



# Taxation & SDGs

FIRST GLOBAL CONFERENCE  
OF THE PLATFORM FOR  
COLLABORATION ON TAX

February 14–16, 2018 / New York



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Conference Report





*This report honors the memory of Jan Walliser, our esteemed colleague and friend. At the time of his passing — in June, at the age of 49 — he was the World Bank’s Vice President for Equitable Growth, Finance, and Innovation.*

*He was also the Bank’s principal delegate to the Platform for Collaboration on Tax — a great champion of the partnership who realized the critical importance of domestic resource mobilization and international tax cooperation.*

*We are sure that Jan would be pleased with the Platform and its potential for effecting lasting change in pursuit of sustainable development.*

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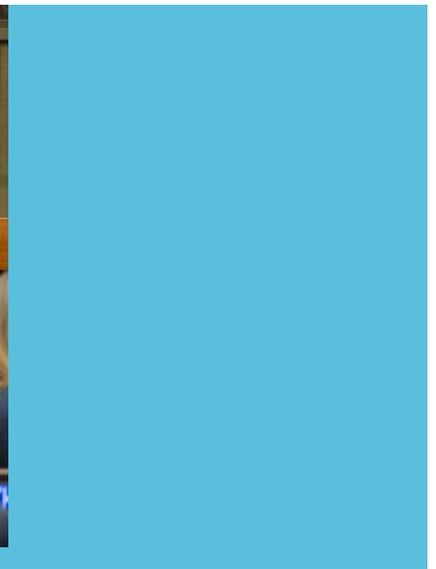
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## ACRONYMS AND ABBREVIATIONS



AAAA	Addis Ababa Action Agenda
ATAF	African Tax Administration Forum
ATI	Addis Tax Initiative
BEPS	Base Erosion and Profit Shifting
CESR	Center for Economic and Social Rights
CRA	Canada Revenue Agency
DAC	Development Assistance Committee
DRM	Domestic Revenue Mobilization
FCV	Fragile and Conflict-affected Countries
FTC	Financial Transparency Coalition
GATJ	Global Alliance for Tax Justice
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICRICT	Independent Commission for the Reform of International Corporate Taxation
ICTD	International Centre for Tax and Development
IDA	International Development Association
IFF	Illicit Financial Flows



<b>IMF</b>	International Monetary Fund
<b>IOTA</b>	Intra-European Organisation of Tax Administrations
<b>MTRS</b>	Medium-term Revenue Strategies
<b>NRGI</b>	Natural Resource Governance Institute
<b>ODA</b>	Official Development Aid
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>PCT</b>	The Platform for Collaboration on Tax
<b>SDGs</b>	Sustainable Development Goals
<b>SNSPA</b>	National School of Political Science and Public Administration in Bucharest
<b>UN</b>	United Nations
<b>UNECA</b>	United Nations Economic Commission for Africa
<b>USAID</b>	United States Agency for International Development
<b>VAT</b>	Value-Added Tax
<b>WBG</b>	World Bank Group
<b>WEO</b>	World Economic Outlook
<b>WHO</b>	World Health Organization





The Platform for Collaboration on Tax (PCT) — a partnership of the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), the United Nations (UN), and the World Bank Group (WBG) — brought together nearly 500 representatives from governments, academia, civil society, international organizations, private-sector and regional groups to participate in its first Global Conference in New York. The theme of the conference was a critical one: the relationship between taxation and the achievement of the UN’s Sustainable Development Goals (SDGs).

The SDGs comprise 17 interconnected global goals — a universal call to achieve a better, more sustainable future for everyone and to address the global challenges we all face, including those related to human development, poverty, inequality, climate,

environmental degradation, prosperity, and peace<sup>1</sup>.

The stakes are high. Taxation is a significant factor in 10 of the 17 SDGs. Making progress on taxation is therefore vital for achieving the SDGs. The connection between taxes and SDGs follows four broad pathways:

- (1) taxes generate the funds that finance government activities in support of the SDGs;
- (2) taxation affects equity and economic growth;
- (3) taxes influence people’s behavior and choices, with implications for health outcomes, gender equity, and the environment; and,
- (4) fair and equitable taxation promotes taxpayer trust in government and strengthens social contracts that underpin development.

<sup>1</sup> The SDGs were first agreed upon at the UN Sustainable Development Summit on September 25-27, 2015, in New York. They were adopted as part of the UN’s 2030 Agenda for Sustainable Development. The 17 SDGs are listed in Appendix A. See <https://www.un.org/sustainabledevelopment/development-agenda/> for more details on the SDGs and the 2030 Agenda for Sustainable Development.



**Generating resources.** Taxation plays a fundamental role in effectively raising resources for governments to deliver essential public services and achieve the SDGs. Reaching and maintaining a goal in which 15 percent of gross domestic product (GDP) is collected in taxes has been shown to be critical for any country that aims to provide basic services to its citizens<sup>2</sup>. But almost half of the world's poorest countries don't reach that threshold<sup>3</sup>. For this reason, the Addis Ababa Action Agenda (AAAA), established at a UN summit in Ethiopia's capital in 2015, calls on countries to improve their domestic resource mobilization, recognizing that much of the increased public financing to achieve the SDGs needs to be generated domestically.

**Equity and growth.** Mobilizing domestic resources is not simply a matter of taxing more; it's also about taxing better by expanding the tax base, ensuring an appropriate distribution of the tax burden among taxpayers, simplifying and improving the efficiency of tax administration, bringing tax laws up to date, and making sure that

tax administrators know how to audit local and multinational companies. Citizens must see the tax system as being equitable. The most consistent message emerging from conference participants was a concern that the trend toward lower taxation of capital (to encourage growth) is making it harder to counter the growing inequality of income and wealth. The growing income and wealth gaps can undermine social cohesion, and ultimately undermine economic growth as well.

**Behavior.** Taxes influence people's behavior and, through this channel, impact human development outcomes. Tobacco taxation, for instance, lowers tobacco consumption, which improves health outcomes. And green taxes can help the environment. On the other hand, tax systems may include explicit and implicit gender biases.

**Social contract.** When tax systems are fair and efficient — and when service delivery and public accountability are good — they help to build citizens' trust in government. Countries' tax systems operate within an international

<sup>2</sup> Gaspar, V., L. Jaramillo and P. Wingender, 2016, "Tax Capacity and Growth: Is there a Tipping Point?," IMF WP No. 16

<sup>3</sup> Of the 75 countries eligible for World Bank IDA funding, 40 had a tax-to-GDP ratio of less than 15% based on IMF Country Reports and IMF Government Finance Statistics (GFS)

context, which poses specific challenges — particularly when it comes to taxation of multinational entities and international transactions. International action initiatives, such as the Base Erosion and Profit Shifting (BEPS) project, have greatly contributed to international cooperation on these issues. But more can be done to ensure the involvement and representation of all stakeholders. The PCT issued a statement at the end of the conference outlining 14 actions items. The action plan is organized around key priorities highlighted during the conference: strengthening international tax cooperation, building institutions through medium-term revenue strategies (MTRS), and promoting partnerships and stakeholder engagement.

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The first conference of the PCT was held on February 14 - 16, 2018, at the UN headquarters in New York. The conference considered and addressed the relationship between taxation and the SDGs. In April 2016, the IMF, the OECD, the UN, and the WBG created the PCT as a central vehicle for their enhanced cooperation. This has enabled the development of common approaches, the delivery of joint outputs, and facilitation of global dialogues on tax matters. The Conference's chief aim was to facilitate an important conversation among relevant stakeholders, develop a common vision, and take concrete actions to realize the critical role of taxation in achieving broader development goals. Nearly 500 people from 106 countries attended the two and one-half day conference, including journalists<sup>4</sup>. Invited participants included:

- Government officials from 98 countries, including:
  - 18 ministers and vice ministers of finance

- 33 commissioners and deputy tax commissioners
- 102 representatives from international organizations (including regional tax organizations)
- 62 representatives of civil-society organizations
- 28 representatives from the private business sector
- 22 academics

The conference was organized into eight plenary and six parallel sessions. There were also 12 side events, sponsored or presented by government ministries, businesses, civil-society members, and international organizations. Many of the sessions and events focused primarily on taxation as a funding source; others looked at the relationship between taxes and specific SDGs. The conference agenda appears in Appendix B. How the conference sessions relate to specific SDGs is presented in Appendix C. At the close of the conference, the PCT released a summary and 14-point action plan. A copy of that statement appears in Appendix D.

4. Most of the journalists who attended the conference had UN press credentials and did not register, so the number of journalists who attended, and their affiliations, are not known.





This report presents key messages coming from the conference sessions.

The messages summarized in this section were recurring themes. While there were many more specific messages, this section highlights broad findings that should offer general guidance to governments, institutions, and other SDG stakeholders.

These messages can be organized around four themes, as illustrated in Figure 1:

- How Revenue Generation Supports the SDGs
- How Tax Structure and Administration Affect the SDGs
- How Taxation Can Encourage Behavioral Change to Achieve Specific SDGs
- The Reciprocal Relationship Between Taxation and State-Building

These four themes overlap in several ways; some messages could fall under more than one heading. In addition, there are two issues that cut across these themes: (1) the design of an international tax architecture and (2)

the role of the Platform for Collaboration on Tax. These issues are discussed separately below.

In this report, “developing countries” refers to those classified as low- or lower middle-income, according to the World Bank’s standard definitions. “Emerging markets” refers to developing countries that have some economic characteristics of developed countries, such as active engagement in international financial markets.

Figure 1. Key Messages from the Conference on Taxation and the Sustainable Development Goals





## A. How Revenue Generation Supports the SDGs



**Key Message 1. Developing and emerging-market countries must have strong domestic revenues to support achievement of the SDGs**

There was broad consensus among conference participants that developing and emerging-market countries must mobilize more domestic revenues in order to reach the SDGs. These countries require a large amount of revenues to fund the public services needed to achieve these goals, especially on poverty, hunger and malnutrition, education, health, infrastructure, and administration of the state (SDGs 1, 2, 3, 4, 6, 7, 9, 10, and 16). The revenue is also key to ensuring that they can promote economic growth and equitably distribute public resources (SDGs 5, 8, 11, 12, 13, 14, 15, and 17).

