

GLOBAL FORUM ON
**TRANSPARENCY AND EXCHANGE OF
INFORMATION FOR TAX PURPOSES**

10 Years of Capacity Building

2022 GLOBAL FORUM CAPACITY BUILDING REPORT



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Preface

During the last ten years, the Global Forum has assisted its member jurisdictions in implementing and benefiting from the standards on transparency and exchange of information for tax purposes.

From its modest beginnings, the capacity-building programme has gradually grown to become one of the core activities of the Global Forum Secretariat. The programme has adapted and expanded to meet the diverse and growing needs of Global Forum members, more than half of which are developing countries as of 2017. It has followed the evolution of the international standards with the adoption of the standard on automatic exchange of financial account information in 2014 and the strengthening of the standard on exchange of information on request in 2015. It has also coped with the challenges imposed by exogenous factors, of which the COVID crisis is an example.

Reactivity, innovation and partnership have been at the core of the programme, which has reinvented itself to provide the best assistance possible at the appropriate time taking into account the resources available.

Over the past decade, new training programmes have been launched to train tens of thousands of tax officials in the cross-border exchange of information and to challenge preconceptions about the difficulty and length of administrative cooperation procedures. Development knowledge tools, such as e-learning courses, toolkits and manuals, have been released to support the implementation of the tax transparency standards and to enhance tax officials understanding and knowledge. Technical assistance has been delivered to almost all the 163 Global Forum members through tailored assistance but also comprehensive long-term induction programmes offered since 2015 to new member countries.

Eventually, strong regional initiatives have been put in place with regional member countries, regional technical organisations and development partners to advance the tax transparency agenda by responding to regional issues and benefiting from a regional dynamic.

The capacity-building programme has been impactful with an increased participation of developing countries to the tax transparency work. The vast majority of the developing members have effectively implemented the standards and a growing number of them are using these standards to tackle tax evasion and other illicit financial flows and thus mobilise sustainable domestic revenues. The encouraging results obtained have been made possible thanks to the trust and continuous support from donor organisations, the solid partnership established with global and regional technical organisations and development partners, the willingness of member countries to share experience and the commitment of the women and men who have contributed to this programme from its inception.

We have no doubt that the ingredients that have made the programme so successful will contribute to further the success over the next 10 years.

10 Years of Capacity Building

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Abbreviations and acronyms

ADB	Asian Development Bank
AEOI	Automatic Exchange of Financial Account Information
AfDB	African Development Bank
ATAF	African Tax Administration Forum
AU Commission	African Union Commission
CIAT	Inter-American Centre for Tax Administrations
CREDAF	Cercle de Réflexion et d'Échange des Dirigeants des Administrations Fiscales
CRS-MCAA	Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information
ECOWAS	Economy Community of West African States
EOI	Exchange of Information
EOIR	Exchange of Information on Request
Global Forum	Global Forum on Transparency and Exchange of Information for Tax Purposes
IDB	Inter-American Development Bank
IFF	Illicit Financial Flow
ISM	Information Security Management
KSPTA	Knowledge Sharing Platform for Tax Administrations
MAAC	Convention on mutual administrative assistance in tax matters
PITAA	Pacific Islands Tax Administrators Association
SGATAR	Study Group on Asian Tax Administration and Research
VC	Voluntary Contributions
WAEMU	West African Economic and Monetary Union
WATAF	West African Tax Administration Forum
WBG	World Bank Group

Executive summary

The capacity-building programme of the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) reached its 10-year mark in 2021. This report presents how the programme emerged, evolved and grew over the years, takes stock of the achievements and outlines the strategy for the future. The Global Forum continues to work toward improving the effectiveness of the support provided to members, taking into account their diversity and specific needs, resources available and the impact of actions on the ground.

This anniversary provides an opportunity to take stock of the tremendous progress made:¹

- With a majority of its members being developing countries, capacity-building activities have reached a global scale with 75 jurisdictions receiving assistance in 2021 alone. Progress has been made in 36 ongoing Induction Programmes and tailored assistance has been provided to 34 member jurisdictions. Five jurisdictions received pre-membership assistance.
- Since 2011, 22 000 officials from all over the world attended 316 seminars, workshops and trainings organised by the Global Forum. Five e-learning courses have been made available in 2019-21 and already taken by nearly 5 200 officials. To further enhance its training package, in 2021, the Global Forum launched the Train the Trainer programme under the umbrella of the Africa Initiative. The pilot programme covered 17 African countries and aimed at boosting local training capacity.
- In addition to trainings, member jurisdictions have also been provided with seven practical toolkits in 2019-21, helping them navigate through core aspects of the effective implementation of the standards on transparency and exchange of information (EOI).
- Members positively rated the technical assistance (4.6/5) and training programmes (4.4/5).
- This work has evident impact. Since 2011, 66 developing jurisdictions have joined the Convention on Mutual Administrative Assistance in Tax Matters (MAAC), which is already in force for 56 of them. Most of the developing countries have satisfactorily implemented the standard on exchange of information on request. Out of the 108 jurisdictions committed to implement the standard of automatic exchange of financial account information (AEOI) by 2021, 36 are developing jurisdictions. The implementation of AEOI by developing countries is taking off with 12 additional developing countries committed to exchange in 2022-24 and others considering a suitable date for starting their first automatic exchanges with the support of the Secretariat.
- Since 2009, developing countries have progressively taken ownership of EOI tools, benefiting from enhanced training. For example, while developing countries which replied to the Global Forum survey sent an average of 44 requests per year in the period 2009-11, they almost doubled this number in the period 2012-20 (82 requests on average). In total, developing countries sent almost 30 000 requests for information between 2009 and 2020.
- EUR 30 billion of additional revenue were identified by developing countries through offshore tax investigations and voluntary disclosure programmes.

1. Global Forum Secretariat / OECD (2021), *Capacity-building activities (2011-2021)*, available at www.oecd.org/tax/transparency/documents/capacity-building-key-figures-2011-2021.pdf.

Executive summary

In addition, the 2022 Global Forum Capacity Building report provides an update on the capacity-building programme and outreach activities carried out since the 2021 report.² This report sets out the technical assistance and trainings activities provided in 2021 in the context of the COVID-19 pandemic.

Into the second year of the pandemic, the Global Forum continued to implement its Action Plan to best address the needs for assistance and support of its members, in particular developing countries, in a context of increased demand. Assistance was provided remotely through videoconferencing, and new programmes and trainings were launched, building up on synergies fostered in 2020.

The three high-level objectives of the Global Forum capacity-building programme (widespread members engagement, effective implementation and practical use of the standards) aim at ensuring that more and more developing countries appropriately implement the standards and benefit from transparency and exchange of information for tax purposes to tackle offshore tax evasion and increase their revenues.

Members' engagement continued with new commitments to the standards, despite the impossibility to meet with decision-makers on the ground. New jurisdictions signed and ratified the MAAC, committed to a specific date to exchanging information automatically and joined regional initiatives (Africa Initiative and Punta del Este Declaration). The launch of the Asia Initiative in 2022 seeks to replicate the benefits and proven efficiency generated by other regional capacity-building programmes, while also benefitting from the momentum created by Indonesia's 2022 and India's 2023 G20 Presidencies.

Effective implementation and practical use of the standards were reinforced in 2021 with specific and tailored-made trainings. The desk-based assistance focused on improving legal frameworks for tax transparency as well as on operational and organisational aspects of exchange of information through the provision of country-level advice.

2. Global Forum Secretariat / OECD (2021), *Developing Capacities in Times of COVID-19, 2021 Global Forum Capacity Building Report*, available at www.oecd.org/tax/transparency/documents/2021-Global-Forum-Capacity-Building-Report.pdf.

Introduction

2021 marked the 10-year anniversary of the capacity-building programme of the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum). Launched in 2011, it grew substantially to respond to the members' needs in implementing, first, the standard of transparency and exchange of information on request (EOIR) and, then, the standard for automatic exchange of financial account information (AEOI). With developing countries representing more than half of the membership, technical assistance and outreach have been a key component of the Global Forum's achievements in ensuring the implementation of the tax transparency standards.

While the pandemic continued to affect the world, the demand from Global Forum members for assistance remains high. Jurisdictions are designing post-pandemic strategies, which will likely include fighting tax evasion and other illicit financial flows (IFFs) for fiscal consolidation. In this context, tax transparency is a key component of the recovery. More broadly, jurisdictions are eager to continue delivering on their commitments in view of upcoming EOIR and AEOI peer reviews. The Global Forum Secretariat consolidated the remote work initiated in 2020, in delivering diversified virtual trainings, in publishing new toolkits and assisting jurisdictions in the implementation of the international standards through desk-based work. The Secretariat managed to ensure the continuity of its capacity-building activities, while increasing its support to jurisdictions.

- This report highlights the successes of the capacity-building programme over the past decade and presents its latest developments:
- The first chapter highlights the evolution and growth of the capacity-building programme over the past 10 years and its main achievements.
- The second chapter provides an overview of capacity-building activities carried out by the Global Forum in 2021.
- The third chapter presents the collaboration with partners and the critical support from donors.



1 | Ten years of capacity building

The last year marked the 10th anniversary of the capacity-building programme of the Global Forum. Launched in 2011, it grew substantially over the past decade in response to significant changes and new challenges in the global tax transparency landscape. The programme expanded during this period in order to keep pace with members' increasing needs, new forms of tax co-operation and the growth of interest in transparency and exchange of information from development partners and regional organisations.



With a majority of its members being developing countries¹ since 2017, technical assistance and outreach have been integral to the Global Forum's success in ensuring the effective implementation of the tax transparency standards at a truly global level.

The Global Forum was fundamentally transformed in 2009 to become the inclusive organisation that it is today. Set up in 2011, the capacity-building programme grew and evolved over the past ten years to respond to the demand of the members in the implementation of the EOIR and AEOI standards. Through the development of new tools and approaches that enable distant support, the capacity-building programme continues to deliver assistance to members despite the limitations imposed by the pandemic.

PATHWAY TO AN INCLUSIVE GLOBAL FORUM

The Global Forum was originally launched in 2000 with 32 members. It was exclusively comprised of OECD member countries and international financial centres that had committed to implementing the standard on transparency and EOIR. However, the 2008 financial crisis and a series of tax scandals that exposed the abuse of banking and company secrecy laws led to a fundamental change in the demands and objectives of multilateral co-operation on tax transparency.

In April 2009, the G20 leaders meeting in London took a decisive step against opacity and stated through their communique that “[t]he era of banking secrecy is over”.² The Global Forum was at that point entrusted with the implementation of the international standard on transparency and exchange of information for tax purposes on a global basis.

In September 2009, a major restructuring of the Global Forum took place, turning a new page in its institutional history. The Global Forum opened its membership to all jurisdictions that share its values, becoming an inclusive body. The Global Forum was then joined by 88 jurisdictions. The organisation was entrusted with monitoring the implementation of the EOIR standard, with the establishment of a robust peer review mechanism.

DEVELOPMENT OF A CAPACITY-BUILDING PROGRAMME

At its 2010 Leaders' Summit in Seoul, the G20 asked the Global Forum to further enhance its work to counter tax evasion in developing countries and help deliver the Sustainable Development Goals, underlining the strong relationship between tax transparency and development.³

In response to this call, the Global Forum initiated its capacity-building programme in 2011. Over the past decade, the role of the Global Forum has increased as a reflection of ambitious international efforts towards tax transparency and co-operation. The same occurred in relation to its capacity-building programme, with a progressive change in the scope, nature and intensity of the support offered to member countries across all areas of work. The participation of developing countries in the tax transparency work has almost doubled since 2009, now representing more than half of the membership.

In September 2009, a major restructuring of the Global Forum took place, turning a new page in its institutional history. The Global Forum opened its membership to all jurisdictions that share its values, becoming an inclusive body.

1. As defined by the OECD Development Assistance Committee's list of countries and territories eligible to receive official development assistance (www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dac-list.htm).

2. G20 Communiqué: London Summit – Leaders' Statement from 2 April 2009, www.imf.org/external/np/sec/pr/2009/pdf/g20_040209.pdf.

3. G20 Communiqué: Seoul Summit – Leaders' Statement from 11 November 2010, www.treasury.gov/resource-center/international/Documents/1%20%20FINAL%20SEOUL%20COMMUNIQUE.pdf.

1. Ten years of capacity building

“ Since 2011, the Global Forum’s member countries and its Secretariat have been on a journey together to understand how to apply the international standards of transparency and exchange of information and traditional Global Forum methods, such as peer review, on a global basis.



It was apparent early on that there were dramatic differences in countries’ capacities to implement the standards. The challenge was to build the readiness of tax administrations, especially those in developing countries, to implement something new in a way that related to their context.

For the standards to become globally practiced mechanisms of transparency and exchange of information new tools, protocols and procedures needed to be developed. And supposed limits on some Global Forum activities had to be crossed on a two-way shared learning journey.

Ten years later the wedge between developed and developing countries has narrowed. The capacity building programme that started in 2011 is closing the gap. It has had an impact on member countries, their officials, taxpayers, and the Global Forum itself. New members have been encouraged to join the Global Forum and sign up for the standards. It has provided member countries, thousands of their officials, and the Secretariat, with significant learning opportunities. Moreover, it has shown that this knowledge can be taken out of the manuals, workshops and seminars and has real purpose with important consequences for tax revenue.

The report’s graphs and statistics describe in more detail the various achievements of the last ten years. But there is a gap between statistics and experience. It was a great privilege and a hugely satisfying experience to have participated in this work as progress depended very much on building trust, developing meaningful relationships with colleagues all over the world, and collaborating in finding practical solutions.

Thanks go to all who have worked on this programme over the last ten years – to the member countries, particularly developing countries, their tax officials and those who gave us access to policy circles; to our donors without whose foresight and support the work could not have been undertaken; to our international organisation partners and to all the committed staff at the Secretariat who have made such a significant contribution to “levelling up” capacity between member countries.

”

Mr Dónal Godfrey, Former Deputy-Head of the Global Forum Secretariat in charge of the capacity-building programme

While each year had its own specific circumstances and demands, the evolution of the work carried out by the capacity-building programme can be grouped into four distinct periods over the past decade.

First steps on technical support (2011-2012)

During its initial two years, the capacity-building work of the Global Forum took place mainly through seminars developed for the training of assessors⁴ – officials of member countries interested in participating in the EOIR review process – and regional seminars organised with development partners focused on preparing jurisdictions to undergo upcoming review procedures. In the first year of the initiative, the Global Forum organised three regional seminars to prepare jurisdictions for their peer review. Held in Jamaica, Australia and South Africa, the seminars were

4. By 2012, the Global Forum had organised five distinct Assessor Training Seminars where 221 assessors from 71 jurisdictions and 5 international organisations received training in the EOIR standard and the peer review methodology.

supported by eight Global Forum members and six international organisations, being attended by over 100 participants from 66 jurisdictions. In 2012, four additional seminars reached over 140 participants.

Through presentations, case studies and group exercises, regional seminars helped jurisdictions understand the peer review process, including the implications of its assessment, and coordinate technical assistance opportunities for the effective implementation of the EOIR standard.

In addition to the seminars, the Global Forum set up its initial framework to provide technical advice on the request of jurisdictions (advising over 40 member jurisdictions in the two-year period), facilitated the expansion of networks for exchange of information (EOI) and developed a platform for the international coordination of technical assistance efforts.

The first pilot programmes were also launched in this period. Based on a triangular model that brings together the Secretariat, an advanced Global Forum member and/or development partner – which provide funding and technical support – and a developing member, pilot programmes deliver in-depth technical assistance for the implementation of the standard. The United Kingdom and the World Bank Group (WBG) pioneered in 2012 the initial programmes, aimed at improving EOI capability in advance of peer review procedures in Kenya and Ghana.⁵

Creation of a dedicated unit (2013-2015)

With the establishment of a dedicated unit focused on capacity building in 2013, the Global Forum took a decisive step towards creating a permanent structure allocated to support members in implementing and benefiting from EOI standards. The creation of the unit marked an increase in the offer of training activities and direct support to member countries, with continued participation of partner organisations and regional stakeholders.

