cases
2	Output	Host Administration appreciation of the TIWB support and the TIWB expert(s)
3	Output	Number of tax auditors trained / total number of tax auditors in the Host Administration's Large Taxpayer Unit
4	Output	Proportion of females amongst trained tax auditors
5	Output	Number of educational programmes and/or materials developed or reviewed with the support of TIWB experts
6	Output	Average increase in auditor self-confidence
7	Output	Average increase in capacities based on needs identified during the first missions
8	Output	Evidence of techniques used in between missions / audit cases
9	Outcome	Tax collected and loss offset (in cases for which TIWB experts supported Host Administration tax experts) / total corporate income tax collected on Transfer Pricing (or Large Taxpayer) cases
10	Outcome	Tax collected and loss offset / Tax assessed on TIWB-reviewed cases
11	Outcome	Tax collected / TIWB programme cost
12	Outcome	Average tax assessed on each case reviewed with TIWB support
13	Outcome	Number of recommendations implemented relating to organisational improvement

#	Output/Outcome/ Impact	Indicators
14	Outcome	Growth in the number of transfer pricing audit cases reviewed per year
15	Outcome	Number of companies redressed / Number of companies selected for audit after risk assessment
16	Outcome	Transfer Pricing Unit's average number of years of experience
17	Impact	Percentage increase in Tax-to-GDP Ratio ¹⁰
18	Impact	Increased proportion of domestic budget funded from domestic revenue
19	Impact	Percentage of MNE filings complete as per existing regulations.
20	Impact	Percentage of MNEs requesting or making voluntary adjustments to their tax filing
21	Impact	Tax official perception of MNE behaviour

¹⁰ Impact measures may be rather distant from direct TIWB programme outputs, yet highlight the contribution of the latter in commonly used measures to assess the effectiveness of tax systems. It should be noted that TIWB programmes may only contribute marginally to changes in these measures.



Annex C. TIWB Governing Board

Former Board member H.E. Ngozi Okonjo-Iweala, commented that “Billions of dollars of tax due still remain outside the reach of most developing countries tax administrations. The TIWB initiative must continue to play its role as a catalyst to encourage businesses to uphold higher standards of responsible tax behaviour and avoid the reputational risks associated with aggressive tax planning.”

The TIWB Governing Board is co-chaired by the heads of the OECD and UNDP and includes an illustrious group of ministers, commissioners and academics. As per recommendation of the stocktake, the Board was expanded in 2020. An additional four members joined the Board, two women and two men, representing Africa, Asia, Europe, and LAC, retaining gender and regional balance. In addition, on 1 June 2020, Mr. Angel Gurría was succeeded as Secretary-General of the OECD by Mr. Mathias Cormann, who now assumes the role of Co-Chair. The Board is currently comprised of the following members:



Mathias Cormann
Secretary-General of the OECD, Co-Chair



Achim Steiner
Administrator of UNDP, Co-Chair



John Christensen
Chair of the Board of Tax Justice Network



Sir Paul Collier
Professor, Oxford University



Bob Hamilton
Commissioner of the Canada Revenue Agency



Sigrid Kaag
Minister for Foreign Trade and Development in the Netherlands



Mary Baine
Director of Tax Programmes, ATAF



Nora Lustig
Professor of Latin American Economics and Director of the Commitment to Equity Institute (CEQ) at Tulane University



Dr. Ekniti Nitithanprapas
Director General, Revenue Department of Thailand



Ville Skinnari
Minister for Development Co-operation and Foreign Trade, Finland

TIWB's Development Partners

European Union



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Germany



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Ireland



Irish Aid
Rialtas na hÉireann
Government of Ireland

Japan

財務省

Ministry of Finance, JAPAN

Luxembourg

LUXEMBOURG
AID & DEVELOPMENT



THE GOVERNMENT OF THE GRAND-DUCHY OF LUXEMBOURG
Ministry of Finance

The Netherlands



Ministry of Foreign Affairs

Norway



Norad

Sweden



Sweden
Sverige

Switzerland



Schweizerische Eidgenossenschaft
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Swiss Confederation

Federal Department of Economic Affairs,
Education and Research, EAER
State Secretariat for Economic Affairs SECO

United Kingdom



UKaid
from the British people

Tax Inspectors Without Borders

ANNUAL REPORT 2021

This report looks back at TIWB's achievements from July 2020 to June 2021, during a time when the COVID-19 pandemic had a huge impact on the health of both people and economies, with developing countries hit the hardest. Over the past year, governments have been caught between the need to provide income support and liquidity to individuals and businesses and trying to maximise revenue collection to finance spending programmes. In a period of tight fiscal space, and as tolerance for tax avoidance and evasion continues to drop, this report demonstrates the clear relevance TIWB has for making a practical impact on domestic resource mobilisation in developing countries. With its niche mandate and a track record of efficient and effective revenue collection for tax administrations, TIWB can help countries raise the revenues needed to overcome the pandemic's socio-economic repercussions.

Chapter 1 describes TIWB and its relevance in the context of the COVID-19 pandemic. Chapter 2 provides details on TIWB activities, trends and achievements and provides information on results obtained and lessons learned over the past year. Chapter 3 highlights TIWB participation at international events and the initiative's communications. Finally, Chapter 4 sets out the work plan for the year and provides an overview of the previous year's objectives and performance.

For more information:



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