In many countries, significant increases in government spending will have to be funded in large part through domestic revenue mobilization (DRM), although official development aid (ODA) will remain

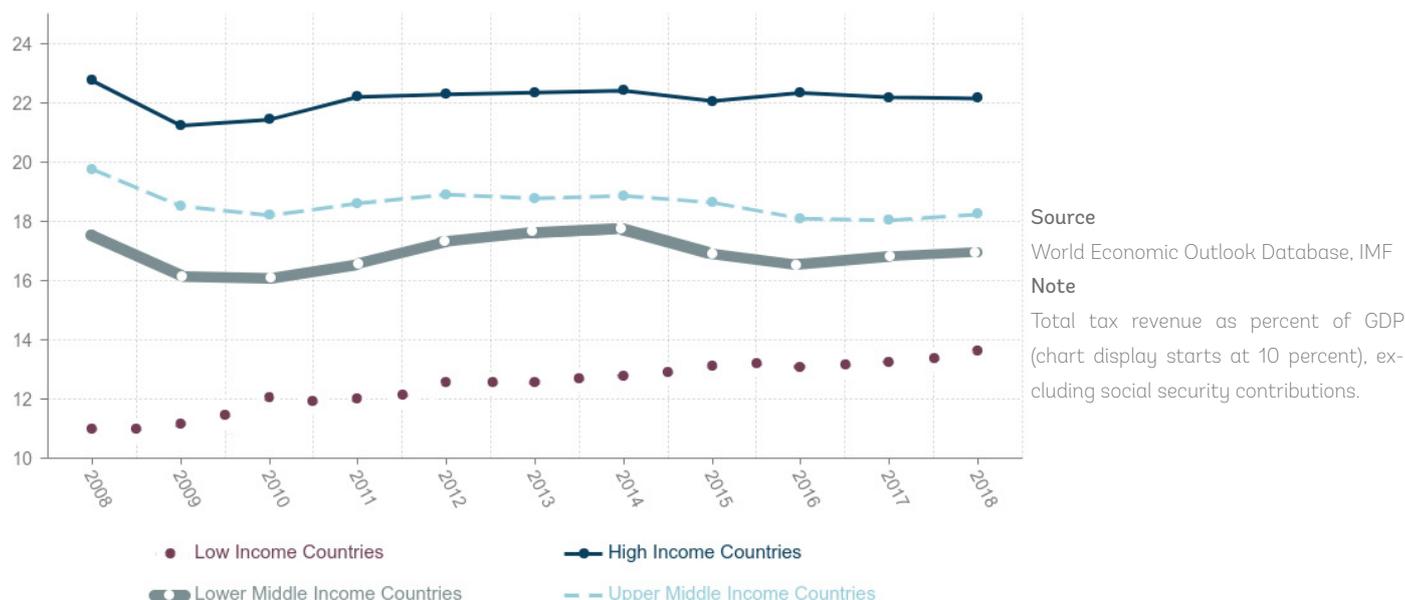
an important source of revenues for the least developed countries. Increasing tax revenues in developing countries — generally by broadening the domestic tax base, improving tax compliance, and curbing tax evasion — is critical to ending extreme poverty and ensuring shared prosperity. There is increasing evidence that countries with tax revenues below 15 percent of GDP have difficulty funding basic state functions<sup>5</sup> a condition that afflicts roughly half of the world's poorest countries<sup>6</sup>.

The need to raise domestic revenues is especially acute in lower-income countries and those in post-conflict situations, which are often the furthest from achieving the SDGs (especially those on education, health, and nutrition). Tax revenues in 36 percent of International Development Association

5. Gaspar, V., L. Jaramillo and P. Wingender, 2016, "Tax Capacity and Growth: Is there a Tipping Point?," IMF WP No. 16

6. See Footnote 3.

Chart 1. Total Tax Revenue by Income Group, 2008-2018 (In % of GDP)



(IDA) countries and 70 percent of fragile and conflict-affected countries are below the 15 percent threshold, and tax revenues are lowest in countries where most of the very poor live.

Chart 1 illustrates different levels of total tax revenue as percent of GDP by low-, middle-, and high-income country groupings for the last decade.

Major changes to tax-policy regimes are politically difficult, so it takes time to develop consensus among policy-makers. Many examples of this were cited at the conference. One was India’s new value-added tax (VAT), explained by Arbind Modi, head of the Tax Policy Research Unit, Ministry of Finance, India. He noted that it took nine years — from 2004 to 2013 — to strike a bargain between federal and state authorities. But now India has a goods-and-services tax with a common base across the country — a remarkable achievement that should

improve economic efficiency and domestic revenue collections.

In the opening session, Jeffrey Sachs, Director, Center for Sustainable Development, Columbia University, suggested that a 20 percent tax revenue-to-GDP ratio should be the minimum goal for most countries, if they wish to make significant progress on achieving the SDGs. Several conference attendees argued that there can be no universal standard. The range of experience, conveyed by participants over the course of the conference, suggests that countries have set targets that are appropriate for themselves — ones that are congruent with their desired level of public services and the pace with which they wish to attain national economic and social goals.

Isabel de Saint Malo de Alvarado, Vice President and Minister of Foreign Affairs, Panama, noted that while taxes are part of the SDG equation, each country needs



to define its own national agenda. Andres Edelstein, Undersecretary for Public Revenue, Argentina, commented on the inherent struggle between reducing the public deficit and forging a tax system that is more competitive and better harmonized across all levels of government.

Some countries though have made notable progress in raising their level of taxation relative to GDP, suggesting that with appropriate reforms in tax policy, legislation, and administration, it is possible to strengthen domestic revenues. Dana Reizniece-Ozola, Minister of Finance, Latvia, laid out the goals for her country. In terms of tax reforms, Latvia has three key objectives: (1) to raise the revenue-to-GDP ratio from 29 to 33 percent; (2) to decrease inequality, as measured by the Gini Coefficient; and (3) to increase Latvia's international competitiveness.

Several other attendees noted that their countries' efforts are continuing. Marta Beatriz Gonzalez Ayala, Vice Minister of Taxation, Paraguay, emphasized that in order to raise tax revenues from 12 percent of GDP, her country is focusing on expanding its tax

base and targeting a 40 percent increase in compliance through various measures, including more computerization to improve tax administration.

Amr El-Garhy, Minister of Finance, Egypt, observed that his country has been struggling to raise its tax revenues above 14 percent of GDP. New approaches to address this include new taxes (such as property taxes), new procedures for corporate tax, better mechanisms for resolving tax disputes, a new national receipt system with electronic invoicing, and an effort to combat tax base erosion and profit shifting (BEPS). He also noted that Egypt is trying to bring more small- and medium-sized enterprises into the tax base.

John Connors, Group Tax Director, Vodafone, observed that in the long run, business interests align with those of global policy-makers and tax authorities because sustainable tax environments are good for business investment. His point was echoed by William Morris, PricewaterhouseCoopers, Chair of the OECD, Business and Industry Advisory Tax Committee.



## Key Message 2. Domestic resource mobilization is also central to how developed countries can support achievement of SDGs.

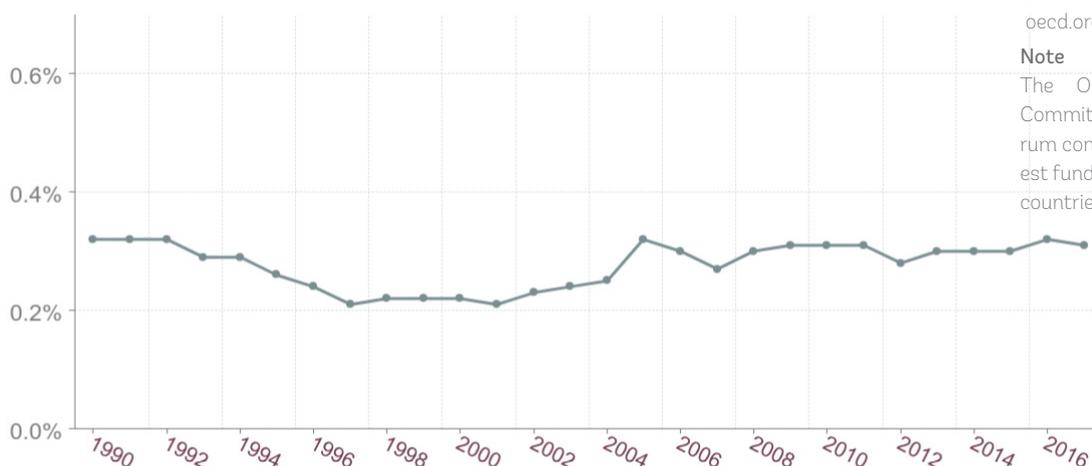
Conference attendees discussed the importance of developed countries doing their part to help developing countries achieve the SDGs. Several participants said that developed countries need to deliver on their long-standing UN commitment to provide 0.7 percent of gross national income (GNI) in ODA, which was recently reiterated in the AAAA and as the specific target under SDG 17.1. To date, few developed countries meet this standard. Chart 2 shows donors' official development assistance as percent of their gross national income from 1990 to 2016.

Another key issue that participants focused on is the need to support developing countries in raising their own resources. Two aspects of this were highlighted. First, ODA can be used

to support domestic resource mobilization, and there is a commitment by the Addis Tax Initiative signatories to double their ODA to technical assistance supporting domestic resource mobilization. While this is a tiny fraction of ODA (0.28 percent in 2016 – see chart 3), it can result in significant revenue returns if spent effectively. The second way in which developed countries can support domestic revenue mobilization in developing countries is by adopting supportive policies — for example, providing access to information on developing-country assets that are held in developed countries.

Developed countries that can effectively combine these multiple approaches have the potential to make a significant contribution to achievement of the SDGs.

Chart 2. ODA/GNI ratio, 1990-2016



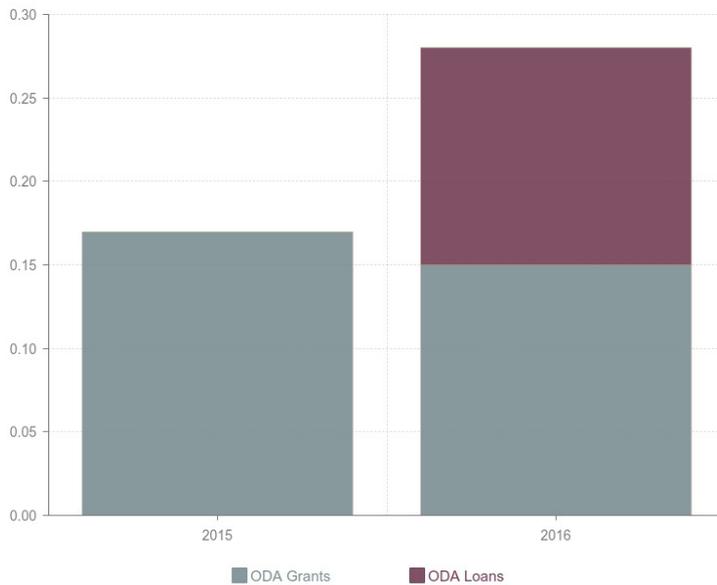
**Source**

[oecd.org/dac/stats/idsonline](http://oecd.org/dac/stats/idsonline)

**Note**

The OECD Development Assistance Committee (DAC) is an international forum comprising many of the world's largest funders of aid. It currently includes 30 countries.

Chart 3. ODA to DRM as % of bilateral ODA



Source  
oecd.org/dac/stats/idsonline



### Key Message 3. Effective tax administration is essential.

Effective tax administration is essential for at least two reasons. First, it leads to strong revenue collections. Second, it promotes trust in government, which is critical to achieving all the SDGs. Even a well-structured tax system will not generate strong revenues without effective tax administration.

Elfrieda Tamba, Former Commissioner General, Liberian Revenue Authority, and co-chair of the Addis Tax Initiative (ATI) Steering Committee, said that ensuring

strong compliance with the tax system remains a major challenge for developing countries.

A well-structured tax administration today tends to be organized around several functions — most notably taxpayer services and education, returns processing and payment, audits and investigations, collections enforcement, and tax operations policy. Some countries have done well in reforming their tax administration



institutions and operations, while others have lagged.

Several attendees who are tax administrators observed that building each component poses a challenge. Because a high level of skills is needed for effective tax administration, developing appropriate human resources and capabilities is an essential ingredient for all these areas of competence.

In most developing countries, much of the initial collection of revenues from goods-and-services taxes (i.e., VAT and excises) takes place at the customs borders, said Ping Liu, Director of Tariff and Trade Affairs, World Customs Organization. Consequently, building effective tax administration depends on clear communication between the domestic tax and customs administrations. It also means building customs-administration capacity, which likewise creates advantages for income-tax enforcement.

The VAT is such a popular tax in part because its structure encourages relatively high levels of compliance, which allows it to generate

large revenues for government. However, as a number of governmental, academic, and nongovernmental commentators observed, too much focus on the VAT raises concerns that other elements of the tax system aren't being properly developed. The same attendees also expressed concern about the VAT's effect on equity.