This pivotal step was made possible by the provision of voluntary contributions by development partners. They significantly contributed to the expansion of the Global Forum's capacity-building work.

The 2013-15 period also witnessed the formulation and development of the AEOI standard. In April 2013, the G20 Finance Ministers endorsed the AEOI standard and entrusted the Global Forum with its monitoring.⁶ The Global Forum published its Roadmap for Developing Country Participation in AEOI in August of 2014.⁷

In the same period, the Global Forum agreed to a second round of EOIR peer reviews against an enhanced EOIR standard requiring the availability of beneficial ownership information, improved record retention periods, appropriate treatment of group requests and completeness and quality of EOI requests and responses.

Through presentations, case studies and group exercises, regional seminars helped jurisdictions understand the peer review process.

5. The Ghana pilot programme was also supported by the *Deutsche Gesellschaft für Internationale Zusammenarbeit*.

6. G20 Communiqué: Meeting of Finance Ministers and Central Bank Governors from 19 April 2013. www.g20.utoronto.ca/2013/2013-0419-finance.html.

7. Global Forum / OECD (2014), *Automatic Exchange of Information: A Roadmap for Developing Country Participation*, available at www.oecd.org/ctp/exchange-of-tax-information/global-forum-AEOI-roadmap-for-developing-countries.pdf.

1. Ten years of capacity building

BOX 1. International context on tax transparency

G20 Saint Petersburg summit

The 2013 G20 Saint Petersburg Declaration highlighted the important role played by exchange of information towards increased domestic resource mobilisation. The declaration particularly recognised the technical assistance work carried out by the Global Forum as of an essential nature to developing countries.

Third International Conference on Financing for Development of Addis Ababa

A central assumption of the 2015 Addis Ababa Action Agenda is the importance of tax transparency and domestic resource mobilisation for developing countries striving to meet their Sustainable Development Goals by 2030. The resolution of the conference distinctly recognised the impact of the Global Forum's activities in international cooperation.

The Global Forum and France hosted in conjunction with the Addis Ababa conference an event titled *Linking Transparency and Exchange of Information to Domestic Resource Mobilisation*. With senior representatives from the African Development Bank (AfDB), the African Tax Administration Forum (ATAF), France, Ghana, India, OECD, South Africa, the United Kingdom, the WBG and civil-society organisations, the event showcased the impact of transparency and EOI against tax evasion and towards a sustainable increase in domestic resource mobilisation for developing countries

The subsequent launch of the Addis Tax Initiative as an outcome of the conference led to landmark funding commitments towards capacity building.

From 2015, capacity building has been expressly included in the Global Forum's mandate, one of the missions of which is to develop tools and assist members to effectively implement the standards. The development and growth of the Global Forum's capacity-building work in this period reflected the decisive actions taken by international organisations and multilateral conferences in the area of tax transparency and domestic resource mobilisation (see Box 1).

Selected key developments in the period:

- In 2013, the first Last Mile seminars were provided by the Secretariat – benefitting India and The Philippines. Focused on sensitising tax auditors to increase the awareness and effectiveness of international tax co-operation and EOI, 48 Last Mile seminars have been provided since 2013 with over 3 600 auditors trained.
- As a reflection of the development of the AEOI standard in the period, technical assistance activities greatly intensified in this period. Of the 51 jurisdictions that committed to implement AEOI by 2018, more than half received technical assistance from the Global Forum. First AEOI pilot projects were also launched in 2015, pairing Albania and Italy, Colombia and Spain, The Philippines and Australia, Morocco and France.
- The launch of the Africa Initiative was a significant landmark for the capacity-building programme (see Box 2). The initiative pioneered a regional approach that was later replicated in other regions, also confirming the Global Forum's predilection for triangular relationships – between the Secretariat, member countries and partner organisations – for the implementation of technical assistance activities.

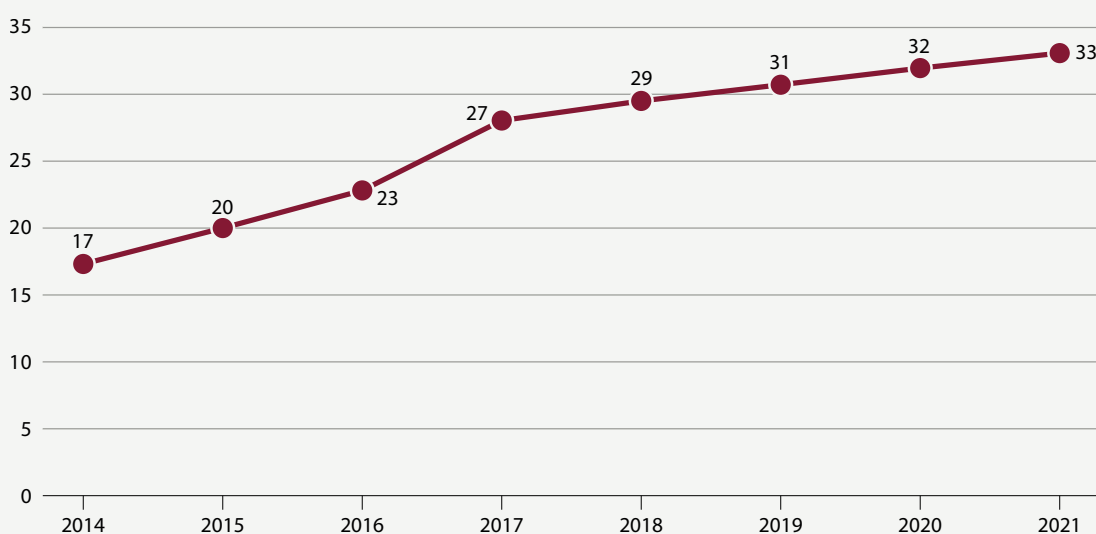
BOX 2. Africa Initiative

The Africa Initiative^a was designed to unlock the potential of tax transparency and co-operation in Africa, focusing on developing EOI capacities across the continent. Through political engagement with senior leaders and the coordination of technical assistance, the Africa Initiative is centred on deepening the benefits of transparency and information exchange in the region. Another central aspect of the initiative is the development of a permanent legacy of increased capacity in tax administrations of participating countries.

Launched in 2014 at the Global Forum plenary in Germany, the Africa Initiative started as a joint effort of African members and development partners and regional organisations (ATAF, Cercle de Reflexion et d'Échange des Dirigeants des Administrations Fiscales (CREDAF), Global Forum, OECD, WBG, France and United Kingdom). Since then, additional partners (AfDB, African Union (AU) Commission, European Union, Norway, Switzerland and West African Tax Administration Forum (WATAF)) joined the initiative, providing a strong encouragement to tax transparency and domestic resource mobilisation in the region. Now, 33 African countries participate in this landmark initiative, the progress of which is measured annually through the *Tax Transparency in Africa* report.

The Africa Initiative was originally launched as a three-year project (2015-17) and had its mandate extended twice (2018-20 and 2021-23).

Africa Initiative Membership



The Yaoundé Declaration

The Africa Initiative led to the Yaoundé Declaration, which is a call to fight tax evasion and other IFFs through transparency and EOI in the region. The Declaration also encourages African countries to explore partnerships with the African Union, United Nations Economic Commission for Africa, Regional Economic Communities and the AfDB to boost efforts towards the implementation of tax transparency standards and EOI tools. Launched at a 2017 ministerial meeting hosted by Cameroon in the margin of the Global Forum plenary, the Declaration was promptly adopted by various African nations. The Declaration is now endorsed by 32 African countries and the AU Commission, making a strong commitment to advance tax transparency and increase domestic resource mobilisation on the continent.

a. The Yaoundé Declaration and the list of its signatories are available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/the-yaounde-declaration.htm.



33 African countries participate in this landmark initiative, the progress of which is measured annually through the 'Tax Transparency in Africa' report.

1. Ten years of capacity building

BOX 3. Induction Programme

Induction Programmes were developed in response to the needs of new members of the Global Forum, with the objective of making jurisdictions familiar with the activities and processes of the Global Forum. As part of the programme, new members are assisted in preparing for the implementation of the standards and the review procedure, as well as putting in place the infrastructure required to effectively benefit from EOI.

Induction Programmes are offered to all new members, leading to the engagement of officials from tax administrations and finance ministries. Tailored to the particular circumstances of the jurisdiction, it is based on a customised roadmap and action plan that sets out the steps to be taken for the effective implementation and use of the standards.

Towards a tailored approach to capacity building (2016-2019)

With a number of developing countries joining the Global Forum each year, the technical assistance work increased in scope and depth, becoming a core activity of the Global Forum. In 2016, a fundamental rethinking around the philosophy of capacity-building activities took place.

In recognition of the unique context of each country and the varied needs of new members for the implementation of the EOI standards, the capacity-building programme developed a framework for long-term and comprehensive assistance programmes.

While technical assistance continued to be offered to members in advance of peer reviews, the Global Forum adopted a strategy of continuous support across the different implementation stages of the EOI standards. The offering of multi-year Induction Programmes to jurisdictions joining the Global Forum from 2016 while providing tailored assistance to pre-2016 members illustrates the change in approach of this period (see Box 3).

Selected key developments in the period:

- Amid the implementation of AEOI in 100 jurisdictions by 2018, the Global Forum offered new training and support programmes focused on legislative drafting, industry consultation, and the requirements on confidentiality and data safeguards. In 2019, a Plan of Action for Developing Countries' Participation in AEOI was designed.⁸ The plan reinforced the pace and expanded the scope of assistance on AEOI to include advising on data safeguarding and administrative measures, with over 40 countries receiving guidance and support.
- With the launch of the second round of reviews, the Global Forum developed substantial capacity-building activities focused on the implementation of beneficial ownership requirements. The efforts included a toolkit on beneficial ownership implementation jointly developed by the Global Forum and Inter-American Development Bank (IDB) in 2019.⁹
- The first e-learning course was also made available to member countries in 2019. Developed in collaboration with the Global Relations Programme of the OECD Centre for Tax Policy and Administration, it was part of a blended-learning course combined with face-to-face training on the Global Forum with introductions to EOIR, AEOI and the concept of beneficial ownership.
- A new regional initiative was launched for Latin America in 2018 through the Punta del Este Declaration (see Box 4).

8. OECD / Global Forum (2017), *The Global Forum's Plan of Action for Developing Countries Participation in AEOI*, available at www.oecd.org/tax/transparency/documents/plan-of-action-AEOI-and-developing-countries.pdf.

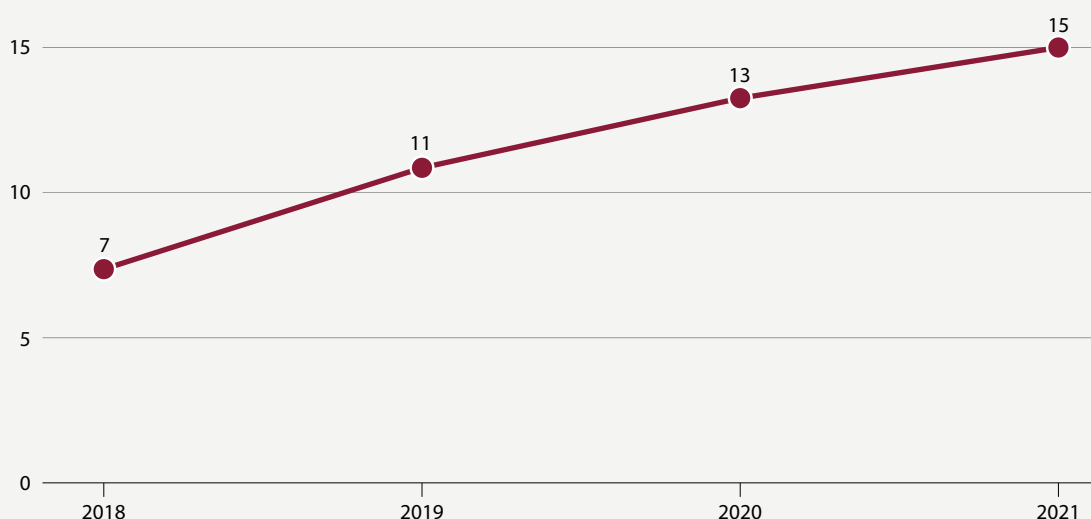
9. Global Forum Secretariat / OECD and IDB (2019), *A Beneficial Ownership Implementation Toolkit*, available at www.oecd.org/tax/transparency/documents/beneficial-ownership-toolkit.pdf.

BOX 4. Latin America Initiative

Launched in 2018 at the Global Forum plenary in Uruguay, the Punta del Este Declaration seeks to maximise the effective use of EOI under the international tax transparency standards to tackle tax evasion and avoidance, corruption and other forms of IFFs in Latin America. Member countries are committed to improving transparency, further exploring international co-operation in several areas – including on more efficient access to beneficial ownership information and interagency co-operation – and building synergies in the region. The Declaration is now endorsed by the 15 Latin America countries that are members of the Global Forum.^a



Latin America Initiative Membership



The Declaration is now endorsed by the 15 Latin America countries that are members of the Global Forum.

The Punta del Este Declaration led to a Latin America Initiative aimed at implementing its objectives. This Initiative is a partnership between the Global Forum, its Latin American members, the Inter-American Centre for Tax Administrations (CIAT), the IDB and the WBG.

a. The Punta del Este Declaration and the list of its signatories are available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/punta-del-este-declaration.htm.

Capacity building in times of COVID-19 (2020-2021)

Despite the unprecedented limitations and restrictions due to the pandemic, the Global Forum Secretariat ensured that support was not scaled back or put on hold. With the suspension of capacity-building activities onsite as from March 2020, the capacity-building unit increased the offer of alternative options with virtual trainings and meetings, toolkits and e-learning courses.

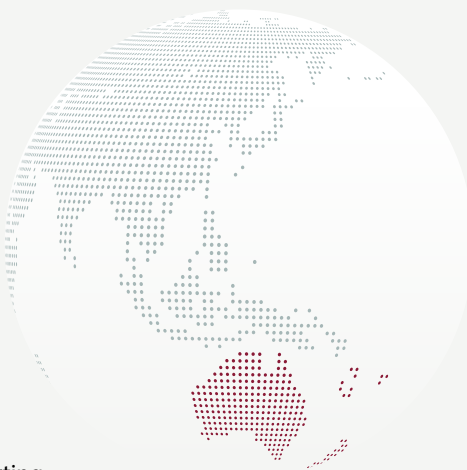
As most countries continue to be affected by COVID-19, the possibility of increasing domestic revenue mobilisation through international co-operation and effective EOI became a priority for many Global Forum members. Although the pandemic remains a challenge, the Secretariat continues to work towards the widespread engagement of members, effective implementation and practical use of the standards.

1. Ten years of capacity building

BOX 5. Pacific Initiative

Launched in 2020, the Pacific Initiative was established to support efforts of Pacific jurisdictions in the phased implementation of tax transparency standards to prevent tax evasion and avoidance and strengthen domestic resource mobilisation taking into account the circumstances and specific needs of Pacific Islands.

The Pacific Initiative is a joint effort by Australia, the Asian Development Bank (ADB), the Global Forum, New Zealand, OECD, the Pacific Islands Tax Administrators Association (PITAA) and the WBG. The Pacific Initiative is supporting 16 jurisdictions in the region, half of which are Global Forum members.



In the perspective of the 10-year mark of its capacity-building programme and in light of the experience gained and lessons learned, the Secretariat developed a new strategy to ensure the greatest impact for the benefit of developing countries integrating the new approaches developed to mitigate the impact of the pandemic.¹⁰ The strategy is based on three key pillars that generate synergies:

- raising awareness of decision-makers and senior officials on whose support the capacity-building programme and the implementation of EOI standards is dependent of
- building knowledge and skills through the integration of knowledge tools into capacity-building work, such as toolkits, e-learning courses and virtual training sessions
- supporting the implementation and effective use of EOI through a proactive modular approach that helps jurisdictions identify their needs and provides various modules with specific actions, timeframes and objectives for improvement.

Selected key developments in the period:

- The Pacific Initiative was launched in 2020 as the third regional initiative promoted by the Global Forum (see Box 5).
- In response to the challenges posed by the pandemic, an Action Plan was set up to address the needs for assistance and support of Global Forum members, in particular developing countries, in a context of increased demand. Innovative methods of delivery emerged with new technologies and tools strengthening ongoing programmes.
- The capacity-building programme increased its focus on distant support due to the limitations on international travel. In particular, the Global Forum invested decidedly on the development of toolkits to assist member countries on particular topics. Since 2020, six new toolkits have been launched in various languages.

10. Global Forum Secretariat / OECD (2021), *Capacity Building, A new strategy for the widest impact*, available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/Capacity-Building-Strategy.pdf.

EVOLUTION OF THE TRAINING ACTIVITIES

As the Global Forum expanded and the need for assistance in implementing the international standards increased, the number of trainings grew substantially, reaching a peak of 57 trainings in average per year over the period 2017-19 (see Figure 1). The number of trainings organised decreased during the pandemic in 2020-21, due to the fact that regional trainings were favoured, while a majority of in-country trainings were held during the previous period. However, the number of participants increased exponentially over the years, reaching an average of 5 164 participants per year in 2020-21 (see Figure 2). The virtual format developed in the past years allows larger audiences to attend the trainings. With tax transparency being a key component of the recovery, appetite from tax officials for these resources grew during this period.

Figure 1. Number of training events, average per year, 2011-2021

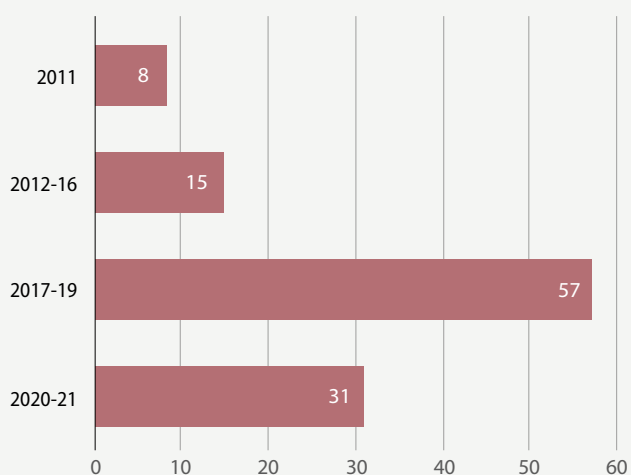
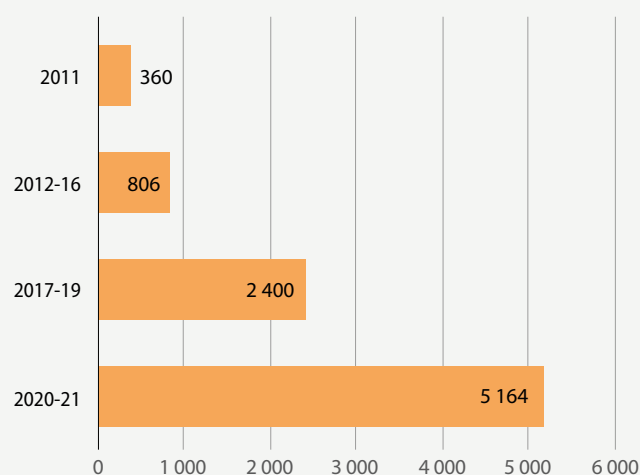


Figure 2. Total number of participants, average per year, 2011-2021



In terms of regional distribution, the first region represented over the past ten years has been Africa (36% of events), followed by Asia-Pacific (21%) and Latin America and the Caribbean (16%) (see Figure 3). These represent the regions of focus of the capacity-building programme of the Global Forum, where developing countries with most needs for technical assistance are located.

Figure 3. Events per region, 2011-2021

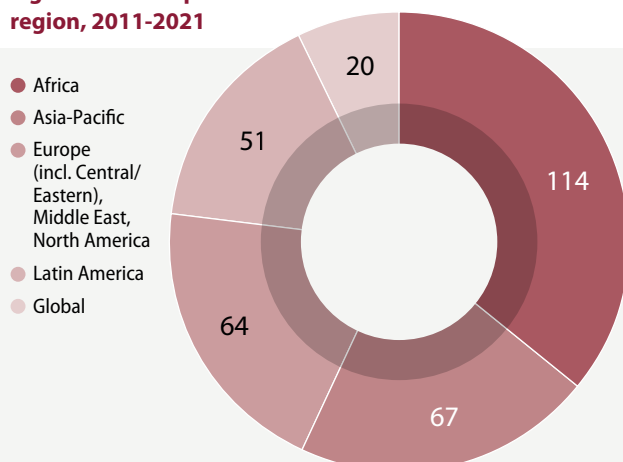
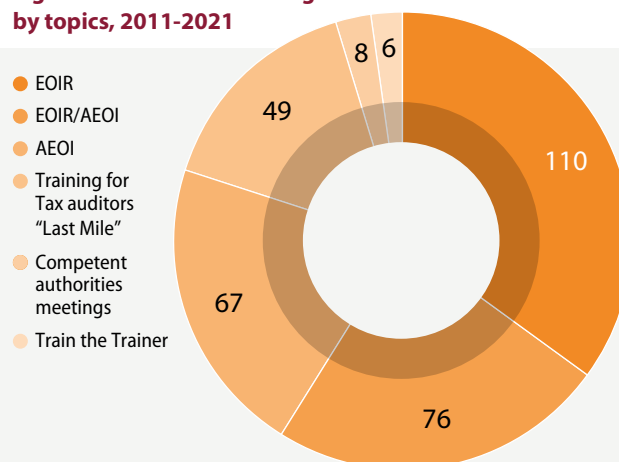


Figure 4. Number of trainings by topics, 2011-2021



1. Ten years of capacity building

The majority of trainings have covered EOIR (35%), which includes trainings of assessors and assessed members and trainings on the implementation of the beneficial ownership standard (see Figure 4). Come in second hybrid trainings covering both standard (24%), and then AEOI (21%), which includes the implementation of the standard, trainings on information security management (ISM) and effective use of AEOI data. This repartition is explained by the fact that trainings on AEOI have been organised more recently as this standard did not exist when the capacity-building programme was launched, and that developing countries would first focus on the implementation of the EOIR standard before working on committing to AEOI. It is worth noting that Last Mile trainings represent a significant proportion (16%), demonstrating the importance of sensitisation of auditors in the capacity-building activities of the Global Forum.

BOX 6. Global Forum's knowledge development tools

Toolkits

Developing toolkits is a key activity of the Global Forum's Secretariat to support the implementation of the standards.

- A *Guide on the Protection of Confidentiality of Information Exchanged for Tax Purposes* (2012) was developed with the OECD to set out the best practices and provide practical guidance in this critical area.^a
- A first *Exchange of Information Working Manual* (2013) was jointly developed by the Global Forum and the WBG to support the setup of functional EOI unit with documented procedures.^b
- A *Beneficial Ownership Implementation Toolkit* (2019), was jointly developed by the Global Forum and the IDB, to help jurisdictions ensure transparency of beneficial ownership information.^c
- A *Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters* (2020) was released to highlight the benefits of the MAAC and provide guidance for jurisdictions interested in joining it.^d
- The *Confidentiality and Information Security Management Toolkit* (2020) was designed to assist jurisdictions in their implementation of the confidentiality and ISM requirements under the AEOI standard.^e
- The Global Forum and ATAF's toolkit on *Establishing and Running an Effective Exchange of Information Function* (2020) was developed to assist jurisdictions in establishing or improving their EOI units' operation.^f

a. Global Forum Secretariat / OECD (2012), *Keeping it safe, Joint OECD/Global Forum Guide on the Protection of Confidentiality of Information Exchanged for Tax Purposes*, available at www.oecd.org/tax/transparency/documents/global-forum-keeping-it-safe.pdf.

b. Global Forum Secretariat / OECD - World Bank Group (2013), *Exchange of Information Working Manual*, available at www.oecd.org/tax/transparency/EOI%20manual.pdf.

c. Global Forum Secretariat / OECD and IDB (2019), *A Beneficial Ownership Implementation Toolkit*, available at www.oecd.org/tax/transparency/documents/beneficial-ownership-toolkit.pdf.

d. Global Forum Secretariat / OECD (2020), *A Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters*, available at www.oecd.org/tax/transparency/documents/MAAC-toolkit_en.pdf.

e. Global Forum Secretariat - OECD (2020), *Confidentiality and Information Security Management Toolkit*, available at www.oecd.org/tax/transparency/documents/confidentiality-ism-toolkit_en.pdf.

f. Global Forum Secretariat / OECD (2020), *Establishing and Running an Effective Exchange of Information Function: A joint Global Forum and ATAF Toolkit*, available at www.oecd.org/tax/transparency/documents/EOI-Unit-toolkit_en.pdf.

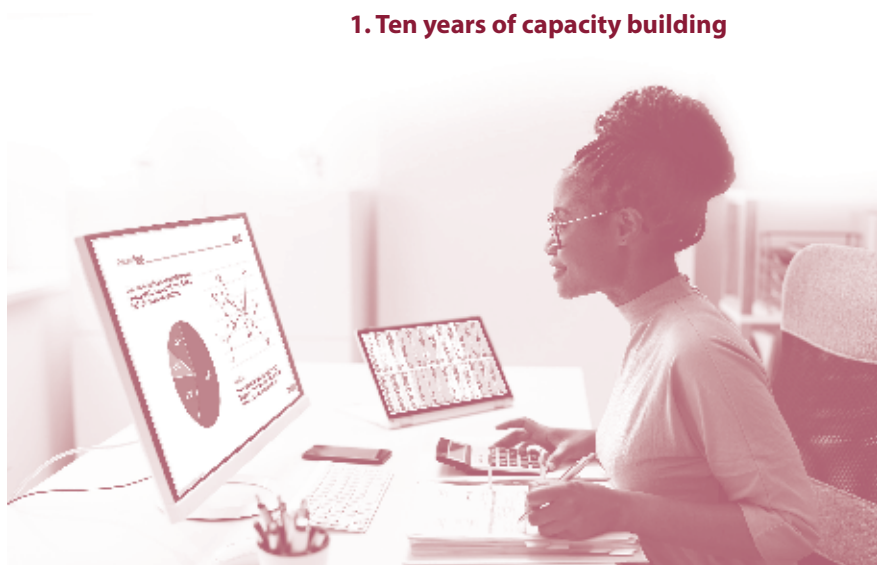
g. Global Forum Secretariat / OECD, AfDB and WBG (2021), *Model manual for exchange of information for tax purposes*, available at www.oecd.org/tax/transparency/documents/EOI-manual.pdf.

h. Global Forum Secretariat / OECD and IDB (2021), *Building Effective Beneficial Ownership Frameworks - A joint Global Forum and IDB Toolkit*, available at www.oecd.org/tax/transparency/documents/effective-beneficial-ownership-frameworks-toolkit_en.pdf.

i. Global Forum Secretariat / OECD (2021), *A Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information*, available at www.oecd.org/tax/transparency/documents/aeoi-implementation-toolkit_en.pdf.

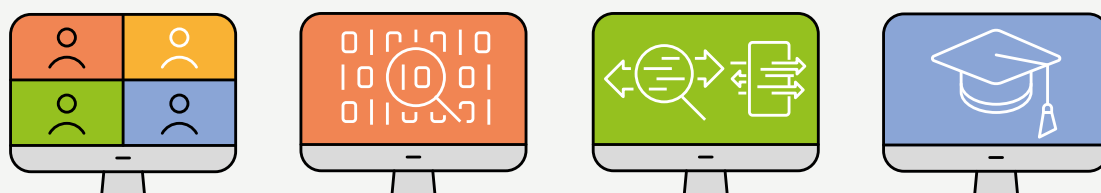
THE IMPACT OF THE CAPACITY-BUILDING PROGRAMME

In ten years, the capacity-building programme of the Global Forum transformed radically to become a robust and long-term strategic investment programme to provide developing countries with the tools (see Box 6), capacities and expertise they need to implement the international standards and benefit from them.



- A *Model Manual for Exchange of Information for Tax Purposes* (2021) was released in partnership with WBG and AfDB. This manual provides guidance and templates for implementing relevant procedures for all forms of EOI and reflects recent improvements such as group requests.^a
- A toolkit on *Building Effective Beneficial Ownership Frameworks* (2021) was jointly developed by the Global Forum and the IDB, to further help jurisdictions ensure transparency of beneficial ownership information.^b
- A Toolkit for the *Implementation of the Standard for Automatic Exchange of Financial Account Information* (2021) was released to provide guidance on all aspects of AEOI implementation to interested jurisdictions.ⁱ

Since 2009, developing countries have progressively taken ownership of EOI tools, benefiting from enhanced training.



E-learning

With the objective of supporting desk-based work and strengthening its technical assistance offerings, the Secretariat has also developed e-learning courses for officials of member countries. In total, the five e-learning courses have been taken by nearly 5 200 officials so far.

- Course on the Global Forum (2019) was the first e-learning programme developed by the Secretariat. The course is a blended-learning module offered in advance of in-person courses.
- Course on Beneficial Ownership (2020), jointly developed by the Global Forum and the ADB.
- Course on Exchange of Information on Request (2020), which provides a detailed overview of EOIR.
- Course on the confidentiality and data safeguards assessment process (2021).
- Course on the confidentiality and data safeguards requirements (2021).

The Global Forum is developing a course on Automatic Exchange of Information as a complement to the AEOI toolkit, designed to assist jurisdictions in the effective implementation of this standard. This e-learning course will be released early 2022.

Note: The toolkits are available at www.oecd.org/tax/transparency/documents/key-publications-and-documents.htm and the e-learning courses are available at www.oecd.org/tax/transparency/resources/global-forum-e-learning.htm. They are or will be available soon in English, French and Spanish. A Portuguese version of the Model Manual for Exchange of Information for Tax Purposes will also be available soon.

1. Ten years of capacity building

Impact in figures

Tremendous progress was achieved in the past decade:

- Since 2011, close to 22 000 officials from all over the world attended 316 seminars, workshops and trainings organised by the Global Forum. Five e-learning courses have been made available in 2019-21 and already taken by nearly 5 200 officials.
- Developing countries have also been provided with nine practical toolkits, helping them navigate through core aspects of the effective implementation of the standards.
- Since 2011, 66 developing jurisdictions have joined the Convention on Administrative Assistance in Tax Matters (MAAC), which is already in force for 56 of them.
- Most of the developing countries have implemented the EOIR standard satisfactorily. Indeed, 44 out of 54 developing countries (81%) have received a “Compliant” or “Largely Compliant” rating at their latest peer review. In the first round of reviews, 35 of the 45 developing countries peer reviewed (78%) received a satisfactory rating. While the EOIR standard was strengthened with the addition of transparency of beneficial ownership information in the second round of reviews, 19 out of 27 developing countries (70%) have received a satisfactory rating. To date, 53 developing countries are yet to be peer reviewed in the second round of reviews.
- Out of the 108 jurisdictions committed to implement AEOI by 2021, 34 are developing jurisdictions and 33 of them have met their commitment, including 25 non-G20 countries, out of which 9 do not host a financial centre. In total, 24 developing countries are exchanging on a reciprocal basis, including 8 out of the 9 non-G20 developing jurisdictions that do not host a financial centre. The implementation of AEOI by developing countries is taking off with 13 additional developing countries committed to exchange in 2022-24 and others considering a suitable date for starting their first automatic exchanges with the support of the Secretariat. In addition, out of the 29 developing countries that have their AEOI legal framework peer reviewed so far, 17 have their legal framework determined as “In Place” and 9 “In Place But Needs Improvement”.
- Three regional initiatives have been successfully launched to create a regional dynamic toward tax transparency. These initiatives are built on experience sharing, capacity building and regional projects with the support of other development partners. The launch of the fourth regional initiative in 2022 (the Asia Initiative) builds on the experience and success of its predecessors.
- As the ultimate goal is to ensure that developing countries benefit from the EOI standards, 48 Last Mile seminars have been provided since 2013 with over 3 600 auditors trained. In addition, a Train the Trainer programme has been launched in 2021 to build sustainable capacity in developing countries which has already led to over 850 tax officials trained by local trainers.
- Since 2009, developing countries have progressively taken ownership of EOI tools, benefiting from enhanced training. For example, while developing countries which replied to the Global Forum survey sent an average of 44 requests per year in the period 2009-11, they almost doubled this number in the period 2012-20 (82 requests on average). In total, developing countries sent almost 30 000 requests for information between 2009 and 2020.
- EUR 30 billion of additional revenue were identified by developing countries through offshore tax investigations, including EOIR, and voluntary disclosure programmes.