In addition to its direct effects, effective tax administration can alter the relationship between citizens and the state. Taxpayers are more likely to comply with tax laws when they perceive that the tax administration is evenhanded and honest, that the tax burden is distributed in an equitable manner, and that they receive the public services they value. Governments need to continue to build public trust by improving both the design and administration of their tax systems.



#### Key Message 4. Voluntary compliance is the foundation of a modern tax-administration system.

Well-functioning tax-administration systems are built on a foundation of voluntary compliance and, where necessary, effective enforcement. A high reliance on third-party reporting by employers and financial institutions reduces the opportunities for tax evasion. Cooperation among tax administrations, within a country and across borders, also contributes to a higher level of compliance.

Tax compliance is likewise linked to a taxpayer's assessment of the benefits (tax rates, both on average and on the margins) and costs (the likelihood of being detected, and the penalties associated with it) of noncompliance. Both the structure and enforcement of the tax laws have a direct impact on noncompliance.

One key factor in tax-revenue performance today is the level of compliance that the tax administration is able to achieve. Another one is the credibility of the administration to ensure that taxpayers who cheat or avoid payment of their tax obligations face a substantial chance of being caught and punished.

Another factor is the administrative ease —

or lack thereof — with which taxpayers who want to comply can honor their obligations. Hans Christian Holte, Commissioner of Norwegian Tax Administration and Chair of the Forum on Tax Administration, stressed the need for simplicity to improve compliance.

Underlying much of today's innovation in tax administration is a well-functioning information-technology (IT) system, still in a rudimentary state in many developing and emerging-market countries. A number of speakers at the conference, including Richard Tusabe, Commissioner General, Rwanda Revenue Authority, emphasized the importance — and challenges — of developing information and communications technologies for the functioning of tax administration.

As a complement to IT systems, the need to build capacity and develop the technical skills of tax administrators — and to find ways to retain experienced, highly skilled public servants when faced with the competition of higher wages in the private sector — was also emphasized by many speakers.

In many of developing countries, the informal economy remains a large, even dominant,



share of the overall economy. The informal economy poses special administrative challenges.

Victor Shiguiyama, National Superintendent, Peru Revenue Authority-SUNAT, shared the administrative challenges of gaining information from a large domestic

informal economy, estimated at 75 percent of the Peruvian labor market. Several other participants highlighted the difficulties of the informal economy, because it consists mainly of small merchants and service providers who do not use formal accounting systems.



**Key Message 5. Effective taxation of extractive industries is key for resource-rich countries. But it should be accompanied by a robust tax regime that covers the rest of the economy.**

Exhaustible natural resources, such as minerals and petroleum, are an important source of government revenues and export earnings of many developing countries. Chart 4 shows countries that derived more than 20 percent of their total revenue from natural-resource revenues in 2017.

In some developed countries with large extractive industries (e.g., Australia, Canada, United States), where strong tax systems

are in place, revenues from natural resources are generally small relative to total tax revenues. Norway is an interesting example of a resource-rich advanced economy that has managed its resource wealth with a long-term strategy and a robust tax regime. The natural-resource sector has unique features that require thoughtfully formulated tax and revenue policies. For developing countries, effective taxation of extractive industries is fraught with economic and

sociopolitical perils. For example, reliance on extractive industries can lead to a failure to develop other sources of revenues. Extractive-resource revenues also require careful management of fiscal risks due to fluctuations in commodity markets.

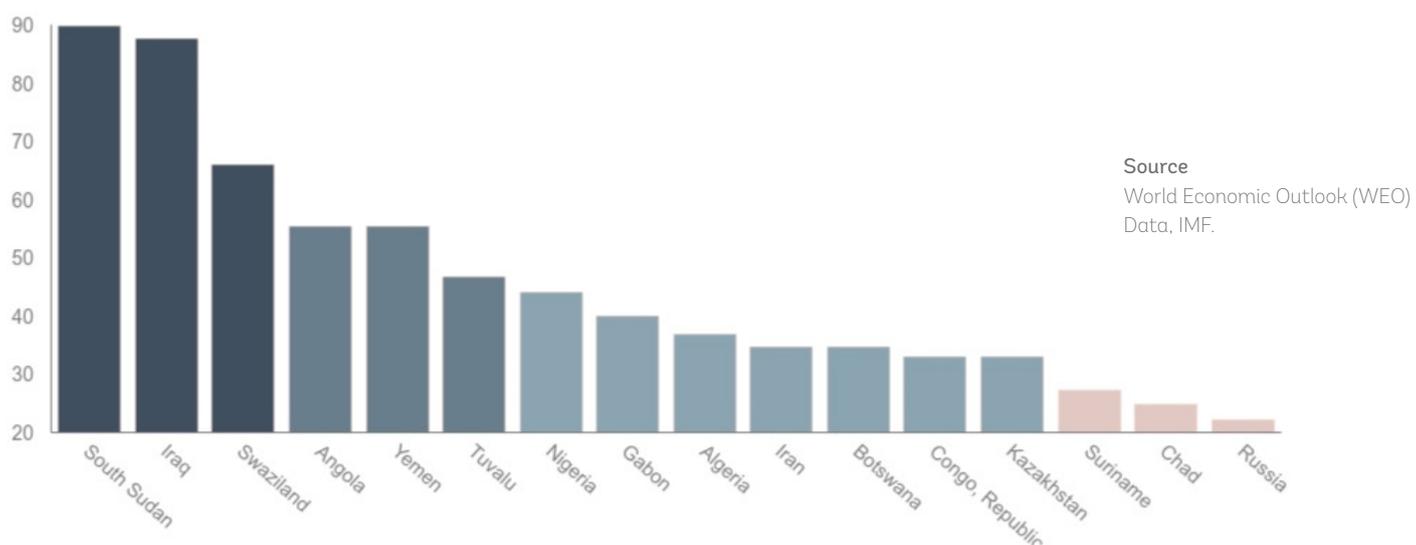
Regis Immongault Tatagani, Minister of Economy, Gabon, emphasized the need for progressive fiscal policies in countries that experience natural resource-led growth (in Gabon that was timber first, now oil). He explained that the strong growth in his country has not always been inclusive. To that end, Gabon levies taxes in order to fund social programs, such as national medical coverage (currently supported by a 1 percent business income tax, which provides revenue for public policies that are meant to address inequality).

Discovering natural resources can be the first of many steps toward producing revenue. But it requires careful political management.

Peter Muliisa, Chief Legal and Corporate Affairs Manager of the Uganda National Oil Company, noted that while oil resources in his country were discovered in 2006, the revenues aren't expected until 2020. The biggest problem, he said, was establishing an appropriate fiscal regime and getting buy-in from all the internal actors while managing expectations within the country. Ultimately, Uganda decided to invest most of the revenues and spend them only on public infrastructure, not public consumption.

Structuring savings funds to ensure that public resources are replaced with financial assets, at least when natural resources are depleted, is complex. Governments need to undertake a sustainability analysis, a key part of SDG 12, to support the optimal investment in extraction, attendant funds, and revenue spending, with a clear medium-term outlook on their macroeconomic and fiscal situation and the economics of the extractive industries.

**Chart 4. Countries with Significant Revenues from Oil and Minerals 2017 (In % of Total Revenue)**





In most developing countries, highly sophisticated multinational firms are exploiting these resources. Charles McPherson, an independent consultant, noted that writing contracts for the exploitation of extractive industries is a complex endeavor, and that many governments in developing countries require assistance to ensure that they strike a good deal with multinational firms.

The devil is often in the details with these contracts, including issues like the prices that trigger certain provisions of taxes. Developing countries require continuous technical assistance to ensure that they receive a fair share of the revenues from extractive industries.

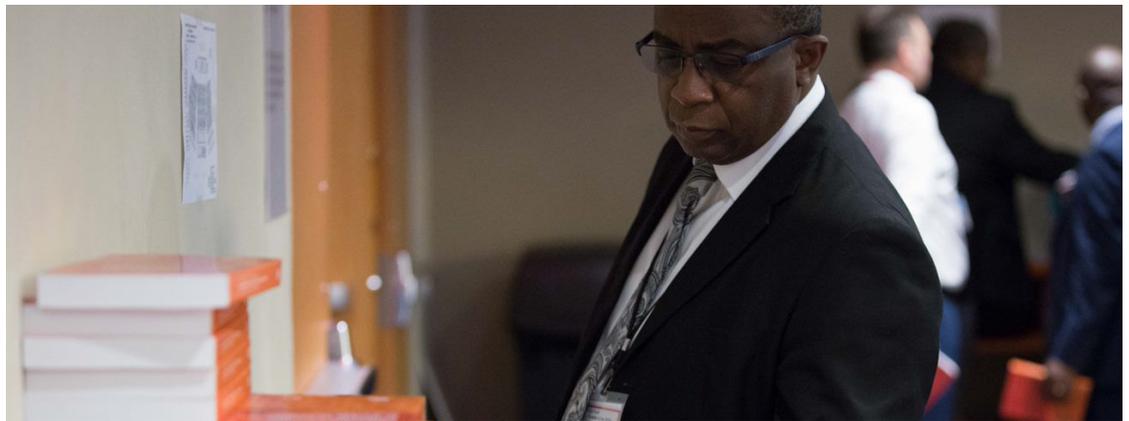
## B. How Tax Structure and Administration Affects the SDGs



**Key Message 6.** Encouraging economic growth is a critical element in tax system design and administration.

Developing and emerging-market countries need strong, stable, and inclusive economic growth (SDG 8). The post-2008 financial crisis era has revealed that many such countries are still overly dependent on growth in richer economies, and that they need to develop their own internal markets and relationships with neighbors to boost long-term growth. Moreover, developing

countries are likely to meet critical infrastructure goals (SDGs 2, 3, 4, 5, 7, 9, and 11) only if foreign capital continues to flow in. Consequently, a tax system must be conducive to domestic and foreign direct investment geared toward productive sectors, as a number of government officials at the conference observed. Inevitably, the way that a tax system is designed affects



the way that people behave economically. Tax systems are most efficient when they have broad bases with low rates to meet revenue needs. A well-designed system can stimulate and help stabilize growth, while a poorly designed one can retard and increase the volatility of growth (SDGs 8, 11, 12, 13, 14, and 15).

Where natural resource producers need to overcome market imperfections, some incentives can be beneficial. However, in many countries, existing incentives are excessive, distortive, and inefficient. Use of tax incentives should therefore be limited, well-structured, and serve well-defined purposes.

Jun Wang, Commissioner, State Administration of Taxation, China, said that in his country — where the farm sector remains characterized by many small-scale and subsistence farmers — eliminating taxation of the agricultural sector is essential to eliminating poverty. In many countries, competitive pressures and reduced incentives for tax avoidance and evasion have led to lower statutory tax rates on capital income, especially on income earned by

corporations (Table 8). Once tax preferences are taken into account, effective tax rates are generally even lower than the already reduced statutory tax rates.

At the same time, many countries are increasing taxes on labor through personal income tax, social security, or payroll tax increases. The greater reliance on VAT and excises can shift taxation toward a consumption basis — a move that can stimulate investment and growth but generally reduces overall tax progressivity.

From an administrative perspective, capital income — especially in corporate form — has become harder to tax. The ease of moving capital across jurisdictional borders, especially internationally, has made it challenging to tax corporate capital, leading to the BEPS initiative. Moreover, in countries with lower administrative capacities, the reliance on consumption taxes — or taxation of a few easy products under excises — tends to become high relative to income and property-wealth taxes. Simple and well-structured domestic tax regimes can help avoid this overreliance while still allowing for growth-promotion.