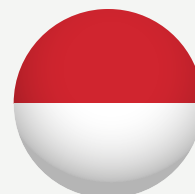
Impact in practical cases

The long-term assistance provided and a strong commitment of the supported jurisdictions led to success stories, some of which are summarised in Box 7.

BOX 7. Some success stories

Indonesia

- Global Forum member since 2009
- Supporter of the Asia Initiative
- Successful implementation of the EOI standards and regional leadership



Since 2009, Indonesia has been strongly committed to transparency and EOI for tax purposes. Following the “Partially Compliant” rating assigned to Indonesia in 2014 in the first round EOIR peer review due to limitations on access to banking information, Indonesia has taken significant steps to address the issues identified.

First, Indonesia committed to start exchanges under the AEOI standard by 2018. Then, it took advantage of the implementation of the AEOI standard to address the EOIR deficiencies. In particular, Indonesia passed landmark reforms on access to financial information for taxation purposes, effectively removing bank secrecy for EOIR and AEOI purposes. Indonesia also became a Party to the MAAC in 2015.

The efforts and engagement of Indonesia with the support of the Global Forum Secretariat led to very positive outcomes. In 2018, Indonesia received a “Largely Compliant” rating in its second round of EOIR review and successfully started its first AEOI exchanges as scheduled. In 2020, Indonesia’s AEOI legal framework was determined to be “In Place”.

Indonesia has also effectively used EOI tools to tackle tax evasion and mobilise domestic resources, becoming a leader in the Asian region and sharing its experience and practice with other Global Forum members. Convinced that a capacity-building programme dedicated to Asia will further strengthen the tax transparency agenda in the region, the Finance Minister of Indonesia announced the country’s support for the newly announced Asia Initiative at the 2021 Global Forum plenary meeting. The Asia Initiative will greatly benefit from the momentum created by the Indonesia’s 2022 G20 Presidency and its theme “Recover Together, Recover Stronger”.

Lebanon

- Global Forum member since 2016
- Continued progress amid challenging circumstances



Lebanon was initially peer reviewed as a non-member jurisdiction relevant to the work of the Global Forum in 2012, with serious deficiencies identified in its legal framework at the time. Despite challenging political and economic circumstances over the following 10 years, Lebanon has delivered remarkable changes to its legal framework and practice.

Having joined the Global Forum in 2016, Lebanon received technical assistance and quickly delivered significant results, including the abolition of bearer shares and the lift of bank secrecy for EOI purposes by 2017. After joining the MAAC in 2017 and receiving a provisional “Largely Compliant” rating in its fast-track review in the same year, Lebanon continued to improve its legislation and practice, including by strengthening its legislation to ensure the availability of beneficial ownership information. The second round of EOIR peer reviews in 2019 maintained the “Largely Compliant” rating for the country.

Lebanon also promptly committed to the AEOI standard after joining the Global Forum and met its AEOI commitment by exchanging data with partners from 2018. In 2021, Lebanon’s legal framework implementing AEOI was rated “In Place” and consistent with the standard.

1. Ten years of capacity building

Lebanon is currently receiving technical assistance from the Global Forum Secretariat to meet the confidentiality and data safeguards requirements for reciprocal exchanges. Further support will be provided to Lebanon to strengthen its administrative compliance programme as well as to make effective use of the automatically exchanged data.

Papua New Guinea

- Global Forum member since 2015
- Participation to the Pacific Initiative
- Successful implementation of the EOIR standard



Papua New Guinea (PNG) is one of the 40 jurisdictions currently undergoing an induction programme. PNG quickly demonstrated its willingness to put in place the necessary legal and regulatory framework to comply with the EOIR standard, including the implementation of a new Act on money laundering that entered into force in 2016.

PNG received a “Largely Compliant” rating in its EOIR peer review in 2020. The report identified progress across multiple areas, including in the setting up of a functional EOI unit and implementing the necessary procedures for effective EOI.

To address one particular issue identified in the report, PNG received assistance to expand its existing treaty network – which was limited to ten treaty partners – by joining the MAAC. Following improvement made to its confidentiality framework, PNG signed the MAAC in August 2021 and is currently undergoing its ratification procedure.

PNG continues to receive technical assistance, in particular on confidentiality and data safeguards, to define a suitable date for its first exchanges under the AEOI standard.

Paraguay

- Global Forum member since 2016
- Punta del Este Declaration member since 2018
- High-level commitment for major tax transparency reforms



Paraguay was the first Latin American country to benefit from an induction programme, launched shortly after joining the Global Forum. The first step of the programme was an initial gap analysis to identify areas of the legal framework in need of reform and improvement in relation to the EOIR standard. Following the analysis, an action plan was agreed with a strong commitment from decision-makers and high-level tax administration officials.

The action plan included major work streams in relation to the drafting and passing of legislation in key transparency areas, the training and creation of awareness of the EOI team, and the adoption of supervision and enforcement measures to ensure effective implementation of the domestic obligations necessary to meet the requirements of the standard.

Intensive technical assistance was provided for the implementation of the EOIR standard. Specific areas of technical support include the availability of beneficial ownership information, the lifting of bank secrecy and the process for MAAC adhesion.

Since then, Paraguay has passed fundamental reforms that include the creation of a beneficial ownership register, the lifting of bank secrecy and the removal of the domestic tax interest requirement to respond to EOI requests – which have significantly broadened the access powers of the competent authority.

Paraguay recently became a party to the MAAC as it deposited its instrument of ratification in July 2021. These major reforms achieved by Paraguay are crucial for its EOIR review, whose launch is scheduled for the second quarter of 2022. Paraguay has now an EOI infrastructure to tackle more efficiently cross-border tax evasion and other IFFs.

Uganda

- Global Forum member since 2012
- Africa Initiative member since 2016
- Pathway to implementation of EOIR and AEOI standards



Uganda joined the Global Forum with the objective of putting in place the appropriate framework to use EOI as a tool to improve its domestic resource mobilisation. An EOI unit was established within the Uganda Revenue Authority in 2014, with a series of strategic engagements taking place with other government stakeholders in the following years to improve the tax transparency landscape in Uganda.

With the objective of increasing the number of local and global EOI partners, Uganda applied for membership of the MAAC. As the agreement entered into force in 2016, Uganda's EOI network expanded from nine partners under bilateral agreements to over 140 jurisdictions. In 2016, Uganda's EOIR legal framework and practice was reviewed by the Global Forum and overall rated as "Largely Compliant".

Uganda has benefitted over the years from capacity-building activities – most recently focused on the availability of beneficial ownership information – from the Global Forum. As a result, Uganda has witnessed a remarkable progress in the number of outgoing EOI requests: from two EOI requests in 2012, Uganda issued 33 requests in 2020 – identifying EUR 34.7 million of additional revenue (tax, interest and penalties). In 2018, ATAF and the Global Forum provided support to Uganda in determining a practical timeline for the implementation of the AEOI standard in the country. In February 2021, Uganda committed to start AEOI by 2023. The Global Forum continues to provide support to Uganda in its AEOI implementation efforts – which include an ongoing collaboration with United Kingdom – with the objective of putting in place the legal framework and meeting the confidentiality and data safeguards requirements for reciprocal exchanges and effective use of exchanged data.



2 | Capacity building in 2021

The Global Forum continues to support jurisdictions in the effective implementation of the EOI standards as part of broader efforts against tax evasion and other illicit financial flows. In the midst of a structural shortfall in countries' revenues due to COVID-19, the Global Forum focused on assisting its members through capacity-building initiatives to integrate tax transparency and EOI into domestic revenue mobilisation strategies for a sound post-pandemic recovery.



NEW COMMITMENTS TO THE TAX TRANSPARENCY AGENDA

Commitment at political and senior official level to the tax transparency agenda is critical to the implementation of the standards. Despite the global pandemic, the Global Forum has maintained close contact with senior officials and decision-makers around the world, which took place through digital channels. This allowed further advancing the transparency agenda, with significant developments in multiple jurisdictions:

- an increase of the membership of the Global Forum with Algeria and Belarus joining the Global Forum – amounting to 163 members
- an increase of the participants to the MAAC, with three jurisdictions signing¹ and eight jurisdictions ratifying² it – totalling 144 participating jurisdictions
- an increase in the commitments to AEOI, with Jamaica committed to commence exchanges in 2022, Moldova, Uganda and Ukraine scheduled to do so by 2023 and Rwanda by 2024 – amounting to 120 jurisdictions in total. In addition, the Maldives, Moldova, Peru and Kenya signed the Multilateral Competent Authority Agreement for Automatic Exchange of Financial Account Information (CRS-MCAA).

“The Global Forum’s capacity-building programme, through the implementation of international standards of tax transparency, will enable Algeria to join a participatory approach that will result in the optimal mobilisation of resources through the intensification of cooperation and information exchange for tax matters at the international level.”

Ms Amel Abdellatif, Director General, Directorate General of Taxes of Algeria



NEW REGIONAL IMPETUS

The Global Forum has continued to focus on regional initiatives in 2021, which allows capacity-building activities and technical support to be tailored to specific local challenges and circumstances, while also increasing the ownership and involvement of regional organisations and national tax authorities.

Africa Initiative

The commitment of African countries to the tax transparency agenda has continued in 2021.

- More countries from the region continue to sign up to the Africa Initiative, with Algeria joining the Global Forum in September 2021 and becoming its 33rd African member.
- Additional African countries have signed the Yaoundé Declaration and joined region-wide efforts against tax evasion and other IFFs through transparency and EOI, With Rwanda and Algeria joining the declaration in October and November 2021 respectively.

1. Maldives, Papua New Guinea and Rwanda signed the MAAC in 2021.

2. While Namibia deposited its instrument of ratification of the MAAC in December 2020, Botswana, Eswatini, Jordan, Liberia, Maldives, Paraguay and Thailand deposited their instruments in 2021.

2. Capacity building in 2021

- More African countries are taking part in the MAAC to benefit from a comprehensive network of EOI partners. Rwanda signed the MAAC, while Botswana, Eswatini and Liberia deposited their instruments of ratification.
- In the AEOI field, Kenya signed the CRS-MCAA. In addition, Uganda and Rwanda committed to implement AEOI by 2023 and 2024 respectively.

“ We are now in times where investors see no borders and incomes are crossing countries like never before. At the same time, digital trade and rise in cross-border financial investments facilitates tax evasion and undermines Rwanda’s revenue mobilisation efforts. Working with the Global Forum secretariat to implement standards on exchange of information and building the capacity of our tax administration to effectively utilise the gathered tax information as a key to boosting our domestic revenue mobilisation, we can indeed turn the tide. ”

Mr Richard Tusabe, Minister of State in Charge of National Treasury/ Ministry of Finance and Economic Planning, Rwanda



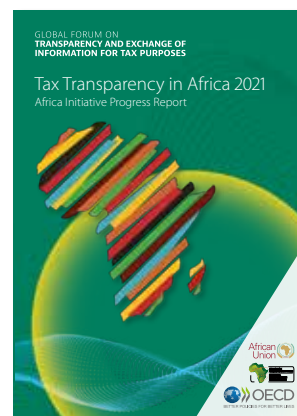
In addition, WATAF joined the Global Forum as an observer.

In 2021, the Africa Initiative was for the first time led by African high-level officials: Mr Githii Mburu, Commissioner General of the Kenya Revenue Authority, as Chair, and Mr Edward Kieswetter, Commissioner of the South African Revenue Service, as Vice-Chair.

During their leadership, two important meetings of the Initiative were held virtually.

The 9th Africa Initiative meeting in May 2021 marked the launch of the **Tax Transparency in Africa 2021** report, a joint publication of the Global Forum, the AU Commission and ATAF³ which was attended by over 300 participants, including representatives from 34 African countries and 11 donors and partners.⁴ This report showed structural changes and positive achievements in the region for the year 2020.

The region reached an important milestone in 2020, as African countries became net senders of requests for information with 460 requests sent (an increase of 21% compared to 2019) and 439 received. Eight African countries (Cameroon, Kenya, Lesotho, Nigeria, Seychelles, South Africa, Tunisia and Uganda) were net senders of EOI requests in 2020 compared to five countries in 2019 (see Figure 5).



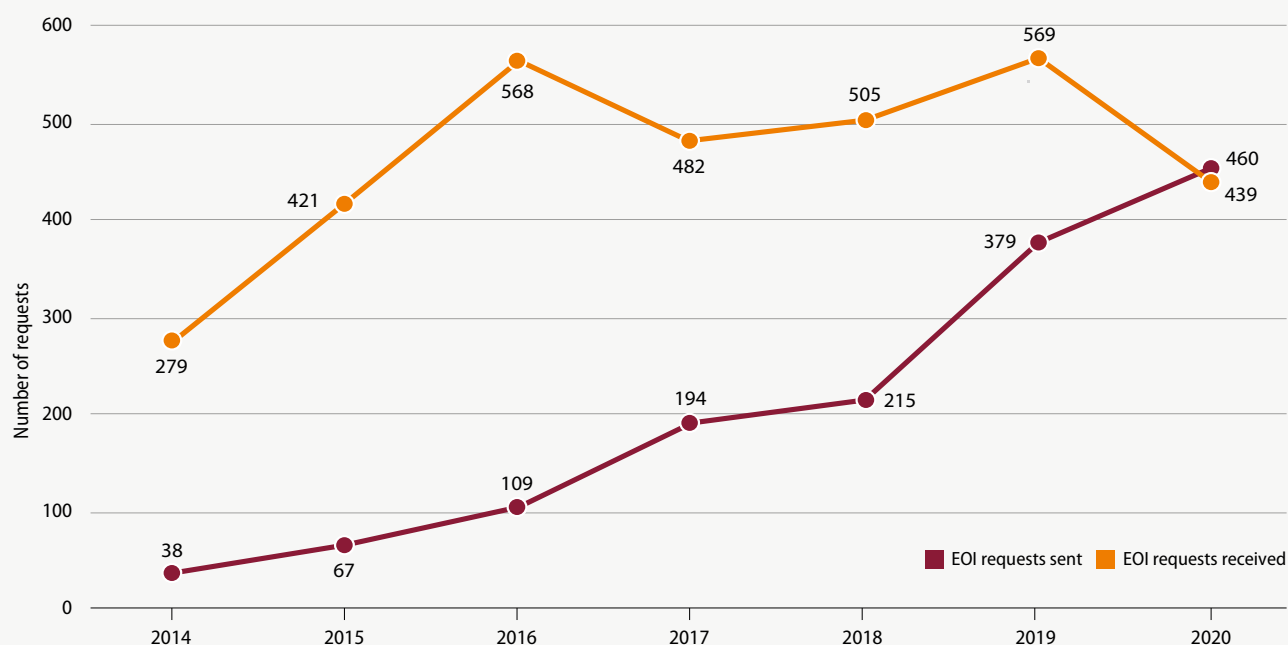
This development is linked to the expansion in the number of bilateral exchange relationships from 2 523 in 2019 to 3 752 in 2020 (an increase of 45%) and to the growing use of EOI tools in cross-border tax investigations by African tax administrations. This was mainly due to the growing number of African countries joining the MAAC, as reflected in Figure 6.

The increase in the number of requests made by African countries has translated into additional tax revenues. In 2020, two African countries identified over EUR 34.7 million of additional tax as a

3. Global Forum Secretariat / OECD (2021), *Tax Transparency in Africa 2021, Africa Initiative Progress Report*, available at www.oecd.org/tax/transparency/documents/tax-transparency-in-africa-2021.htm.