## Key Message 7. An equitable tax system is a vital element in tax structure design and tax administration.

An equitable tax system is vital. If the goal of growth-enhancing taxation is to reduce capital income taxes, it becomes harder to create a progressive tax regime. That's because capital income is so disproportionately received by higher-income taxpayers.

Alvin Mosioma, Executive Director, Tax Justice Network Africa, observed that the consequence of reduced corporate income taxes accompanied by increased indirect taxes is to significantly shift the tax burden in a regressive manner.

Many conference attendees said that this trend has made it harder to make a dent in growing income and wealth inequality (SDGs 1, 5, 10, and 16). This was one of the most consistent messages emerging from participants at the conference. Growing income and wealth inequality reflects changes in fiscal incidence, and it has arisen because of changes in the labor market and in the relative returns to labor and capital inputs. Many countries try to achieve a progressive net fiscal incidence<sup>7</sup> by structuring expenditure programs to be progressive and offset regressivity elsewhere, such as

from consumption taxation. Income-transfer programs — such as those for low-income families, those with many children, or those who are elderly and disabled — are often a key contributor to net fiscal progressivity.

But it is often hard to ensure that expenditure programs are sufficiently progressive to offset the regressivity of a tax system that is heavily reliant on a consumption base and, moreover, designed to limit taxation of capital. In the lowest-income countries, where means-testing is still rudimentary, income transfers remain minimal. Poor households benefit from transfers of various sorts, including in-kind and subsidies, but these benefits may be less economically efficient and often ineffectively targeted to the poor.

Ludovico Feoli, Director, Center for Inter-American Policy and Research, Tulane University, observed that research conducted by the Commitment to Equity Institute at Tulane has found that it is critical to focus on net fiscal incidence. The Center's standardized methodology for conducting fiscal-incidence studies allows



for comparisons across countries and across time. Based on this research, he concluded, net indirect taxation — indirect taxes and subsidies — is often equalizing, but not always. When indirect taxes are high, transfers or subsidies to the poor may be insufficient to compensate for what these citizens pay in taxes — a form of fiscal impoverishment. High consumption taxes can increase poverty even if the overall fiscal policy is reducing inequality. Poverty counts in six of the 32 countries Feoli has studied to date are higher for consumable income than they are for market income. Feoli cited an IMF study on the net effect of the introduction of the Ethiopian VAT, which replaced a sales tax, and concluded that the new tax hit poor households harder than well-to-do ones, because the latter are responsible for the majority of exempt consumption. He says one lesson that's emerged is that it's a mistake to focus on only one side of the fiscal equation. What matters most for equity is net social protection — what happens through taxes, but also how government spending affects that equation.

It's therefore important to consider what happens to poverty after different fiscal interventions have been tried. In some cases, the impacts on the very poor might differ from the directionality of changes in overall equality.

The overall lesson is that a fiscal system can be equalizing if net tax payments as a proportion of income are higher for the wealthy. But the same system can increase poverty if tax payments by the poor exceed transfers.

Marcela Melendez, Director, Econoestudio, observed that in Colombia, the only progressive part of the fiscal regime is in-kind transfers for education and health.

The growing regressivity of many tax systems, or the net fiscal system, has implications for both equity and, as noted earlier, the relationship between taxpayers and their governments.

The perception that the tax system is contributing to a widening of income

7. Net fiscal incidence refers to the difference between the benefits an individual receives from consuming government goods and services and the loss in consumption arising from paying taxes.



or wealth gaps can undermine societal cohesion. Some evidence even suggests that the widening of income gaps can ultimately undermine growth.

The challenges of an equitable tax system are therefore linked to growth as well. The lesson, says Feoli, is that the design of a tax system is very important. The challenge is to look at both sides of the equation simultaneously. Social protection and taxation are strongly linked. Tax revenue and tax mix matter to resources available

for spending, and to the net incidence and distributional impact of fiscal policy.

There is thus a clear correlation between social spending and impacts. The essential next step is to make information widely available on how fiscal spending and taxation impact poverty and inequality.



**Key Message 8.** A medium-term revenue strategy should be the framework used for structuring a tax system and developing a country's revenue strategy.

Conference attendees agreed on the usefulness of a medium-term revenue strategy (MTRS). Countries need to structure their tax systems and build tax administration capacity with the medium-term goals for taxation in mind. This tax strategy should be embedded in the countries' medium-term macroeconomic

strategy (including the expenditure side) for sustainable, inclusive, and equitable growth (SDGs 1, 8, and 10).

Building a strong tax system and developing the ability to administer it is a complex and lengthy process. Thus, a comprehensive approach that is embedded

in a medium-term context is necessary. This point was highlighted by Vitor Gaspar, Director, Fiscal Affairs Department, IMF, and Jan Walliser, Vice President, Equitable Growth, Finance, and Institutions, the WBG, whose institutions have been key in providing capacity-building in this area. The medium-term context has multiple advantages. First, it provides clear goalposts and milestones for the expected effects of the reform, which is equally important for policy-makers

and the business community. Second, it puts the emphasis on institution-building to increase the sustainability of higher revenue collections over time, rather than just achieving short-term revenue gains. An MTRS needs to be accompanied by a full medium-term fiscal strategy as well — a point emphasized frequently during the discussions.

## C. How Taxation Can Encourage Behavioral Change to Achieve Specific SDGs



**Key Message 9.** Environmental taxes, including carbon taxation, are necessary components of economically viable solutions to pressing environmental problems.

Many countries are seeking a more environmentally friendly and sustainable approach to economic development (SDGs 6, 7, 9, 11, 12, 13, 14, 15, and 17). Environmental taxes are primarily excise taxes, such as a tax on carbon-dioxide emissions.

There are two broad approaches to addressing environmental problems: (1) command-and-control policies, which employ regulations and standards, and (2) market-based instruments, which include taxes and fees. Both approaches

are designed, in more formal terms, to internalize externalities by reducing the externality-producing behavior. An example of the first approach is a regulation that limits the amount of pollution emitted from a smokestack. An example of the second is a tax on the carbon content of the smoke itself. In the absence of any tax, the market ignores the cost of negative externality and produces more than the optimal level of carbon pollution, imposing additional costs on the economy.



Traditional policies for pollution control have relied on the command-and-control approach. But in recent years, market-based approaches have been on the rise, especially for controlling carbon emissions from energy generation. In fact, some combination of complementary approaches is now in place in many countries.

Today, many countries are experimenting with carbon pricing. At the conference, speakers from several nations —including Canada, Chile, France, and Seychelles — described their efforts to introduce environmental taxes on carbon-emitting products, in combination with other existing mechanisms. The ideal structure of such taxes remains an area of active research and experimentation.

Environmental degradation is a threat globally. It also lowers a country's GDP in the medium and long run. Adaptation, as well as mitigation through pricing or regulation, will be key. Gabon's economic

minister, Tatagani, says that his country needs to change its paradigm and develop strategies to strengthen human capacities and adapt policies by integrating innovation. That, he says, is why African countries are now focused on adaptation to climate change as a way to attain inclusive growth.



## Key Message 10. Excise taxation continues to have a role in public-health issues.

Excise taxes serve a variety of purposes. Among the oldest forms of taxation, they are levied either in specific (unit) or ad valorem form<sup>8</sup>. Because they are relatively easy to administer, especially when levied in unit form, they are a good source of revenues for countries with weak tax administrations.

As broad-based taxation has become more predominant in recent decades, the policy focus of excise taxation has shifted to reducing consumption or production of “social bads” — a market-based means of correcting negative externalities associated with them — on alcohol and tobacco, fuels, and sugary beverages, which can have important impact on health outcomes.

Tobacco taxation is a powerful tool for reducing the public-health burden of smoking-related diseases. It can also contribute significantly to revenue collection. Panelist Jeremias N. Paul Jr., Coordinator, Tobacco Control Economics Unit, WHO, characterized excise taxes on tobacco as “win-win,” serving to simultaneously raise revenues and improve health outcomes.

Sometimes, excise-tax revenues are earmarked for specific expenditures, as a way

of ensuring that certain socially beneficial activities have a dedicated source of funding. For instance, in some countries, excise taxes on polluting activities are earmarked for clean-up funds, or excise taxes on gasoline are earmarked for roads. Mr. Paul says an example of this has occurred in the Philippines, where earmarking the tobacco tax partly funds the country’s national health insurance.

This can be seen as an application of the benefit pay principle of equity in public spending. Sometimes earmarking serves to build political support for a tax. Moreover, some research has indicated that, contrary to popular belief, excises are not always regressive, as Dean Jamison, Professor Emeritus, University of California, observed.

Nevertheless, some countries or jurisdictions have chosen to abolish or reduce traditional excise taxes. Niels Hald, Secretary General, Danish Brewer’ Association, shared the example of Denmark, which has eliminated excise taxes on soft drinks and reduced the excise tax on beer. Lower taxes in neighboring countries had led to cross-border smuggling of untaxed or lower taxed products, leaving Danish merchants unable to compete.

8. Ad valorem excise taxes can be levied as a percentage (e.g., 25 percent, 50 percent) of a price point in the supply chain — the factory price, the wholesale price, or the retail price of the product.

Smuggling in excisable goods is often the downside of trying to use high excises to change behavior.

These two goals — raising revenue and changing behavior — can be at odds, depending on the price elasticity of demand. Higher taxes might be called for if the goal is to eliminate social bads. If the aim is to maximize revenues, the price elasticity of demand is key. Norbert Izer, Deputy Secretary of State at the Hungarian Ministry for National Economy, summed up the importance of

looking at these issues in the context of a broader tax system — one that's beyond a static definition of distributional impact. Designing taxes with their effects on incentives in our minds, he concluded, could be more successful in reaching our goals regarding fairness.



**Key Message 11. Gender bias in taxation can be explicit but is most often implicit; both should be eliminated.**

Achieving a gender-equal world is an explicit goal of the global community (SDGs 5 and 10). One place to start is with taxes.

Gender bias in taxation can take two forms: explicit and implicit. Explicit bias refers to bias built into tax laws and regulations that discriminate against women. Today, explicit bias most often takes the form of favorable application of tax preferences to male taxpayers or the allocation of jointly earned business income to men, under the personal income tax, based on individual filing. Implicit bias arises because of differences in the way that tax law and regulations apply to men

and women based on their economic and social behaviors. With regard to the personal income tax based on individual filing, tax preferences whose value is directly related to the taxpayer's marginal tax rate implicitly has more value to male taxpayers, because male taxpayers have, on average, higher income and thus tend to be in higher marginal income tax brackets.

Tax preferences structured as credits against tax would not have this implicit bias, because their value is not linked to the taxpayer's marginal tax rate. In a personal income tax based on joint filing, higher marginal income



tax rates applied to second earners in the household have an implicit bias against women, who tend to be the second earner. Indirect taxes can also have implicit gender biases because, economically speaking, women and men tend to behave differently. High excise taxes on alcoholic beverages or tobacco can discriminate against men, who consume more of these products than women. But men who control household spending can shift this tax burden to other household members, to the extent that their demand is relatively unresponsive to price.

Some workshop participants argued that the more regressive a tax system, the greater the implicit bias against women, because they tend to earn, on average, lower incomes than men. Corina Rodriguez Enriquez, Executive Committee Member, Development Alternatives with Women for a New Era, observed that in Latin America, there is no explicit bias against women in the tax system, but there are multiple implicit biases. In Africa, many women work in informal markets and therefore do not pay formal income and VAT. But they are subject to a variety of market fees for the products and services they sell. Jalia Kangave,

Capacity Building Manager, International Centre for Tax and Development, argued that it is essential to broaden the definition of “tax” to encompass these fees, especially when assessing gender-equality issues in an African context. These fees play a critical role in providing funds for market infrastructure, such as toilets, which are essential to women-run small businesses in these countries.

The gender dimensions of taxation are also important for good governance. That’s because gender biases can affect the way that people view the tax system in their country — and their willingness to comply with it. It may also be possible for tax administrations to adapt their structures to tailor compliance strategies to behavioral differences. The gender aspects of tax morale and compliance are not yet fully understood, but they offer a further avenue of study and may be a useful tool to help identify implicit biases.

Overall, further research and understanding of the gender dimensions of tax — and a greater gender disaggregation of data — are needed.



## D. The Reciprocal Relationship Between Taxation and State-Building



**Key Message 12.** Public trust in government, including in the tax system, is essential to achieving the SDGs.

Public trust is an essential component of good governance, and of achievement of the SDGs (SDGs 11, 16, and 17). The public’s trust in its government is based on the full scope of its performance and interaction with its citizens, not just on taxation. Nonetheless, the tax system is one of the key points of intersection between government and taxpayers.

In order to build trust in a tax system and support buoyant revenues to achieve the SDGs, the entire tax system — including its structure and administration, and especially the income tax, because of its high profile to taxpayers — must be perceived as both fair and effective. This point was emphasized by many speakers throughout the conference, including Mary Baine, Head, International Taxation and Technical Assistance, African Tax Administration

Forum, and Frantisek Imrecze, Head, Slovak Financial Administration, and President, Intra-European Organization of Tax Administrations.

Tax administrators must be trained to interact in a competent and evenhanded manner with taxpayers, and a court system must be ready to adjudicate fairly on disputes between the tax administration and taxpayers. This remains a challenge in many developing countries.

Patience Rubagumya, Commissioner, Legal Services and Board Affairs, Uganda Revenue Authority, observed that her government has established a specialized tribunal, following the U.S. model, which requires upfront payment, to enhance compliance. Trust in government requires that citizens



see a connection between the taxes they pay and the public services and benefits they receive in return. Increased domestic revenues provide little value if the money is spent poorly. Severing the connection between revenues and public services leads to governmental dysfunction.

Wilson Prichard, Associate Professor, Global Affairs and Political Science, University of Toronto, says academic research suggests that people, at least in Africa, would prefer to make a tax-like payment to charity than to pay anything to their government. This is a strong indication that such governments are not trusted by their citizens.

Unfortunately, in all too many countries where the revenue system relies on extractive industries, there is a breakdown between revenues and public services. That's because taxpayers — except the very few natural-resource producers — are not intimately involved with government, and therefore exert little discipline on it.

Iona Petrescu, former Minister of Finance in Romania, observed that it is very hard to

move from one fiscal equilibrium — where a government collects low taxes and provides minimal public goods and services — to a new equilibrium, where it collects higher taxes and provides more public goods and services. The first step can often be the most difficult, demonstrating that government is competent at making use of public funds. Petrescu added that the transition generally receives more public support if government first makes good use of its public funds before it raises taxes to fund more and better public goods and services.



**Key Message 13. Transparency is an important attribute of national institutions and a key contributor to successful taxation and achievement of the SDGs.**

In taxation, fiscal transparency means that tax laws are clear and understandable to taxpayers, who can obtain answers to their questions regarding how they should comply.

Fiscal transparency also relates to the spending of tax revenues. Taxpayers care where their tax revenues are spent, that these revenues are used for the goods and services that they value, and that these goods and services are distributed fairly.

Winifred Byanyima, Executive Director, Oxfam International, says transparency is key to building credible institutions and achieving the SDGs. This point was echoed by many other speakers.

Georgi Tabuashvili, Commissioner General, Georgia Revenue Service, relayed how Georgia has abolished many taxes, simplified procedures, and moved its payment system to an electronic platform. The result is that its tax revenue as a share of GDP has been on the rise. He emphasized that political will, good diagnostic work, and a strong dialogue with business and civil society have been essential to his country's successful reforms.

Karl Fickenscher, Deputy Assistant Administrator, Bureau for Economic Growth, Education and Environment, United States Agency for International Development, said that countries must each find their own way toward self-reliance. But developed countries should partner with reform-minded leaders in developing countries to hasten the process. He cited Georgia as an example.

Extensive corruption makes achievement of the SDGs impossible. Where corruption is prevalent, it usually undermines the tax system as well. A number of participants pointed to the corrosive role of corruption undermining their system of taxation.

Augusto de la Torre, Adjunct Professor of International and Public Affairs, Columbia University, emphasized the crucial link between the quality of institutions, taxation, and, ultimately, growth.



## E. International Tax Architecture



**Key Message 14.** International tax problems are stubborn, even while there has been progress in addressing issues related to cross-border flows.

Virtually all conference participants who discussed international taxation agreed that taxation of multinational entities and international transactions pose serious challenges, and that international cooperation is essential to solving them (SDGs 10, 16, and 17).

Most participants thought that the OECD/G20 BEPS initiative has contributed to the mitigation of corporate income tax erosion<sup>9</sup>. However, as Pascal Saint-Amans, Director, Center for Tax Policy and Administration, OECD, noted, the current system for determining taxing rights, based on the arms-length principle and BEPS measures, would not solve all the problems. International taxation rules need to continue to evolve.

Various proposals have been put forth on what form this evolution could take. The

most radical suggestion came from McGill University Professor Allison Christians, who suggested that if development were the priority, then taxing rights could be allocated on the basis of where revenues would have the greatest development impact.

Cheikh Ba, Commissioner General, Tax Administration, Senegal, indicated that a basic problem for developing countries is asymmetric information. High value-added sectors are dominated by multinational enterprises, which are hard to tax. But at the same time, developing countries would like to encourage foreign direct investment, especially in high value-added sectors. Ba observed that developing countries are participating in the BEPS initiative, and it is critical that their voices continue to be heard by the steering group<sup>10</sup>.

9. This refers to an OECD initiative in which countries are trying to implement a set of measures to minimize firms' ability to shift profits to lower tax locations (and away from where the profits were earned). Measures include treaty shopping, transfer pricing, and other tax features.



Ariel Sigal, Chief of Cabinet of the Treasury Ministry, Argentina, indicated that several of the new rules under the BEPS initiative — including those on interest deductions — were adopted in a recent Argentine tax reform. But there was still room for improvements in digital data and collaboration with other countries to strengthen tax administration.

Several attendees argued that preferential and no-tax regimes, combined with lack of transparency and exchange of information, provide a means for tax avoidance and evasion — especially for the global individual and corporate elite. Significant progress in recent years was acknowledged, but many remain concerned that further measures are needed to provide sufficient transparency and to effectively tax assets held offshore. These concerns were especially marked for developing countries.

With regard to some of the approaches being used to encourage change, Byanyima was critical of the European Union's blacklist of countries which includes some small developing countries, but omitting other jurisdictions that

Oxfam perceive to pose a much greater risk. She referred to estimates that one-third of Africa's wealth is sheltered offshore. To ensure that tax administrators in developing countries can genuinely assess whether domestic taxpayers are reporting their income and activities accurately, greater transparency in, and extensive cooperation with, administrations of the financial center where elites hold their wealth is required.

A related challenge is that the international community needs to come up with a clear definition of, and consensus on, the meaning of "illicit financial flows." That's key to effectively monitoring them and coordinating action to counter them. At present, there is no clear consensus across the international community on what is meant by "illicit financial flows," thus hindering the development of an effective approach to monitoring and preventing them. One of the key issues for many participants, on which there was no consensus, is whether the tax-avoidance activities of multinational enterprises should be included in the definition of IFFs.

10. The Inclusive Framework on BEPS brings together more than 120 countries and jurisdictions to collaborate on the implementation of the OECD/ G20 Base Erosion and Profit Shifting (BEPS) Package and to develop new tax standards. Developing countries have been engaged since the beginning of the BEPS Project. More than 80 developing countries and other non-OECD/non-G20 economies discuss the challenges of BEPS through direct participation in the Committee on Fiscal Affairs, regional meetings in partnership with regional tax organizations, and thematic global fora. Many developing countries are now joining the inclusive framework.

## F. Role of the Platform for Collaboration on Tax



**Key Message 15.** The Platform for Collaboration on Tax has a vital role to play in improving global taxation.

Conference participants agreed that the PCT should play an active role in future cooperation between countries and international organizations on tax matters (SDG 17). Conference participants' suggestions for the Platform included:

- (1) examination and analysis of fair, transparent, and effective tax systems;
- (2) coordination of technical assistance provided to developing countries;
- (3) assistance with development of medium-term revenue strategies;
- (4) provision of fora for inclusive dialogues with all stakeholders;
- (5) provision of fora for networking among authorities of developing countries;
- (6) addressing new and emerging issues in taxation, including gender equality, human development, the environment and the digital economy.

Conference speakers and participants advocated using the PCT to strengthen other forms of tax cooperation, including intergovernmental coordination (among ministries), intragovernmental coordination within the same country (national, provincial, and local), and as inter-institutional coordination among the international organizations.

Bob Hamilton, Commissioner, Canada Revenue Agency, and Deputy Chair, Forum on Tax Administration, emphasized key areas where the Platform could contribute: combining policy and administration, connecting administrators, establishing a medium-term revenue strategy, and supporting fuller implementation of the Addis Tax Initiative. Masaki Kaizuka, Executive Director for Japan, IMF, highlighted the merit of the PCT partner organizations working together.

Speakers representing the four organizers of the conference — Vitor Gaspar (IMF), Pascal Saint-Amans (OECD), Alexander Trepelkov (Director, Financing for Development Office, Department of Economic and Social Affairs, UN), and Jan Walliser (WBG), all emphasized the importance of better collaboration in all areas of taxation, including policy, legal, and administrative reforms. To improve tax systems, there needs to be an enduring governmental commitment, supported by collaboration with international institutions, the private sector, and nongovernmental organizations. Their respective institutions' commitments are laid out in Appendix D, the Platform Statement.



## Key Message 16. All stakeholders must have a seat at the table.

While acknowledging that progress has been made in recent years in international tax dialogues, many conference speakers and participants emphasized the importance of all stakeholders having appropriate representation in international fora (SDG 17).

Several speakers worried that developing countries have not typically had the same opportunity as more developed countries to meaningfully participate in international policy debates over taxation (and other subjects that directly affect them). It was agreed that a dialogue with all stakeholders must begin early and be substantive — it cannot be just “window dressing.”

Speakers generally agreed that stakeholders need to focus on the medium- and long-term benefits from taxation and achievement of the SDGs. This message was raised repeatedly by the conference’s private-sector participants. In the short term, taxes impose costs. But in the long term, equitable, balanced, and functional tax regimes are good for everyone, including business.

Effective tax systems provide the foundation necessary for functional government.