4. www.oecd.org/tax/transparency/documents/9th-meeting-africa-initiative-statement-of-outcomes.pdf.

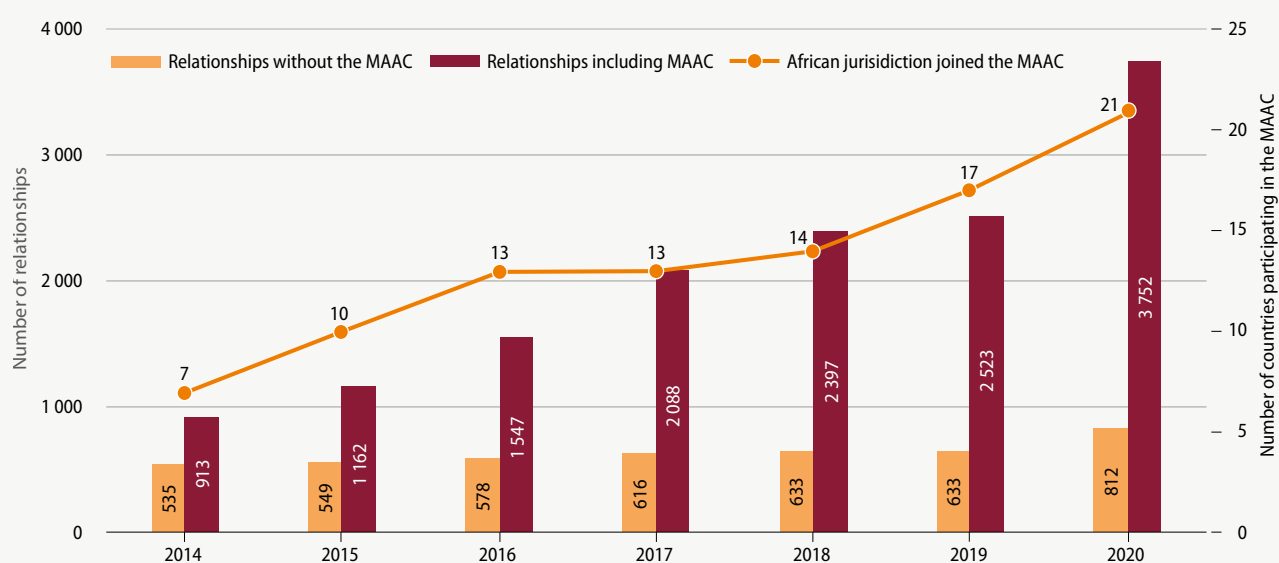
Figure 5. EOI requests sent and received by African countries since 2014



Note: The graph reflects the situation for the 34 African countries which have provided data. The 2020 data includes feedback from five new respondents who did not participate in last year's survey (Congo, Sierra Leone, Gambia, Zambia and Zimbabwe) but excludes feedback from three countries (Guinea-Bissau, Niger and Malawi) who participated in last year's survey but did not provide feedback for this year's survey.

Source: Responses provided to questionnaire by African countries.

Figure 6. Number of EOI relationships created by African countries since 2014



Note: The graph reflects the situation for the 34 African countries which provided data.

Source: Responses provided to questionnaire by African countries and Chart of jurisdictions participating in the MAAC.

* www.oecd.org/tax/exchange-of-tax-information/Status_of_convention.pdf.

2. Capacity building in 2021

direct consequence of the requests sent. In total, since 2009, EOI has enabled African countries to identify over EUR 1.2 billion of additional revenues (tax, interests and penalties) through offshore tax investigations and voluntary disclosure programmes.

“ It has been an honour for me to serve as the first chair of the Africa Initiative from January 2021. One of the key milestones has been the increase by the African member jurisdictions in utilizing the EOI tool in addressing the challenges of tax evasion and increasing domestic revenue mobilisation by their tax administrations. The number of countries committing to the implementation of the AEOI standard has also been very encouraging. I wish to express my enduring gratitude to the members of the Africa Initiative and the Global Forum Secretariat for their unwavering support in this role.

As we look forward to the future and to the post-Covid era, I am confident that I can continue to count on the support of all Africa Initiative members and the Global Forum Secretariat to progress the work of the Africa Initiative and achieve the greater ideals of tax transparency in Africa.

”



Mr Githii Mburu, Commissioner General, Kenya Revenue Authority, Chair of the Africa Initiative (2021-2022)

In November 2021, the 10th Africa Initiative meeting was attended by over 100 delegates from 26 African countries and six donors and partners who acknowledged the impact of the Initiative on the enhancement of the capacities of African countries in tax transparency, with 38% of the Global Forum Secretariat's capacity building work dedicated to the region in 2021.⁵ During the meeting, the participants discussed a note prepared by the Working Group on Cross-Border Assistance in Recovery of Tax Claims which was established within the framework of the Africa Initiative following calls to strengthen international tax co-operation in this area. The group composed of 23 officials from 12 African countries worked to understand the current position of African countries and ascertain the conditions necessary for effective cross-border assistance in tax recovery by African countries. The note presented the current trends in African countries, made recommendations for the strengthening of domestic tax claims collection as a foundation for effective participation in cross-border recovery of tax claims and described other elements to put in place to be able to effectively use this form of administrative cooperation. The working group will continue its task in 2022 by developing strategies for an effective participation in cross-border assistance in recovery of tax claims, with the objective of increasing its use by African countries.

Recognising the critical role played by the governance structure in the 2021 achievements, the leadership of the Initiative has been extended for an additional year to reflect on further improvement of the governance framework.

Latin America Initiative

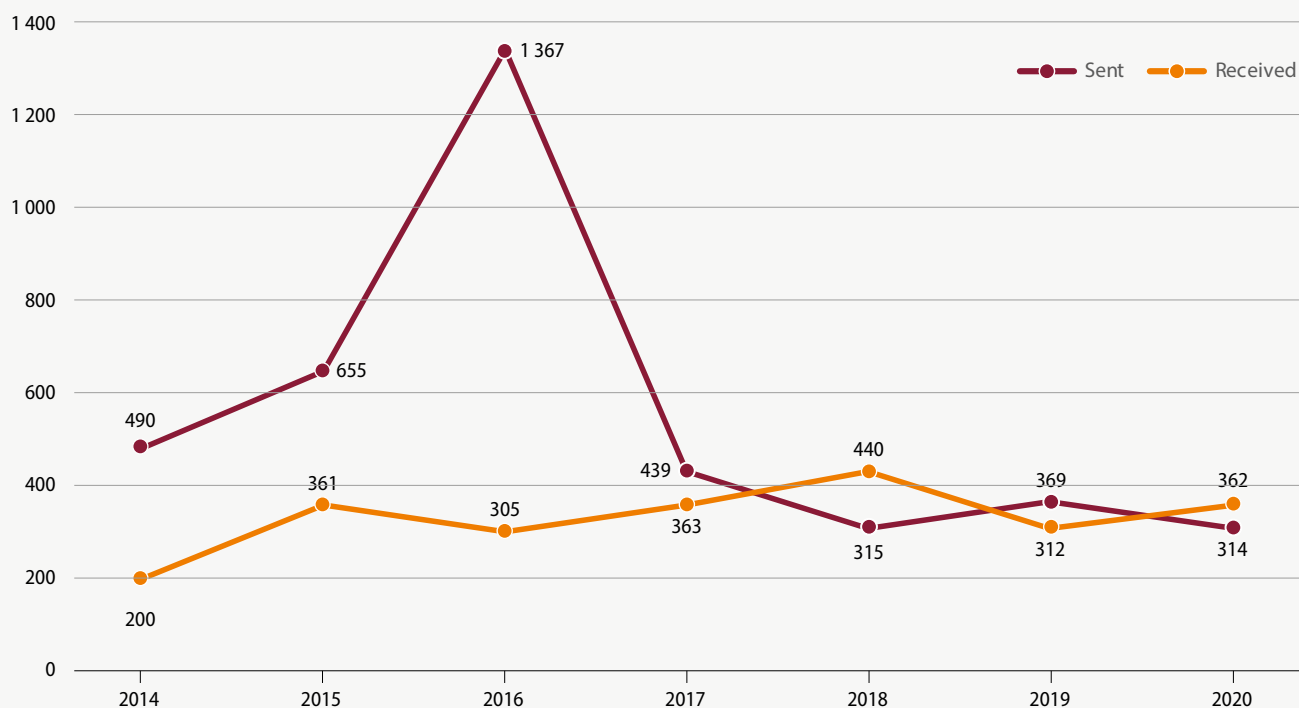
Since the last annual report, significant progress was achieved.

- Two more Latin American countries began exchanging information under the AEOI standard, with Peru undergoing its initial exchanges in December 2020 and Ecuador in September 2021.
- Paraguay deposited its instrument of ratification for the MAAC in July 2021.



5. www.oecd.org/tax/transparency/documents/10th-meeting-africa-initiative-statement-of-outcomes.pdf

Figure 7. Number of EOI requests sent and received by Latin American countries



Note: Responses from 15 countries. Chile has provided data on the number of requests sent and received but preferred not to have them published.

Source: Tax Transparency in Latin America survey

- Mexico and El Salvador joined the Punta del Este Declaration in October and November 2021 respectively, raising the number of members to 15 (i.e. all the Latin America members of the Global Forum).

The Initiative was led in 2021 by Ms Mercedes Marcó del Pont, Federal Administrator in the Federal Administration of Public Revenues of Argentina, as Chair, and Ms Elizabeth Guerrero, Vice Minister of Revenue in the Ministry of Finance of Costa Rica, as Vice-Chair.

In July 2021, the 4th Punta del Este Declaration meeting took place in a virtual format with over 280 attendants, including representatives from 16 Latin America countries, donors and partners.⁶ The meeting marked the launch of the *Tax Transparency in Latin America 2021* report,⁷ which explores the role of tax transparency and international tax co-operation in helping Latin American governments address IFFs and generate revenues.

The report is the first publication fully dedicated to tax transparency in the region, with significant findings based on responses provided by 16 Latin American countries⁸ to a survey on multiple aspects of transparency and EOI. Between 2014 and 2020, the region showcased a positive balance in the number of EOI requests, with 3 949 requests sent and 2 343 received (see Figure 7).

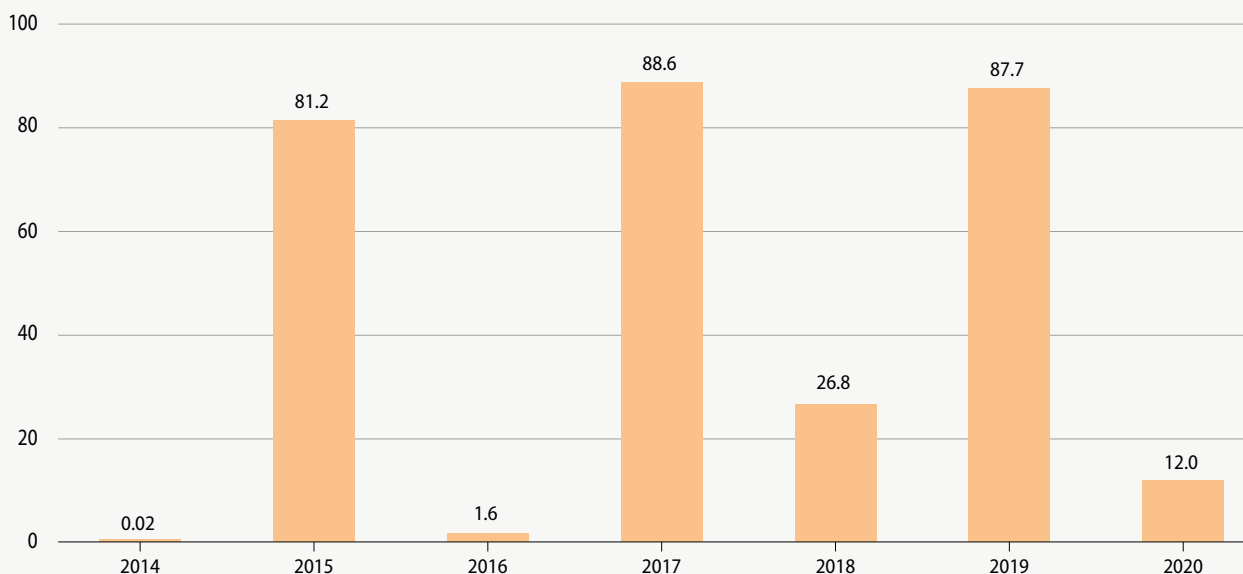
6. www.oecd.org/tax/transparency/documents/4th-meeting-Punta-del-Este-Declaration-Initiative_outcomes.pdf.

7. Global Forum Secretariat / OECD (2021), *Tax Transparency in Latin America 2021, Punta del Este Declaration Progress Report*, available at www.oecd.org/tax/transparency/documents/tax-transparency-in-latin-america-2021.htm

8. Bolivia, which is observer to the Initiative, also responded to the survey.

2. Capacity building in 2021

Figure 8. Revenue collected as a result of EOIR in Latin America (EUR million)



Note: Responses from six countries

Source: Tax Transparency in Latin America Survey

In response to the survey, six Latin American countries reported collecting additional revenue as a result of EOIR over 2014-20, amounting to a total of EUR 298 million. The report also highlights that at least EUR 12 billion in additional revenue (tax, interests and penalties) have been identified in the region through offshore tax investigations and voluntary disclosure programmes since 2009.

In November 2021, the 5th Punta del Este Declaration meeting took place in a virtual format with the attendance of 90 delegates from the 15 signatories, 1 observer and 3 regional partners.⁹ Particular attention was directed to the study on wider use of treaty-exchanged information in Latin America prepared by the Global Forum Secretariat. The study provides an initial analysis of

“ Being elected as the first Chair of the Punta del Este Declaration in February 2021 was a great honour for myself and the Federal Administration of Public Revenues of Argentina. Over the past year, the Initiative delivered on the first edition of the Tax Transparency in Latin America report – a landmark publication for the region –, it continued working in the development of capacities for the exchange of information, and started an ambitious technical work on the wider use of treaty-exchanged information for non-tax purposes. I am confident that the commitment of Latin American countries to the tax transparency agenda will lead to significant contribution to the fight against tax evasion and other financial crimes, as well as to the promotion of tax compliance, thus strengthening the necessary resources to promote public policies aimed at fostering the social and economic development of our nations. ”

Ms Mercedes Marcó del Pont, Federal Administrator, Federal Administration of Public Revenues of Argentina, Chair of the Punta del Este Declaration (2021)



9. www.oecd.org/tax/transparency/documents/5th-meeting-Punta-del-Este-Declaration-outcomes.pdf.

the international and domestic legal framework of 15 signatories of the Declaration to determine whether the conditions for using information exchanged for tax purposes for non-tax purposes are in place. This is a first step to facilitate co-operation and information sharing between national tax administrations and key law enforcement authorities dealing with money laundering, crime and corruption. The delegates encouraged partner countries to overcome any legal or practical challenges to the wider use of treaty-exchanged information and implementing a whole of government approach against financial crimes.

In December 2021, Ms Elizabeth Guerrero, Vice Minister of Revenue in the Ministry of Finance of Costa Rica, was appointed as Chair and Mr Oscar Orué Ortiz, Vice Minister of Taxation, Under-Secretariat of State for Taxation of Paraguay, as Vice-Chair, for 2022.

Pacific Initiative

In May 2021, a three-day regional workshop was delivered for Pacific jurisdictions, with the aim to raise awareness on the impact of tax good governance which should offer important benefits to these jurisdictions to protect their tax base, increase revenue collection and fight international tax abuse and illicit financial flows. In pursuance of this regional initiative, tailored technical assistance continues to be provided, including induction programmes for new members in the region.

In addition, PITAA has become an observer to the Global Forum, strengthening the co-operation with the Secretariat on the tax transparency agenda in the region.