## Appendix A - List of the Sustainable Development Goals



No Poverty: End Extreme Poverty in All Forms By 2030



Zero Hunger: End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture



Good Health and Well-Being: Ensure Healthy Lives and Promote Well-Being for All at All Ages



Quality Education: Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for All



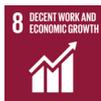
Gender Equality: Achieve Gender Equality and Empower All Women and Girls



Clean Water and Sanitation: Ensure Availability and Sustainable Management of Water and Sanitation for All



Affordable and Clean Energy: Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All



Decent Work and Economic Growth: Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All



Industry, Innovation and Infrastructure: Build Resilient Infrastructure, Promote Inclusive and Sustainable Industrialization and Foster Innovation



Reduced Inequalities: Reduce Inequality Within and Among Countries



Sustainable Cities and Communities: Make Cities and Human Settlements Inclusive, Safe, Resilient and Sustainable



Responsible Consumption and Production: Ensure Sustainable Consumption and Production Patterns



Climate Action: Take Urgent Action to Combat Climate Change and Its Impacts



Life Below Water: Conserve and Sustainably Use the Oceans, Seas and Marine Resources for Sustainable Development



Life on Land: Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Combat Desertification, and Halt and Reverse Land Degradation and Halt Biodiversity Loss



Peace, Justice and Strong Institutions: Promote Peaceful and Inclusive Societies for Sustainable Development, Provide Access to Justice for All and Build Effective, Accountable and Inclusive Institutions at All Levels



Partnerships for The Goals: Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development

## Appendix B - Conference Agenda

Date/Time	Session	Speaker (Affiliation)
Wednesday February 14, 2018		
Wednesday 11:20 – 11:40	Break	
Wednesday 10:00 – 11:20	Opening Session (Plenary): Financing for Development (FFD) and the SDGs	<p><b>Opening:</b> Mr. Alexander Trepelkov (Director, Financing for Development Office, UN)</p> <hr/> <p>Video Welcome by Heads of PCT Partners (IMF, OECD, WBG, UN)</p> <hr/> <p>Video on Taxation and SDGs</p> <hr/> <p><b>Panel Discussion:</b></p> <hr/> <p>Moderator: Mr. David Wessel (Economic Journalist)</p> <hr/> <p>Ms. Elfrieda Stewart Tamba (Commissioner General, Liberian Revenue Authority, and co-chair ATI Steering Committee)</p> <hr/> <p>Mr. Jeffrey Sachs (Director of the Center for Sustainable Development, Columbia University)</p> <hr/> <p>Mr. John Connors (Group Tax Director, Vodafone)</p> <hr/> <p>Mr. Masaaki Kaizuka (Executive Director for Japan, IMF)</p>
Wednesday 11:20 – 11:40	Break	
Wednesday 11:40 – 1:00	Session 1 (Plenary): Setting the Stage: Perspectives on Taxation's Role	<p><b>Moderator:</b> Mr. Vitor Gaspar (Director, Fiscal Affairs Department, IMF)</p> <hr/> <p>Mr. Bob Hamilton (Commissioner of the CRA, Canada)</p> <hr/> <p>Mr. Andres Edelstein (Undersecretary for Public Revenue, Argentina)</p> <hr/> <p>Mr. Jun Wang (Commissioner, State Administration of Taxation, China)</p> <hr/> <p>Mr. William Morris (Chair of the BIAC/OECD Tax Committee)</p> <hr/> <p>Ms. Winifred Byanyima (Executive Director, Oxfam International)</p>
Wednesday 1:00 – 3:00	Lunch	
Wednesday 1:30 – 2:30	Side Event A: More aid. More	Moderator: Mr. Cathal Long (Research Fellow, Overseas Development Institute)

	Side Event A: More aid. More advisors. Better tax systems?	<p>Mr. Iain Steel (Research Associate, Overseas Development Institute)</p> <p>Ms. Elfrieda Stewart Tamba (Commissioner General, Liberian Revenue Authority, and co-chair ATI Steering Committee)</p> <p>Ms. Maya Forstater (Visiting Fellow, Center for Global Development)</p> <p>Mr. Richard Bird (Professor Emeritus at Rotman School of Management, University of Toronto)</p>
Wednesday 1:30 – 2:30	Side Event B: The Future of Corporate Taxation: Time to End the Race to the Bottom	<p>Moderator: Mr. Sargon Nissan (FTC Director)</p> <p>Mr. Joseph Stiglitz (ICRICT Commissioner)</p> <p>Ms. Magdalena Sepúlveda (ICRICT Commissioner)</p> <p>Ms. Winifred Byanyima (Oxfam International)</p> <p>Ms. Hamlet Gutierrez (Dominican Republic. Head of tax privileges division at national tax revenue authority)</p>
Wednesday 3:00 – 4:20	Session 2 (Plenary): DRM, Fiscal Sustainability and Growth: Evidence to Date	<p>Moderator: Mr. Jan Walliser (Vice President, Equitable Growth, Finance, and Institutions, WBG)</p> <p>Mr. Augusto de la Torre (Adjunct Professor of International and Public Affairs, Columbia University)</p> <p>Mr. Arbind Modi (Head of Tax Policy Research Unit, Ministry of Finance, India)</p> <p>Ms. Dana Reizniece-Ozola (Minister of Finance, Latvia)</p> <p>Ms. Marta Beatriz González Ayala (Viceminister of Taxation, Paraguay)</p>
Wednesday 4:20 – 4:40	Break	
Wednesday 4:40 – 6:00	Session 3-A (Parallel): Resource Abundance and Taxation: Avoiding the Curse	<p>Moderator: Ms. Victoria Perry (Assistant Director, Fiscal Affairs Department, IMF)</p> <p>Mr. Charles McPherson (Independent Consultant)</p> <p>Mr. Juan Carlos Echeverry (Partner of ECONCEPT)</p> <p>Mr. Jim Robertson (Senior Fellow, International Tax and Investment Center)</p> <p>Mr. Peter Muliisa (Chief Legal and Corporate Affairs Manager, Uganda National Oil Company)</p> <p>Mr. Thomas Lassourd (Senior Economic Analyst, Natural Resource Governance Institute)</p>

<p>Wednesday 4:40 – 6:00</p>	<p>Session 3-B (Parallel): Smarter Taxation for Better Gender Equality</p>	<p>Moderator: Ms. Janet Stotsky (Independent Consultant)</p> <p>Ms. Aisha Ghaus Pasha (Punjab Finance Minister, Pakistan)</p> <p>Ms. Corina Rodríguez Enriquez (Executive Committee Member, Development Alternatives with Women for a New Era)</p> <p>Ms. Jalia Kangave (Capacity Building Manager, ICTD)</p> <p>Mr. James Brumby (Director, Governance Global Practice, World Bank)</p>
<p>Wednesday 4:40 – 6:00</p>	<p>Session 3-C (Parallel): Fiscal Policy for Sustainable Development: Environmental Taxes</p>	<p>Moderator: Ms. Katherine Baer (Division Chief of Revenue Administration Division II)</p> <p>Mr. Benjamin Delozier (Assistant Head for Public Policies, Treasury, France)</p> <p>Mr. Peter Larose (Ministry of Finance, Trade and Economic Planning, Seychelles)</p> <p>Mr. Rodrigo Pizarro (Head of the Division of Information and Environmental Economics, Chile)</p> <p>Ms. Lynda Danquah (Director, Environmental and Climate Change, Canada)</p>
<p>Thursday February 15, 2018</p>		
<p>Thursday 8:30 – 9:30</p>	<p>Side Event D: Base Erosion and Profit Shifting (BEPS) in Africa: Status Quo and Current Challenges</p>	<p>Opening remarks: Mr Reinhard Krapp, (Minister Plenipotentiary, Head of Economic Section, Permanent Mission of the Federal Republic of Germany to the UN)</p> <p>Presentation: Mr. Gamal Ibrahim (Chief of the Finance and Private Sector Section, UNECA)</p> <p>Presentation: Mr. Marco Salm (Adviser, GIZ)</p> <p>Moderator: Ms. Mary Baine (Head of International Taxation and Technical Assistance, ATAF)</p> <p>Mr. Essa Jallow (Deputy Commissioner General, Gambia Revenue Authority)</p> <p>Mr. Logan Wort (Executive Secretary, ATAF)</p> <p>Mr. Moses Kaggwa (Director/Economic Affairs, Ministry of Finance, Uganda)</p> <p>Mr. Pascal Saint-Amans (Director, Center for Tax Policy and Administration, OECD)</p>

Thursday February 15, 2018

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Thursday 8:30 – 9:30	Side Event E: Can Revenue Transparency Help Countries Secure a Fair Share of their Extractive Industries?	Mr. Thomas Lassourd (Senior Economic Analyst/ Manager of Regional Economic Analysts, NRG1) Ms. Marie Lintzer (Senior Governance Officer, NRG1) Ms. Rebecca Iwerks (Capacity Development Director)
Thursday 9:30 – 10:00	Morning Coffee	
Thursday 10:30 – 11:20	Session 4 (Plenary): Tax Administration: How Tax Administration Can Contribute to Achieving the SDGs	Moderator: Mr. Juan Toro (Assistant Director, Fiscal Affairs Department, IMF) Mr. Hans Christian Holte (Commissioner, Norwegian Tax Administration/ Chair of the FTA) Mr. Georgi Tabuashvili (Commissioner General, Georgia Revenue Service) Mr. Tusabe Richard (Commissioner General, Rwanda Revenue Authority) Mr. Víctor Paul Shiguíyama Kobashigawa (National Superintendent, Peru Revenue Authority -SUNAT (Superintendencia Nacional de Aduanas y de Administración Tributaria))
Thursday 11:20 – 11:40	Break	
Thursday 11:40 – 1:00	Session 5 (Plenary): Tax Administration: How Tax Administration Can Contribute to Achieving the SDGs	Moderator: Mr. Pascal Saint-Amans (Director, Center for Tax Policy and Administration, OECD) Mr. Alvin Mosioma (Executive Director, Tax Justice Network Africa) Mr. Ariel Sigal (Chief of Cabinet of the Treasury Ministry, Argentina) Ms. Allison Christians (Professor, McGill University) Mr. Cheikh Ba (Commissioner General, Tax Administration, Senegal) Ms. Janine Juggins (Executive Vice President Global Tax, Unilever)
Thursday 1:00 – 3:00	Lunch	

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Thursday 1:30 – 2:30	Side Event F: Diamonds: Uncut The Base Erosion and Profit Shifting Challenges	Moderator: Mr. James Karanja (Head of Tax Inspectors Without Borders Secretariat) Ms. Elfrieda Stewart Tamba (Commissioner General, Liberia Revenue Authority) Mr. Logan Wort (Executive Secretary, ATAF) Mr. Warren F. Boydn (Gemologist/Geologist) Mr. William Nkitseng (Director, Large Taxpayers Unit, Botswana United Revenue Service)
Thursday 1:30 – 2:30	Side Event G: Filling the Tax Capacity Gap? Potential for Aligned Funding Approaches for Government and Civil Society	Moderator: Mr. Michael Jarvis (Executive Director, Transparency & Accountability Initiative) Mr. Alvin Mosioma (Executive Director, Tax Justice Network - Africa) Ms. Vera Mshana (Global Program Officer, Civic Engagement and Government, Ford Foundation)
Thursday 3:00 – 4:20	Session 6-A (Parallel): Transformational Development: Taxing to Improve Health and Human Development	Moderator: Ms. Deborah Wetzel (Senior Director, Governance Global Practice, WBG) Mr. Dean Jamison (Professor Emeritus, University of California) Mr. Jeremias N. Paul, Jr. (Coordinator of the Tobacco Control Economics, WHO) Mr. Niels Hald (Secretary General, Danish Brewers Association) Mr. Norbert Izer (Deputy State Secretary for Taxation, Ministry for National Economy, Hungary)
Thursday 3:00 – 4:20	Session 6-B (Parallel): Revenue Leakages: Illicit Financial Flows	Moderator: Ms. Grace Pérez-Navarro (Deputy Director of CTPA, OECD) Ms. Folakemi Adeosun (Minister of Finance, Nigeria) Ms. Maria José Garde (Chair, Global Forum on Transparency and EOI for Tax Purposes) Ms. Maya Forstater (Visiting Fellow, Center for Global Development) Mr. Ping Liu (Director of Tariff and Trade Affairs, World Customs Organization)