“ PITAA is honoured to be part of the 21 observers and is confident that this will boost participation of Small Island Developing States in the Pacific Initiative, raise awareness on and promote alignment with global discussions held at the Global Forum on Transparency and Exchange of Information for Tax Purposes. ”

Ms Koni Ravono, Head of the PITAA Secretariat



Asia Initiative

The 2021 Global Forum virtual plenary meeting welcomed the announcement of a new initiative for Asian countries to be launched in 2022.¹⁰ Building on the success of other regional initiatives, the Asia Initiative will promote transparency and exchange of information, contributing to a sustainable post-pandemic recovery and a stronger cooperation to address tax evasion and other IFFs in the region.

The Asia Initiative has been devised to address the uneven participation of Asian countries in the multilateral efforts towards tax transparency. Only 21 out of 34 countries in the region have joined the Global Forum and committed to implement the standard on transparency and exchange of information on request, and similarly only 16 Asian countries have so far committed to start automatic exchange of financial account information by a specific date.

This new regional initiative has received a strong support of Indonesia, which will hold the G20 Presidency in 2022, as well as India and Malaysia. The initiative is also supported by the ADB, through the Asia Pacific Tax Hub, and the Study Group on Asian Tax Administration and Research (SGATAR).

10. Global Forum Secretariat / OECD (2021). Asia Initiative – Sustaining the recovery through enhanced tax transparency: www.oecd.org/tax/transparency/what-we-do/technical-assistance/asia-initiative.htm.

2. Capacity building in 2021

“ An initiative on tax transparency for Asia is an opportunity to develop regional co-operation and better combat tax evasion and other illicit financial flows. Indonesia supports this initiative aimed at building bridges between tax administrations and erecting barriers to tax evasion for the benefit of Asian countries. ”

Ms Sri Mulyani Indrawati, Minister of Finance, Indonesia



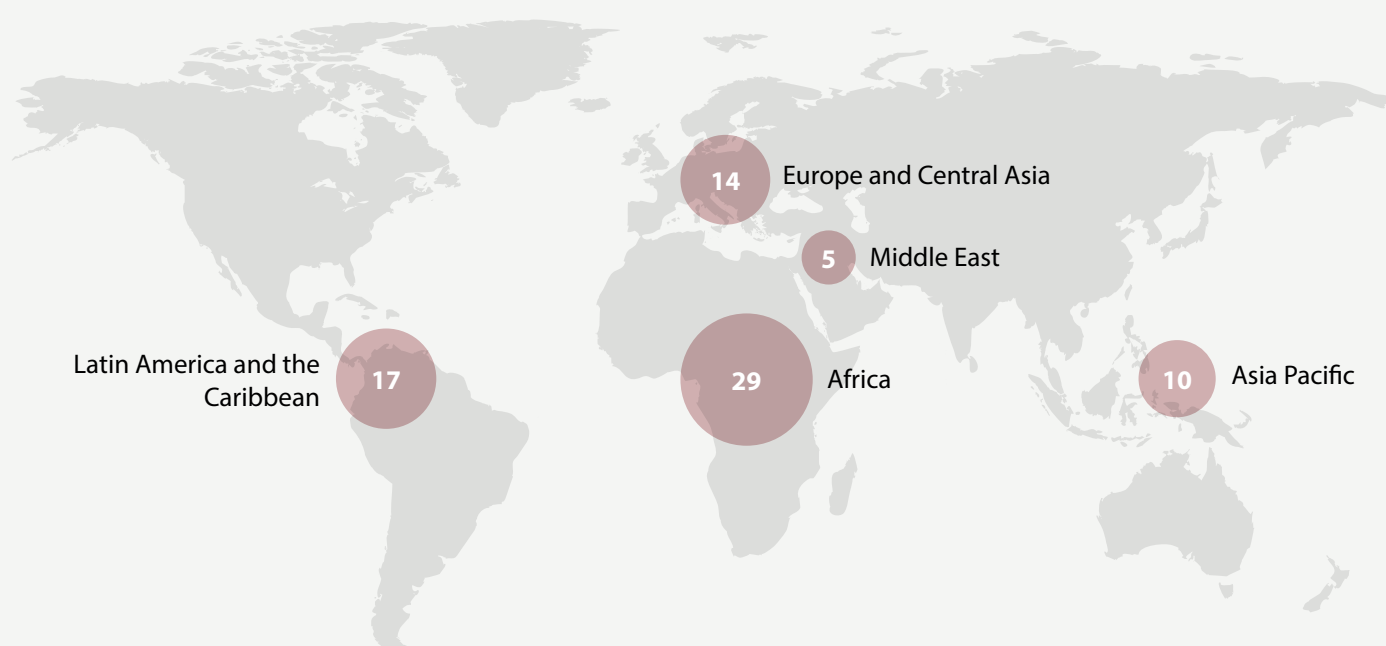
EFFECTIVE IMPLEMENTATION OF INTERNATIONAL STANDARDS ON TRANSPARENCY AND EXCHANGE OF INFORMATION

In 2021, 75 jurisdictions benefitted from the Global Forum Secretariat expertise, including 66 developing countries. The scope and intensity of the technical support provided varied from one jurisdiction to another. The geographical distribution was as follows: Africa (39%), Latin America and the Caribbean (23%), Europe and Central Asia (19%), Asia-Pacific (13%) and Middle East (6%) (see Figure 9).

- Progress was made in the delivery of 36 of the 40 ongoing Induction Programmes (see Box 8).
- Tailored assistance has been provided to address specific needs of 34 member countries.
- Pre-membership assistance has been offered to five non-member jurisdictions.

The technical assistance provided to member jurisdictions has been rated 4.6 out of 5 in 2021.

Figure 9. Number of jurisdictions supported in 2021, by region





Case study | WEST AFRICA FISCAL TRANSITION SUPPORT PROGRAMME

This Programme is a project funded by the European Union that seeks to support the implementation of fiscal transition programmes in West Africa, following the implementation of regional trade liberalisation policies. In particular, the programme aims to specifically achieve three outcomes:

1. broaden the tax base to increase the level of domestic tax revenue
2. strengthen the coordination and institutional capacity of Member States of the Economy Community of West African States (ECOWAS) and the West African Economic and Monetary Union (WAEMU) for the implementation, monitoring and evaluation of fiscal transition programmes
3. strengthen advocacy and analysis by civil society, the private sector, and academia and promote public debate on domestic taxation.

Since September 2020, the Global Forum Secretariat has worked closely with the ECOWAS and WAEMU Commissions, their Member States, and Mauritania to strengthen transparency and EOI for tax purposes. In particular technical assistance was provided to:

- the ECOWAS Commission to (i) ensure the conformity of its regional instrument for mutual administrative assistance with international standards, taking into account the regional context, (ii) operationalise the instrument with forms and checklists to facilitate exchanges between competent authorities, and (iii) promote it at the regional level
- the ECOWAS and WAEMU Commissions in the preparation of a model legislation to implement AEOI that can be disseminated to their Member States as part of a regional coordination strategy
- the ECOWAS and WAEMU Commissions in the preparation of draft regional instruments to ensure the availability of and access to information on beneficial owners of legal persons and arrangements.

Seven technical meetings with representatives from the Commissions, the Member States and Mauritania have been organised since 2020.

In addition, over 70 tax auditors and EOI unit officers from ECOWAS and WAEMU Member States and Mauritania were trained in two events to strengthen the effective use of EOI mechanism in the region. These trainings were focused on the connection between the domestic tax investigation, the information-gathering framework and the international infrastructure for EOI.

Seven technical meetings with representatives from the Commissions, the Member States and Mauritania have been organised since 2020.

BOX 8. The Global Forum's induction programmes (40)

Algeria, Armenia, Benin, Belarus, Bosnia-Herzegovina, Cabo Verde, Cambodia, Chad, Cote d'Ivoire, Djibouti, Ecuador, Egypt, Eswatini, Faroe Islands, Greenland, Guinea, Guyana, Haiti, Honduras, Jordan, Kuwait, Lebanon, Madagascar, Maldives, Mali, Moldova, Mongolia, Montenegro, Namibia, Niger, Oman, Palau, Papua New Guinea, Paraguay, Rwanda, Serbia, Tanzania, Thailand, Togo, Viet Nam.

2. Capacity building in 2021

Joining the Convention on Mutual Administrative Assistance in Tax Matters

The Global Forum continues to promote the MAAC as a central aspect of multilateral co-operation on tax transparency and EOI. Assistance on the signature and/or ratification of the MAAC has started or continued in 2021 with 21 jurisdictions, with the following results:

- Maldives, Papua New Guinea and Rwanda signed the MAAC.
- Botswana, Eswatini, Jordan, Liberia, Namibia, Maldives, Paraguay and Thailand have deposited their ratification instrument.
- Honduras requested an invitation to join the MAAC.

“As a small jurisdiction, Maldives sees the benefits of joining the MAAC, the most obvious of which, is the establishment of a comprehensive and impressive network for exchange of information for tax purposes without having to devote resources for bilateral negotiations. Having joined the MAAC, we are now very optimistic that the ability to obtain information from our MAAC partners will strengthen our efforts to combat tax evasion and aggressive tax avoidance. This will ensure domestic resource mobilisation for meeting our pressing needs in the face of the pandemic and climate change – both of which impact us significantly.”

Mr Fathuhulla Jameel, Commissioner General of Taxation, Inland Revenue Authority of the Maldives



Technical assistance on the implementation of the EOI standards

The technical assistance work has delivered results, with at least 21 countries passing legislations and regulations to implement the EOI standards. Additionally, improvements on the availability and access to beneficial ownership being made in at least 14 countries.

Assistance on the Implementation of the EOIR standard

The Global Forum Secretariat has been mobilised to help jurisdictions ensure availability, access and cross-border exchange of ownership, accounting and banking information on request. Desk-based assistance continues to be provided on the EOIR legal framework and its implementation in practice, with a focus on the transparency of beneficial ownership information. The demand for assistance was mainly driven by the preparation of EOIR peer reviews, the implementation of the recommendations made in the peer review reports and the preparation of requests for supplementary reviews.

In 2021, 43 jurisdictions received technical assistance on EOIR:

- Legal framework assistance was provided to 41 jurisdictions to ensure that relevant information is required to be available in the jurisdiction and that the competent authority has sufficient powers to access this information. It included the preparation of a technical assistance report and the review of draft legislation.
- Assistance was provided to 11 jurisdictions on the practical implementation of their domestic legal framework. Advice is provided on statistical information to be prepared for the EOIR review, on monitoring and supervision framework to ensure the availability of relevant information and on the effectiveness of the procedures and powers employed by competent authorities to access information.



Dominica

Case study | DOMINICA

- Significant reforms on EOIR and AEOI legal frameworks following an action plan and technical assistance
- Global Forum member since 2009

In 2016, Dominica was assigned a “Partially Compliant” rating in the first round EOIR peer review with the overall recommendation that it should develop the required organisational processes for EOI requests. After requesting a review procedure through the Fast-Track process, Dominica received a provisional upgraded rating of “Largely Compliant” in 2017. The second round of EOIR peer reviews in 2020 rated Dominica as “Partially Compliant” against the strengthened 2016 Terms of Reference. The main areas for improvement related to the availability of beneficial ownership information and accounting information, and to access to information.

Regarding AEOI, despite committing to start exchanges in 2018, Dominica experienced a number of delays which prevented the effective implementation of the AEOI standard by the agreed deadline. In addition, in 2020, the AEOI peer review found that Dominica’s legal framework was not in place.

With the support of the Global Forum Secretariat, a tailored technical assistance action plan was developed early 2021 covering the implementation of the EOIR and AEOI standards in Dominica. Through this action plan, Dominica has made significant progress in 2021 by aligning its beneficial ownership framework with the EOIR standard and implementing an oversight mechanism over dissolved companies. This progress led to the approval of a reassessment of Dominica, which is expected to be launched in 2022.

Dominica also addressed the deficiencies identified in its AEOI legal framework which has been reassessed as being “In Place” by the 2021 AEOI peer review. Dominica also started exchanging under the AEOI standard in September 2021.

Dominica has made significant progress in 2021 by aligning its beneficial ownership framework with the EOIR standard

- Support on the implementation of beneficial ownership requirements was provided to 27 jurisdictions. This includes assistance with legislation, in particular regarding amendments to anti-money laundering legislation and the setup of beneficial ownership registers, and the implementation of a monitoring and supervision framework.
- Guidance on the organisation and functioning of EOI units was provided to 10 jurisdictions. The assistance involves the setup of EOI units, drafting EOI manuals and procedures, and implementing a monitoring process.

Assistance on the implementation of the AEOI standard

The expertise of the Secretariat was made available to help jurisdictions implement the international and domestic legal framework required for the implementation of AEOI, as well as the confidentiality and ISM requirements.

2. Capacity building in 2021

In total, 34 jurisdictions benefitted from AEOI assistance in 2021, with 20 countries benefiting from legislative assistance and 24 countries assisted with their confidentiality and data safeguards framework, including ISM.

Members made significant progress in implementing the AEOI standard with Albania, Ecuador, Kazakhstan and Nigeria successfully passing their confidentiality assessment for reciprocal exchanges. In addition, out of the 29 developing countries that have their legal framework peer reviewed so far, 17 have their legal framework determined as “In Place” and 9 “In Place But Needs Improvement”.

The Global Forum is also supporting members in signing and activating the CRS-MCAA. In 2021, ten jurisdictions¹¹ received assistance in this area. As a consequence, Ecuador, Kazakhstan and Peru signed and activated the CRS-MCAA, and Kenya, Maldives and Moldova signed it.

As a result, Dominica, Ecuador and Kazakhstan started their first AEOI exchanges in 2021, and Nigeria and Albania their first reciprocal exchanges.

At the 2021 Global Forum plenary meeting, the Secretariat launched its new strategy to foster the implementation of the AEOI standard by developing countries.¹² The Strategy is centred on a comprehensive capacity-building programme that covers all essential elements for the implementation of the standard (see Box 9).

“With the most advanced capacity-enhancing tools provided by the Global Forum, Moldova is in the process of putting in place the domestic AEOI legislation and building up related Information Security Management mechanisms to ensure confidentiality and safeguards of the exchanged information. I am confident that by implementing the AEOI standard with first exchanges commencing in 2023, Moldova will significantly strengthen our tax enforcement functions, generate much needed additional revenues and boost the level of public trust in our tax system.”

Mr Dumitru Budianschi, Minister of Finance, Moldova



AEOI pilot projects

The AEOI pilot projects are ongoing and have delivered successful outcomes since they were first launched in 2014.¹³ In addition to directly benefiting the countries involved in the programme, the lessons from the pilot projects continue to inform and improve the approach to AEOI technical assistance.

Albania is the latest country to initiate exchanges under the AEOI standard after a successful pilot project in partnership with Italy. Albania received legal and practical assistance from the Italian Revenue Agency and the Global Forum and started exchanges in December 2020, ahead of its original commitment to 2021. In 2021, Albania exchanged on a reciprocal basis. Ongoing partnerships continue between France and Morocco, United Kingdom and Egypt, Australia and The Philippines, Germany and Georgia, and Switzerland and Tunisia.

11. Albania, Georgia, Jamaica, Kazakhstan, Maldives, Moldova, Montenegro, Thailand, Uganda, Ukraine.

12. Global Forum Secretariat / OECD (2021), *Unleashing the potential of automatic exchange of information for developing countries*, available at www.oecd.org/tax/transparency/documents/aeoi-strategy-developing-countries.pdf.

13. Three pilot projects (Colombia and Spain; Pakistan and the United Kingdom; Albania and Italy) came to successful conclusions with Colombia commencing exchanges under the AEOI standard in 2017, Pakistan in 2018 and Albania in 2020.

BOX 9. 2021 Strategy on AEOI implementation

Unleashing the potential of automatic exchange of information for developing countries

The 2021 Strategy aims to fulfil the potential of AEOI in developing countries through a strengthened approach to capacity-building and technical assistance. The Strategy focuses on the development of decision makers' and tax administration experts' knowledge of the requirements to implement the AEOI standard through new tools and continued awareness-raising initiatives to ensure that the assisted jurisdiction is an informed actor in its capacity-building programme.