Thursday 3:00 – 4:20	Session 6-C (Parallel): Domestic Revenue Mobilization and State Building: Taxation for Better Governance	Moderator: Mr. Wilson Prichard (Associate Professor, Global Affairs and Political Science, University of Toronto)
		Mr. František Imrecze (Head of the Slovak Financial Administration, President of IOTA)
		Ms. Ingrid Woolard (Chair, Davis Tax Committee, South Africa)
		Ms. Ioana Petrescu (Expert, SNSPA)
		Ms. Mary Baine (Head, International Taxation & Technical Assistance, African Tax Administration Forum)
Thursday 4:20 – 4:40	Break	
Thursday 4:40 – 6:00	Session 7 (Plenary): Equity Challenges: Taxation for Better Income Distribution	Moderator: Mr. Jan Walliser (Vice President, Equitable Growth, Finance, and Institutions, WBG)
		Ms. Isabel de Saint Malo de Alvarado (Vice President and Ministers of Foreign Affairs, Panama)
		Mr. Ludovico Feoli (Director, Center for Inter-American Policy and Research, Tulane University)
		Ms. Marcela Meléndez (Director, ECONOESTUDIO)
		Mr. Regis Immongault Tatagani (Minister of Economy, Gabon)
Thursday 6:15 – 7:15	Side Event H: Financing the SDGs: Revealing the Links between Illicit Financial Flows and Domestic Resource Mobilization	Opening: Mr. Jerry Matthews Matjila (Ambassador Extraordinary and Plenipotentiary and Permanent Representative of the Republic of South Africa to the United Nations)
		Moderator: Mr. Dereje Alemayehu (Chair of the Global Alliance for Tax Justice)
		Mr. Gamal Ibrahim (Chief, Finance and Private Sector Section, Macroeconomic Policy Division, UN Economic Commission for Africa)
		Ms. Hannah Schmelzer (Senior Policy Officer, Federal Ministry for Economic Cooperation and Development, Germany)
		Ms. Pooja Rangaprasad (Independent Consultant on Tax and Development)
		Closing: Thomas Maettig (Project on Dialogue on Globalization)

<p>Friday 8:30 - 9:30</p>	<p>Side Event J: Raising Domestic Revenues for Development: The Addis Tax Initiative (The International Tax Compact (ITC) on behalf of the Addis Tax Initiative (ATI))</p>	<p>Moderator: Mr. Wiebe Anema (Coordinating Policy Officer, Ministry of Foreign Affairs, The Netherlands)</p> <p>Mrs. Elfrieda Stewart Tamba (Commissioner General, Liberia Revenue Authority)</p> <p>Mr. Steven Rogner (Senior Fiscal Advisor, Bureau for Economic Growth, Education, &amp; Environment, USAID)</p> <p>Mr. Essa Jallow (Deputy Commissioner General/ Commissioner of Domestic Taxes, Gambia Revenue Authority)</p> <p>Ms. Hannah Schmelzer (Senior Policy Officer, Federal Ministry for Economic Cooperation and Development, Germany)</p> <p>Ms. Mari Khurtsidze (Head of International Taxation Division, Tax Policy Department, Ministry of Finance, Georgia)</p> <p>Ms. Gunilla Naesman (Senior Advisor, Tax and Customs Department, Ministry of Finance, Sweden)</p>
<p>Friday 8:30 - 9:30</p>	<p>Side Event K: Mobilizing Resources for Gender Equality: The Role of Tax Policy in Reducing Intersecting Inequalities and Achieving the SDGs</p>	<p>Moderator: Mr. Dennis Howlett (Global Alliance for Tax Justice (GATJ))</p> <p>Moderator: Ms. Liğ Nelson (Tax Justice Network)</p> <p>Ms. Corina Rodríguez Enríquez (Development Alternatives with Women for a New Era (DAWN))</p> <p>Ms. Emma Burgisser (Bretton Woods Project on Gender Equality and Macroeconomics)</p> <p>Ms. Margaret Brew Ward (Policy and Advocacy Manager ActionAid Ghana)</p> <p>Ms. Kathleen Lahey (Queen's University Faculty of Law)</p> <p>Ms. Kate Donald (Center for Economic and Social Rights (CESR))</p>
<p>Friday 9:30 - 10:00</p>	<p>Morning Coffee</p>	
<p>Friday 10:00 - 11:20</p>	<p>Session 8 (Plenary): Tax Capacity Development</p>	<p>Moderator: Mr. Alexander Trepelkov (Director, Financing for Development Office, UN)</p> <p>Mr. Amr El-Garhy (Minister of Finance, Egypt)</p> <p>Mr. Karl Fickenscher (Deputy Assistant Administrator, Bureau for Economic Growth, Education and Environment, USAID)</p> <p>Mr. Marcio Verdi (Executive Secretary, Inter-American Center for Tax Administrations)</p> <p>Ms. Marta Beatriz González Ayala (Viceminister of Taxation, Paraguay)</p> <p>Ms. Patience Rubagumya (Commissioner, Legal Services and Board Affairs, Uganda Revenue Authority)</p>

Friday 11:20 – 11:40	Break	
Friday 11:40 – 1:00	Closing Session (Plenary): The Way Forward: Rising to the Challenges of the SDGs, and the Role of International Support and Cooperation	<p>Moderator: Ms. Antoinette Sayeh (Distinguished Visiting Fellow, Center for Global Development)</p> <p>Mr. Alexander Trepelkov (Director, Financing for Development Office, UN)</p> <p>Mr. Jan Walliser (Vice President, Equitable Growth, Finance, and Institutions, WBG)</p> <p>Mr. Pascal Saint-Amans (Director of the Center for Tax Policy and Administration, OECD)</p> <p>Mr. Vitor Gaspar (Director, Fiscal Affairs Department, IMF)</p>
Friday 1:30 – 2:30	Side Event L: Illicit Financial Flows and Regional Perspectives from the South	<p>Moderator: Mr. Toby Quantrill (Global Policy Lead, Christian Aid)</p> <p>Ms. Sakshi Rai (Programme Consultant, Centre for Budget Governance and Accountability, India)</p> <p>Mr. Alvin Mosioma (Executive Director, Tax Justice Network - Africa)</p> <p>Mr. Carlos Bedoya (Coordinator, LATINDADD)</p> <p>Mr. Dereje Alemayehu (Director, Global Alliance for Tax Justice)</p> <p>Dr. Attiya Waris (University of Nairobi, Law School, Kenya)</p> <p>Mr. Ifueko M. Omoigui Okauru (Commissioner, The Independent Commission for the Reform of International Corporate Taxation (ICRICT))</p>
Friday 1:30 – 2:30	Side Event M: Taxation of the Telecom Sector	<p>Moderator: Mr. David Wentworth (Consultant, Global Tax Team, WBG)</p> <p>Ms. Madge Ramsay (Jamaica Ministry of Finance)</p> <p>Ms. Gaia Penteriani (Director of Consumer Insights, GSMA)</p> <p>Ms. Thornton Matheson (Senior Economist, IMF)</p>

## Appendix C - Mapping of Conference Sessions to SDGs

Conference Session	SDGs	Indicators	Target
<p><b>Session 2 (Plenary): DRM, Fiscal Sustainability and Growth: Evidence to Date</b></p> <p>Domestic Revenue Mobilization (DRM) has increasingly become the key source of funding for national development plans. However, increasing DRM remains a challenge for many governments, particularly in low-income countries that are heavily dependent on volatile natural resource revenues. This session will examine the role of taxation in promoting macroeconomic stability and equitable growth in different developing countries.</p> <p>A key topic will be the difficult trade-offs each country faces when attempting to balance the often-competing objectives of tax policy (revenue, efficiency, equity and effectiveness). Policy or administrative options that improve one goal may harm others. The panel will also examine how international tax competition (generated by the increased importance of intellectual property and other changes to supply and value chains) makes sustainable DRM and economic growth more difficult, and how different countries have addresses these difficulties.</p>	<p>Goal 08. Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All</p>	<p>54. GNI per capita (PPP, current US\$, Atlas method)</p>	<p>8.1. Sustain per capita economic growth in accordance with national circumstances, and in particular at least 7% per annum GDP growth in the least-developed countries</p>
	<p>Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p>95. Domestic revenues allocated to sustainable development as percent of GNI, by sector</p>	<p>17.1. Strengthen domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 3-A: Resource Abundance and Taxation: Avoiding the Curse</b></p> <p>Taxing natural resources is complex. This session focused on petroleum and mineral extraction taxation. Key issues include determining the appropriate government share of resource profits, while encouraging investment in exploration and development; ensuring that the system is designed to respond to volatile changes in resource prices and project outcomes; striking the right balance between other tax revenues and receipts from natural resources; and appropriately designing the regime to minimize negative impacts on the population and the environment.</p>	<p>Goal 12. Ensure sustainable consumption and production patterns</p> <hr/> <p>Goal 13. Take urgent action to combat climate change and its impacts</p>	<p>98. Annual report by Bank for International Settlements (BIS), International Accounting Standards Board (IASB), International Financial Reporting Standards (IFRS), International Monetary Fund (IMF), World Intellectual Property Organization (WIPO), and World Trade Organization (WTO) [other organizations to be added] on the relationship between international rules and the SDGs and the implementation of relevant SDG targets</p> <hr/> <p>6. Losses from natural disasters, by climate and non-climate-related events (in US\$ and lives lost)</p>	<p>12.c rationalize inefficient fossil fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities</p> <hr/> <p>13.1 strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 3-B: Smarter Taxation for Better Gender Equality</b></p> <p>This session will focus on the gender implications of tax systems in developing countries. It will examine both how existing provisions of tax policy and administration may sometimes reinforce existing gender inequities, and how reform can help reduce those inequities. The session will examine examples of both explicit gender bias and implicit biases. In addition, since women are particularly vulnerable to poverty, the session will examine how the distribution of tax burdens across taxpayers indirectly influences gender equity.</p>	<p>Goal 05. Achieve gender equality and empower all women and girls</p> <hr/> <p>Goal 10. Reduce inequality within and among countries</p>	<p>4. Percentage of eligible population covered by national social protection programs</p> <p>42. Average number of hours spent on paid and unpaid work combined (total work burden), by sex</p> <hr/> <p>5. Percentage of women, men, indigenous peoples, and local communities with secure rights to land, property, and natural resources, measured by (i) percentage with documented or recognized evidence of tenure, and (ii) percentage who perceive their rights are recognized and protected.</p>	<p>5.4 recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and the promotion of shared responsibility within the household and the family as nationally appropriate</p> <hr/> <p>5.1 end all forms of discrimination against women and girls everywhere</p> <hr/> <p>5.a undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources in accordance with national laws</p> <hr/> <p>10.2 by 2030 empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 3-C: Fiscal Policy for Sustainable Development: Environmental Taxes</b></p> <p>Several SDGs focus on issues in affordable, clean energy (SDG 7), ensuring sustainable consumption (SDG 12), and action to combat climate change and its impacts (SDG 13). This session will explore how fiscal policy can contribute to achieving these goals, including issues relating to local pollution and negative externalities in addition to climate change issues, through the lens of environmental taxation and fiscal frameworks to enhance resilience to climate risk in vulnerable countries. These SDGs pose many issues ranging from tax policy, to administration, to coordination among government agencies within countries, to assessing the burden of higher energy taxes or prices on vulnerable households and firms.</p>	<p>Goal 07. Ensure access to affordable, reliable, sustainable, and modern energy for all</p> <hr/> <p>Goal 12. Ensure sustainable consumption and production patterns</p> <hr/> <p>Goal 13. Take urgent action to combat climate change and its impacts</p>	<p>95. Domestic revenues allocated to sustainable development as percent of GNI, by sector</p> <hr/> <p>98. Annual report by Bank for International Settlements (BIS), International Accounting Standards Board (IASB), International Financial Reporting Standards (IFRS), International Monetary Fund (IMF), World Intellectual Property Organization (WIPO), and World Trade Organization (WTO) [other organizations to be added] on the relationship between international rules and the SDGs and the implementation of relevant SDG targets</p> <hr/> <p>6. Losses from natural disasters, by climate and non-climate-related events (in US\$ and lives lost)</p>	<p>7.a by 2030 enhance international cooperation to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promote investment in energy infrastructure and clean energy technologies</p> <hr/> <p>12.c rationalize inefficient fossil fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities</p> <hr/> <p>13.1 strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 4: Tax Administration: How Tax Administration Can Contribute to Achieving the SDGs</b></p> <p>Effective tax administrations are essential in supporting the SDGs, not only through their effect upon the relations between governments and their citizens, but directly through their effect on the level of revenue raised under any given tax policy framework. And a, if not the, main factor in tax revenue performance in the modern world of self-assessment is the level of taxpayer compliance that the administration is able to achieve. Many factors influence that level, ranging from citizens' belief that the institutions and employees are honest and that government will spend the money wisely on their behalf, to the credibility of the administration to ensure that taxpayers that cheat or avoid payment of their due taxes have a substantial chance of being caught and fined or punished, to the administrative ease—or lack thereof—with which taxpayers who want to comply can comply with their obligations.</p>	<p>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>91. Revenues, expenditures, and financing of all central government entities are presented on a gross basis in public budget documentation and authorized by the legislature</p>	