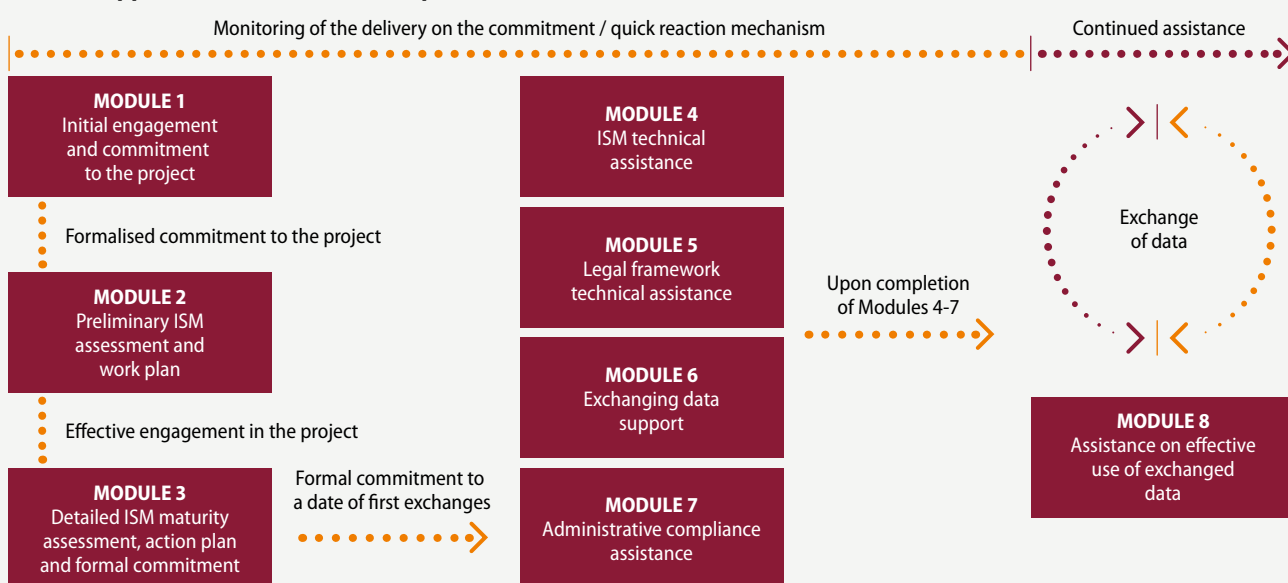
The Strategy is based in a modular approach that divides technical assistance programmes into several coherent and logical modules with specific targets to be achieved in order to move from one module to another. In line with the Global Forum's broader 2020 Capacity-Building Strategy, the modular approach is implemented to ensure a better allocation of resources and improved monitoring. The modular approach provides for a comprehensive technical support for a successful implementation and includes the following topics:

- awareness raising activities
- design of an implementation strategy
- setup of a voluntary disclosure programme
- implementation of an appropriate confidentiality and data safeguard framework
- putting in place the domestic and international legal framework
- supporting the setup of the IT requirements
- design and implementation of an administrative compliance framework
- assistance on the effective use of exchanged data.

The new Strategy will ensure that the Global Forum Secretariat continues to provide its unique expertise and know-how to unleash the potential of AEOI for developing countries.

The Strategy is based in a modular approach that divides technical assistance programmes into several coherent and logical modules with specific targets to be achieved in order to move from one module to another.

Modular approach for the CRS-AEOI implementation



Modules 1-3 are successive

Modules 4-7 can be initiated simultaneously or consecutively, and in the relevant order, depending on the circumstances of the jurisdiction



Albania

Case study | **ALBANIA**

- **Global Forum member since 2012**
- **AEOI commitment successfully delivered through a pilot project between Albania, Italy and the Global Forum Secretariat**

In October 2014, Albania committed itself to implement the AEOI standard by 2018 and signed the CRS-MCAA. A pilot project was agreed at ministerial level between Albania and Italy in coordination with the Global Forum Secretariat to support Albania in its AEOI journey.

The original roadmap drawn by the partners to implement the standard by 2018 was ambitious but proven unrealistic in light of specific circumstances in Albania, including the reorganisation of the Ministry of Finance and the General Tax Department. In consultation with its partners in the pilot project, Albania requested in 2016 a postponement of its initial exchange date to 2020. A new roadmap proved successful as assistance intensified and important progress was achieved through remote assistance and on-site visits.

Due to the impact of the COVID-19 pandemic and pending actions, Albania postponed to 2021 the date of its first exchanges, while striving to meet the 2020 deadline. Through intensified technical assistance, commitment from Italy to the project and remarkable progress from Albania, it met its previous deadline and was able to exchange in December 2020.

While significant progress in implementing an appropriate confidentiality and ISM framework was achieved, further improvements were needed to receive AEOI data. Guided by the Secretariat, Albania successfully met in September 2021 the requirements and now exchanges information with partners on a reciprocal basis. Assistance will continue to be provided to help Albania effectively use the data it receives from AEOI partners to mobilise domestic revenue.

In October 2014, Albania committed itself to implement the AEOI standard by 2018 and signed the CRS-MCAA.

Assistance in Information Security Management

The demand for ISM assistance continues to grow with developing countries exploring their participation in AEOI or working to meet the AEOI confidentiality requirements of the Global Forum and Inclusive Framework on Base Erosion and Profit Shifting. The Global Forum Secretariat continues to engage with jurisdictions and develop new tools to better respond to this demand. ISM assistance is provided to 24 jurisdictions.

The ISM Maturity tool developed by the Secretariat lays out a step-by-step approach for the provision of technical assistance to jurisdictions, initially through a structured work plan, followed by a maturity assessment with detailed recommendations for improvements and a final report with an invitation to initiate the confidentiality and data safeguard assessment.

The activities are supported through the Confidentiality and Information Security Management Toolkit¹⁴ and the tools developed in 2021 including:

- an Overarching Information Security Policy template
- a Remote Access Policy template
- an Information Security Officer terms of reference
- a “Bring Your Own Device” Policy template
- a Guidance on AEOI Portal Design and Development.

In addition, the Secretariat launched at the 2021 Global Forum plenary meeting the network of information security officers. The network provides a platform for Global Forum members to share best practices and experiences between jurisdictions, creating a community with the ultimate goal of improving confidentiality and data safeguards frameworks. The network brings together in a single virtual location multiple resources, including discussion forums on specific topics and relevant ISM material. In December 2021, the first “ISM Network Live Hour” was held with 57 participants from 33 countries discussing the issue of vulnerability management.

Ecuador

*In September 2021,
Ecuador started
exchanging information
reciprocally under the
AEOI standard.*

Case study | ECUADOR

- Global Forum member since 2017
- Punta del Este Declaration member since 2018
- Successful work programme to implement AEOI and achieve reciprocal status

At the launch mission of Ecuador’s induction programme in October 2017, senior officials and stakeholders expressed the strong commitment of the country in meeting the international standards in transparency and EOI and in joining the international community in the fight against tax evasion.

Particular interest was expressed towards the implementation of AEOI, with Ecuador promptly committing to start its first exchange of information by September 2021.

The Global Forum, jointly with the WBG, conducted gap analysis missions focused on the ISM arrangements of Ecuador’s Internal Revenue Service (SRI), and supported the SRI in its ambitious work programme to meet the AEOI standards within the deadline.

Ecuador’s SRI has made significant transformations in its ISM arrangements, including the adoption of various security policies, covering the physical and technological infrastructure aspects and the data security framework, among other central issues.

As a result of all the substantial efforts undertaken since 2017, Ecuador successfully passed its pre-exchange confidentiality assessment and had its relevant reciprocal exchange relationships under the CRS-MCAA and Country-by-Country MCAA activated in August 2021. In September 2021, Ecuador started exchanging information reciprocally under the AEOI standard.

14. Global Forum Secretariat / OECD (2020), *Confidentiality and Information Security Management Toolkit*, available at www.oecd.org/tax/transparency/documents/confidentiality-ism-toolkit_en.pdf.

2. Capacity building in 2021

EFFECTIVE USE OF EXCHANGE OF INFORMATION

In 2021, the Global Forum continued building on these practices, and launched a new pilot programme with the “Train the Trainer” programme.

Train the Trainer

Under the umbrella of the Africa Initiative, the Global Forum launched in April 2021 a new flagship programme, the *Train the Trainer* programme. Through the training of officials from national tax administrations across Africa, the programme seeks to create and support a highly skilled network of trainers who will effectively localise and multiply the acquired knowledge and skills domestically, in effect creating a sustainable capacity within African tax administrations.

Designed to assist participating jurisdictions in providing local training on EOI to tax auditors and investigators, the project is devised to build the capacity of national administrations to effectively use EOI instruments in their day-to-day work.

The programme included several steps to provide continued support to the trainers:

- initial training
- more tailored training materials¹⁵
- playback session
- support in the preparation and during the first local trainings.

To maintain the network, share experience and provide continued support to the participants, a dedicated on-line community will be established as well as regular meetings with them.

The pilot programme was offered in 2021 to 34 participants from 17 African jurisdictions in English and in French, with all participants committed to hold at least two training sessions for local tax administrations in 2021.

The results of the pilot programme and feedback from participants will assist the Global Forum to continuously improve the programme, which will be offered to other regions in 2022. The initial results of the programme are encouraging, with 24 local trainings held in 12 countries and attended by 861 tax officials in 2021.

The pilot programme was offered in 2021 to 34 participants from 17 African jurisdictions in English and in French, with all participants committed to hold at least two training sessions for local tax administrations in 2021.



15. Presentations and case studies are tailored to the situation of each jurisdiction, which makes a greater impact on the local auditors.

Interview of participants to the 2021 Train the Trainer programme

Ms Ivey Githaiga-Odundo, Exchange of Information & Stakeholder Engagement Unit, Kenya Revenue Authority
– 162 trained officials in 2021



Mr Bèkèyi Essowèdéou Sogoyou, Head of International Law Unit, Directorate of Tax Legislation and Litigation, Togo Revenue Office
– 82 trained officials in 2021



Why did you decide to participate in the Train the Trainer programme?

The Chief Manager of the Competent Authority Office nominated me to join the programme. She expressed having seen potential in my ability to impart knowledge to my fellow auditors and nominated me for the programme. My previous experience as an investigative auditor for about seven years in the Domestic Tax Department prior to joining the Competent Authority Office was also an important factor.

Participating in the Train the Trainer programme was a unique chance to build my capacity on the fundamentals and technical aspects of transparency and exchange of information for tax purposes, as well as on modern methods of training adult professionals. I was very glad that the Togo Revenue Office accepted my application for the programme.

Beyond the acquisition of new knowledge, my motivation was especially heightened by the idea of being part of a large network of high-level African trainers, as a participant of the first cohort of the Train the Trainer pilot programme.

What has been your experience with the 2021 pilot programme, as a trainer?

The programme has given me the knowledge and confidence in delivering training sessions so that now I consider myself an expert in the area.

I have improved delivery and training skills and acquired a vast experience as a trainer from the trainings offered by the Global Forum through this programme.

The local training sessions were initially a bit challenging because of the limitations of a virtual training. However, after the initial adaptation, the training provided a good level of interaction and engagement. We hope in-person or hybrid trainings can resume, especially for practical areas of the programme such as the drafting of EOI requests.

As a trainer, the Train the Trainer pilot programme allowed me to experiment with the tools necessary for the elaboration and planning of a training programme (including the preparation of an agenda and terms of reference), as well as the preparation of modules and training materials through slides and other support materials.

Thanks to the practical nature of the programme, my skills have improved significantly in terms of facilitating training sessions, particularly by familiarising myself with the new tools and materials for virtual training, including techniques for moderating debates and discussions following presentations, as well as the logistics around training sessions, including time management within the chronogram of the sessions.

What are the next steps planned in your country to continue to expand the knowledge on exchange of information to auditors?

Kenya intends to continue carrying out EOI training sessions for the relevant staff of the Kenya Revenue Authority. A training plan has been prepared which includes a major training event every quarter of the year for about 50 participants, supplemented by sessions on EOI sensitisation on a monthly basis for managers, auditors and investigators.

For the promotion of EOI knowledge in Togo, we have launched a programme for the organisation of three local training sessions before the end of 2021, for the benefit of all staff within the tax administration involved in the implementation of international standards of tax transparency.

The programme is not limited to raising awareness and strengthening the capacities of auditors in the Directorate of Large and Medium Enterprises and Regional Directorates, but is also designed to provide knowledge to agents in charge of tax investigations, information exchange and tax legislation.

2. Capacity building in 2021

Virtual trainings

Trainings are central to capacity-building strategies, strengthening the capabilities of competent authorities and auditors so they can make the best use of transparency standards to ensure domestic revenue mobilisation.

Based on lessons learned from virtual trainings and feedback received from participants throughout the past two years, the Global Forum continuously works to improve its offer of trainings. The framework of activities is designed to provide balance between broad sessions that examine a number of topics and specialised events that focus on the particularities of complex topics. This structure was developed in response to the varying preferences and demands expressed through feedback by officials attending Global Forum training sessions.

In line with this blended approach, the Global Forum continued holding general trainings to allow wide participation but also developed more targeted events on topics of particular relevance to member countries, including:

- A workshop on the concept of foreseeable relevance, where 149 officials from 81 jurisdictions discussed and exchanged best practices on this central concept to EOIR.
- A workshop on establishing and running functioning exchange of information units, where 165 participants from 30 jurisdictions shared their knowledge, experience and examples on the organisation of competent authority functions.
- A workshop on the effective use of AEOI data, where 625 officials from 89 jurisdictions discussed important aspects of data treatment, data matching and data analysis in the AEOI context.
- A workshop on the AEOI effectiveness review process, where over 420 participants from 84 jurisdictions discussed the effective supervision, compliance and enforcement of due diligence and reporting obligations by financial institutions.

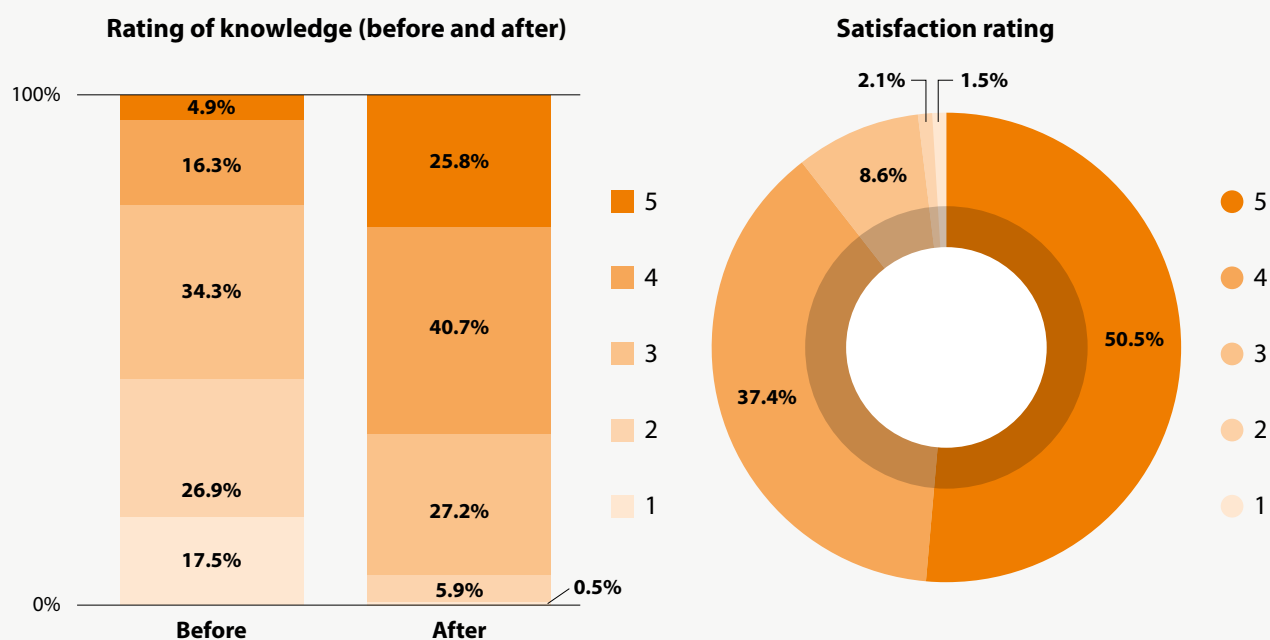
In 2021, close to 6 000 officials have attended 32 virtual training and workshop sessions offered by the Global Forum, including 12 EOIR trainings (including beneficial ownership seminars), 9 AEOI seminars and 6 Last Mile seminars. Participants were generally very positive on the training experience; however, they also indicated some issues or limitations such as the connectivity, the time difference, the difficulty to network with other participants and a less personal interaction with trainers. Based on the positive feedback from participants of virtual events (rated 4.4 out of 5), the Global Forum intends to keep offering virtual trainings to its members, even after international travel restrictions are lifted, as a supplement to its in-person events (see Figure 10).

Ensuring gender balance

The Global Forum Secretariat eagerly embraces its responsibility in being part of the solution to reduce social and economic inequalities between men and women – particularly in light of the impact that the COVID-19 pandemic had on pre-existing disparities. The Global Forum can play an important role in this area by promoting gender balance in its activities and increased participation of female officials in leading positions of national tax administrations and multilateral initiatives.

In 2021, 51% of participants in attendance of training activities and seminars were women. The percentage of women was higher than men in all regions, but Africa (see Table 1). However, the gender gap in Africa has reduced in 2021 with 40% female participation compared to 34% in 2020.

Figure 10. Ratings of satisfaction and knowledge



This progress is the consequence of the measures taken by the Secretariat to encourage and promote women participation in its activities.

Table 1. Female participation in training events in 2021



Region	Female participation rate
Africa	40%
Asia/Pacific	54%
Europe & Middle East	63%
Latin America & Caribbean	63%
Global events	56%
Average	51%

The Global Forum Secretariat eagerly embraces its responsibility in being part of the solution to reduce social and economic inequalities between men and women.

2. Capacity building in 2021

BOX 10. Women Leaders in Tax Transparency

The Women Leaders in Tax Transparency programme is a flagship initiative of the Global Forum Secretariat for the promotion of female leadership in tax transparency and EOI. The programme seeks to build a network of women officials championing tax transparency in administrations of Global Forum developing country members. Through the development of technical skills and the promotion of female leadership, this initiative will promote a higher female representation at international events in the area and diverse views across decision-making spheres.

The 2022 pilot programme will include 15 female participants from developing countries members of the Global Forum. Across nine months, the programme will cover a variety of topics from leadership skills to technical knowledge on tax transparency, including:

- key concepts and effective implementation of tax transparency standards
- use of EOI tools, practical aspects of EOI, including organisation, confidentiality, role of tax auditors and third parties
- transfer of EOI knowledge and skills to modernise and standardise revenue mobilisation processes
- mentorship session with female leaders working in tax administrations
- leadership training.

The 2022 edition will be patroned by **Grace Perez-Navarro**, the Deputy Head of the OECD Centre for Tax Policy and Administration.

“ I am very proud to be the patron of this first edition of the Women Leaders in Tax Transparency programme. Fighting for inclusiveness and gender equality has been one of my personal priorities at the OECD for several years, focusing both on identifying tax policy aspects that may impact women either through implicit or explicit bias and on how we can support women in their professional development. This exciting programme will help further this cause by empowering women to take leading roles on tax transparency in their national tax administrations or ministries. ”



Invitations for training sessions and workshops often require member countries to nominate candidates from both genders to promote the technical development of female officials in administrations. The Secretariat will keep monitoring participation data on its events and continue to promote greater gender balance.

In the pursuit of broader efforts to improve gender balance across tax administrations, international events and decision-making spheres, the Global Forum launched at its 2021 plenary the Women Leaders in Tax Transparency programme (see Box 10).¹⁶

16. Global Forum Secretariat / OECD (2021), *Women Leaders in Tax Transparency, Building a network of women officials championing tax transparency in their tax administrations*, Pilot Programme 2022, available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/women-leaders-in-tax-transparency.htm.

E-learning courses

Starting in 2019, e-learning has become an integral part of the capacity-building activities of the Secretariat.¹⁷ Following the success of the courses launched over the past two years, the courses on beneficial ownership (jointly produced with ADB) and EOIR were made available in French and Spanish in 2021. Close to 1 800 additional officials have taken the e-learning courses. A new e-learning course on AEOI is in production designed to assist jurisdictions in the effective implementation of the AEOI standard which should be released early 2022.

In addition, to support the implementation of a satisfactory ISM framework and complement the related toolkit, two e-learning courses have been released late 2021, to unpack the core requirements of a suitable ISM framework. A specific training on ISM Risk Management has also been developed, with initial pilots in 2021 in advance of an e-learning course in 2022. Additional modules on specific topics related to the implementation of the ISM framework are also scheduled to be released in 2022.

Toolkits

Following the successful publication of multiple toolkits in 2019 and 2020 by the Global Forum Secretariat and partner organisations, three new toolkits have been launched in 2021:

- a *Model Manual for Exchange of Information for Tax Purposes* in partnership with the WBG and AfDB which provides guidance and templates for implementing relevant procedures for all forms of EOI and reflects recent improvements such as group requests¹⁸
- a toolkit on *Building Effective Beneficial Ownership Frameworks* jointly developed by the Global Forum and the IDB, to help jurisdictions ensure transparency of beneficial ownership information¹⁹
- A *Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information* to provide guidance on all aspects of AEOI implementation to interested jurisdictions.²⁰

In addition, the toolkit on Confidentiality and Information Security Management is now available in French and Spanish.²¹

“The GIZ welcomes its co-operation with the Global Forum Secretariat in developing the Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information. This valuable tool provides a hands on implementation strategy to the Standard and will greatly benefit developing countries. Its publication further promotes the worldwide adoption of automatic exchange of information.”

Mr Günther Taube, Head of Sector Programme Good Financial Governance, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)



17. Global Forum's e-learning courses are available at www.oecd.org/tax/transparency/resources/global-forum-e-learning.htm.

18. Global Forum Secretariat / OECD, AfDB and WBG (2021), *Model manual for exchange of information for tax purposes*, op. cit. The manual has been published in English, with versions in French, Spanish and Portuguese forthcoming.

19. Global Forum Secretariat / OECD and IDB (2021), *Building Effective Beneficial Ownership Frameworks – A joint Global Forum and IDB Toolkit*, op. cit. The toolkit has been published in English, with versions in French and Spanish forthcoming.

20. Global Forum Secretariat / OECD (2021), *A Toolkit for the Implementation of the Standard for Automatic Exchange of Financial Account Information*, op. cit. The toolkit has been published in English, with versions in French and Spanish forthcoming.

21. Global Forum Secretariat / OECD (2020), *Confidentiality and Information Security Management Toolkit*, op. cit.

3 | Collaboration with partners and support from donors

The breadth and intensity of the Global Forum Secretariat's capacity-building programme is only made possible thanks to the financial support provided by donor partners, the involvement of member jurisdictions and the strong partnership built with technical partners.

In 2021, the strong network built by the Global Forum with other development partners was maintained through virtual meetings, joint events and development-knowledge tools designed to enhance synergies at global and regional levels for the benefit of all members. Many member countries and international or regional organisations have also supported the capacity-building work by offering experts or technical support.

FINANCIAL CONTRIBUTIONS

The capacity-building programme of the Global Forum Secretariat is mainly funded by the voluntary contributions and grants, with great thanks to Australia, France, Germany¹, Japan, Norway, Senegal², Switzerland, the United Kingdom and the European Union for their continuous support and trust.



1. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of German Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung – BMZ).
2. Resource Mobilisation and Investment Attractiveness Institutional Support Project piloted by the Ministry of Finance of Senegal and supported by the African Development Bank.

3. Collaboration with partners and support from donors

The Secretariat is also grateful for the additional financial support received from Germany and The Netherlands in December 2021. This financial support is critical to the short and long-term assistance provided to developing countries. The Secretariat is striving to continuously improve the allocation of its resources. The Secretariat will pursue its fund-raising efforts and it is hoped that the financial support for this critical activity will be renewed.

PARTNER ORGANISATIONS

Since the launch of its capacity-building programme in 2011, the Global Forum Secretariat has established strong partnerships with other development partners at global and regional level. In 2021, these partners contributed to the development of the regional initiatives, the delivery of trainings, the creation of knowledge-development tools and technical assistance programmes aimed at supporting developing countries.



African Development
Bank Group



African Tax
Administration Forum



African Union
Commission



Asian Development
Bank



Centro Interamericano
de Administraciones
Tributarias



Cercle de réflexion et
d'échange des dirigeants
des administrations fiscales



Inter-American Development
Bank



International
Monetary Fund



Knowledge Sharing Platform³



Pacific Islands Tax
Administrators Association



Study Group on Asia-Pacific
Tax Administration
and Research



West African Tax
Administration Forum



WORLD BANK GROUP

World Bank Group

3. The Global Forum wishes to acknowledge that it is pleased to be using The Knowledge Sharing Platform for Tax Administrations (KSPTA), a global online resource for sharing tax knowledge and expertise developed by the Canada Revenue Agency, to help manage learning events and foster digital collaboration with our members.

3. Collaboration with partners and support from donors

EXPERTISE PROVIDED

Many member countries are also contributing to the capacity-building activities through their invaluable expertise. Their expertise reinforces the assistance provided by the Secretariat. In 2021, they contributed to the implementation of AEOI pilot projects, training events (including on effective use of AEOI data, AEOI administrative compliance framework and implementation of a functional EOI unit), the assistance in cross-border tax collection and the regional initiatives.



Australia



Austria



Belgium



Cameroon



Canada



China



Finland



France



Germany



Guernsey



Hong Kong (China)



India



Indonesia



Italy



Japan



Jersey



Liechtenstein



Malaysia



Mauritius



Mexico



New Zealand



Norway



Russia



Singapore



Spain



Switzerland



Uganda



United Kingdom



United States

4 | Looking forward

The robust capacity-building programme has been integral to the Global Forum's success for now 10 years, with the objective of ensuring that EOI benefits all of its members, in particular developing countries. The programme evolved to keep pace with the members' needs in the implementation of the EOIR and the AEOI standards. Whilst tremendous progress has been achieved, there is still much work to ensure that the Global Forum's mission is delivered in full.

Regional initiatives will remain a key priority and component of the Global Forum capacity-building strategy. The scope of these initiatives will be expanded with the official launch of the Asia Initiative in 2022 which will enhance the capacity-building offerings in the region to address the local needs.

During the pandemic, the capacity-building programme has been boosted through various new tools, which facilitate assistance through digital channels. Whilst it is expected that a virtual format will remain an important part of the capacity building offering in 2022, the Global Forum will seek to resume onsite presence to the extent possible.

Training activities will remain a central piece of the programme with a combination of large scale events to provide baseline knowledge, and more targeted and advanced events to address specific needs. It will include the replication in other regions of the Train the Trainer programme following its successful launch in Africa and the delivery of the 2022 pilot Women Leaders in Tax Transparency.

The implementation of the 2021 Strategy to unleash the potential of AEOI for developing countries will accelerate as more and more developing countries are now confident on their ability to effectively implement and benefit from AEOI in a reasonable timeframe with the support of the Secretariat. The modular approach implemented since 2020 will therefore be the methodology to ensure successful outcomes and additional tools will be developed to support the technical assistance work, including the critical ISM component.

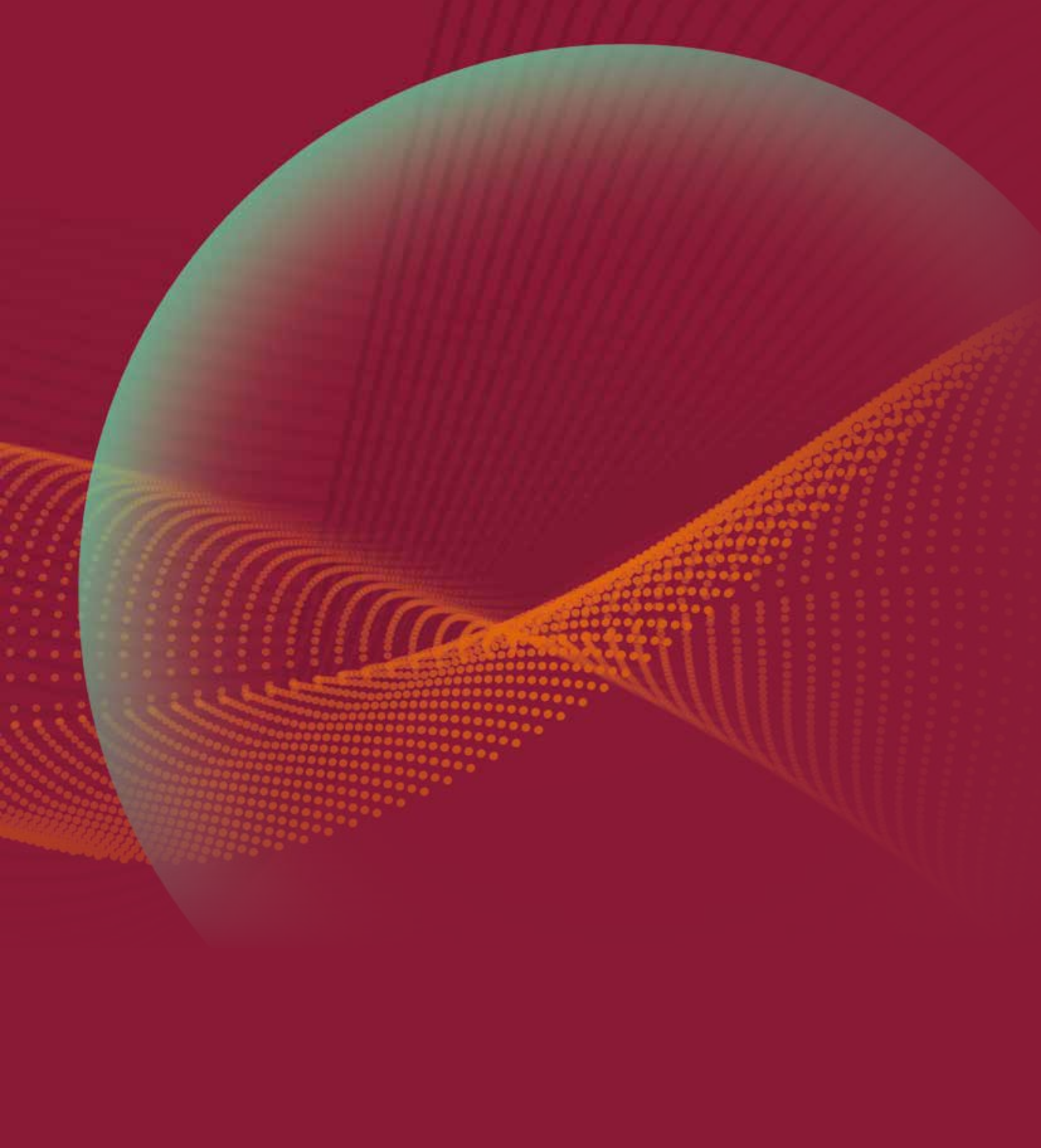
The renewal of the funding support from donors will also be critical to the implementation of this ambitious capacity-building programme. Securing the funding for the next five years will therefore be a priority for 2022.

Training activities will remain a central piece of the programme with a combination of large scale events to provide baseline knowledge, and more targeted and advanced events to address specific needs.

ANNEX 1:

2021 activities

Activities	2021
Awareness raising activities	
High-level stakeholder events	3
Ongoing regional initiatives	3
Regional initiative events	5
Publication of progress reports and strategic reports	4
Number of regional and global events attended	12
High-level meetings with decision-makers and high-level officials	17
Development knowledge tools	
Development of toolkits, templates, guidance and other tools	12
Countries provided with tools	49
Production of e-learning courses	10
Officials having taken e-learning courses	1 793
Training events	
Regional / global training events	20
Jurisdiction-specific training events	12
Officials trained	5 983
Technical assistance	
Jurisdictions receiving technical assistance	75
Technical assistance reports	102
Technical assistance meetings	312
Working group meetings	12
Working documents produced	13



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