Conference Session	SDGs	Indicators	Target
<p><b>Session 5: International Tax, BEPS, and the SDGs</b></p> <p>The session will discuss both the challenges and opportunities around ensuring the taxation of MNCs contributes towards meeting the SDGs. It will hear a variety of viewpoints, on the challenges of implementing an effective tax regime in a globalized and increasingly digital age, how the universal approaches envisaged by the SDGs apply to international taxation, and what approaches have been/could be most beneficial for developing countries. The session will explore the balance between creating an environment that encourages investment to grow the economy and ensuring sufficient distribution of the benefits of growth so that SDG outcomes can be realized.</p>	<p>Goal 10. Reduce inequality within and among countries</p> <p>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p> <p>Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p>10.3 ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard</p> <p>16.4 by 2030 significantly reduce illicit financial and arms flows, strengthen recovery and return of stolen assets, and combat all forms of organized crime</p> <p>17.1 strengthen domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection</p>	<p>90. Proportion of legal persons and arrangements for which beneficial ownership information is publicly available</p> <p>95. Domestic revenues allocated to sustainable development as percent of GNI, by sector</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 6-A: Transformational Development: Taxing to Improve Health and Human Development</b></p> <p>This session will discuss how taxation can promote (or detract from) improved health and human development. The discussion will cover health-related taxation, such as excise taxes on alcohol, tobacco and fuels (“sin taxes”), which can have important health outcomes. It will also cover less direct impacts, such as the impact of taxation on poverty, education, or other factors that in turn affect human development.</p>	<p>Goal 03. Ensure healthy lives and promote well-being for all at all ages</p> <hr/> <p>Goal 04. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <hr/> <p>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>30. Current use of any tobacco product (age-standardized rate)</p> <hr/> <p>31. Percentage of children (36-59 months) receiving at least one year of a quality pre-primary education program</p> <p>32. Early Child Development Index (ECDI)</p> <hr/> <p>90. Proportion of legal persons and arrangements for which beneficial ownership information is publicly available</p>	<p>3.a strengthen implementation of the Framework Convention on Tobacco Control in all countries as appropriate</p> <hr/> <p>4.2 by 2030 ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</p> <hr/> <p>16.4 by 2030 significantly reduce illicit financial and arms flows, strengthen recovery and return of stolen assets, and combat all forms of organized crime</p>
<p><b>Session 6-B: Revenue Leakages: Illicit Financial Flows</b></p> <p>SDG 16 includes the following target: “by 2030 significantly reduce illicit financial and arms flows, strengthen recovery and return of stolen assets, and combat all forms of organized crime”. This session will focus on illicit financial flows, in particular those caused by tax evasion and corruption. Different stakeholders will look at the issue of IFFs from different viewpoints, highlighting both the actors involved and the measures that can be taken to reduce IFFs.</p>			

Conference Session	SDGs	Indicators	Target
<p><b>Session 6-C: DRM and State Building: Taxation for Better Governance</b></p> <p>This session will examine the role of DRM in state-building by enforcing a social contract between citizens and the state. This session is based on the fundamental premise that it is not just how much revenue is raised that matters for development and growth, but also how that revenue it is raised. Strong tax systems are required to achieve equitable treatment of taxpayers, which in turn enhances state-building. In particular, the session will focus on development and implementation of specific tax policy measures and administrative and institutional frameworks designed to counter abusive tax practices, whether committed by taxpayers or government.</p>	<p>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>91. Revenues, expenditures, and financing of all central government entities are presented on a gross basis in public budget documentation and authorized by the legislature</p> <p>94. Perception of public sector corruption</p>	<p>16.6 develop effective, accountable and transparent institutions at all levels</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 7: Equity Challenges: Taxation for Better Income Distribution</b></p> <p>This session will examine existing and growing equity challenges worldwide, and the role of taxation in improving (or exacerbating) those problems. By looking at country examples, the session will examine some of the linkages between taxation and equity. While tax provisions to address equity are well known and studied, best practices are often not adopted or fail to achieve their stated goals. Failures (or successes) are often a consequence of political considerations. The panel will examine country-examples of how proposed or enacted policies would harm (or benefit) the interests of political actors who have the power to block (or promote) those tax provisions. The country experiences should provide lessons for how to make more effective any fiscal policy designed to promote equity</p>	<p>Goal 10. Reduce inequality within and among countries</p>	<p>64. [Indicator on inequality at top end of income distribution: GNI share of richest 10% or Palma ratio]</p> <p>65. Percentage of households with incomes below 50% of median income ("relative poverty")</p>	<p>10.1 by 2030 progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average</p> <hr/> <p>10.3 ensure equal opportunity and reduce inequalities of outcome including through eliminating discriminatory laws, policies and practices and promoting appropriate legislative policies and actions in this regard 10.4 adopt policies especially fiscal, wage, and social protection policies and progressively achieve greater equality</p>

Conference Session	SDGs	Indicators	Target
<p><b>Session 8: Tax Capacity Development</b></p> <p>This session will examine what has (and has not) worked in improving the tax capacity of developing countries. It will seek to identify lessons learned from experience, highlight the progress made in the implementation of the recommendations of the Platform for Collaboration on Tax that were included in the report <i>Enhancing the Effectiveness of External Support in Building Tax Capacity in Developing Countries</i>, and identify areas where further work is needed. It will also discuss tax capacity development in the context of the wider picture of effective development cooperation, the SDG 17 goal on partnerships for development, and how tax capacity development ultimately feeds through to SDG outcomes across the board.</p>	<p>Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p>90. Proportion of legal persons and arrangements for which beneficial ownership information is publicly available</p> <p>90. Proportion of legal persons and arrangements for which beneficial ownership information is publicly available</p> <p>95. Domestic revenues allocated to sustainable development as percent of GNI, by sector</p>	<p>17.1 strengthen domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection</p> <hr/> <p>17.9 enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all sustainable development goals, including through North-South, South-South, and triangular cooperation</p>

## Appendix D - Conference Statement

### The Platform and its role

The Sustainable Development Goals (SDGs) set ambitious targets for all countries, to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. Achieving these goals requires enormous financial resources. The Addis Ababa Action Agenda recognizes that much of the increased public financing to reach these goals will have to be generated domestically. Taxation has a key role to play in financing the SDGs. At the same time, an era of unprecedented international cooperation on tax is underway with the implementation of Automatic Exchange of Information, the Base Erosion and Profit Shifting project, and the strengthening of the United Nations Committee of Experts on International Cooperation in Tax Matters—all creating new opportunities for the enhanced participation of developing countries in international tax policy discussions and institutions, but also new challenges to fully realizing the benefits of international cooperation on tax.

It is in this context that the Platform for Collaboration on Tax was formed. The Platform Partners, International Monetary Fund (IMF), Organization for Economic Co-operation and Development (OECD), United Nations (UN) and the World Bank (WB), have each worked for many decades to support their member countries to effectively mobilize tax revenues—from the most economically advanced to the poorest. In this new era of increased international cooperation, however, there are opportunities for deeper collaborative work through the Platform. The partner organizations bring together their own mandates and expertise, and their convening power to engage in and stimulate research, and together through the Platform lead the debate and action on the broad role of taxation in achieving the SDGs.

Subject to resource availability, the Platform intends to undertake or continue work in a range of areas, including:

#### 1. Strengthening international tax cooperation

As the international tax environment is changing rapidly, there is a high demand for action by the Platform, which is well placed to facilitate feedback between standard setting, capacity building and technical assistance in the sphere of international tax.

To respond to this demand, Partners will further increase coordination and cooperation at the global and country levels. Guidance for developing countries (e.g., through the various Toolkits that the Platform has produced, and continues to work on, to help developing countries in high priority areas of international taxation) will provide a basis for

some of this work. The Platform will also support developing countries to analyze and articulate their views on important international tax issues which will feed back into the international forums and standard setting processes.



## 2. Building Institutions through Medium Term Revenue Strategies

In their 2016 report “Enhancing the Effectiveness of External Support in Building Tax Capacity in Developing Countries,” the Platform Partners advocated for “Medium Term Revenue Strategies” (MTRS) - a new approach to support countries in reforming their tax systems. These are intended to facilitate a country driven process to develop multi-year, holistic and realistic plans for revenue policy, legal and administrative reforms consistent with the countries’ development goals, and to enhance the ability of their tax systems to achieve strong, robust growth and wider social objectives. They are envisaged as part of the country’s

institution building process, as broad stakeholder engagement in MTRS development can help shape the relationship between citizens and their governments. This approach is in the initial stages of its implementation, with the Platform playing a significant role in a first wave of countries in 2018. Aiming to reach the full potential of this approach, Partners will foster an inclusive process of collaboration and information sharing, as well as encourage stronger leadership from the country governments, and broad societal engagement.

## 3. Promoting partnerships and stakeholder engagement

SDG 17 emphasizes the importance of partnerships and international support in realizing the SDGs, including in tax. The Platform is just one form of partnership that is needed to make progress on this goal at the global and country level. As this conference has demonstrated, achieving the SDG’s requires actions from all stakeholders. The Platform’s success depends on its ability to foster wider relationships, including through convening governments, regional tax organizations, civil society and the business sector. This conference is the beginning of a process of regular, structured dialogue with the range of stakeholders, especially developing countries, regional organizations and development partners.

The following box includes a list of immediate and

concrete actions related to the above three areas, which additional resources permitting, the Platform intends to undertake or continue:

### **Taxation and the SDGs**

As this conference has shown, tax structures affect society and the economy in many ways beyond a narrow financing focus: equality, in its many dimensions, impacting investment and growth; empowerment of women; sustainability of the environment; extraction of natural resources; and many other concerns central to the achievement of the SDGs. While the Platform Partners already work on all these topics, through analysis, standard setting, and technical assistance to member countries, there is scope for further work.



## Platform Actions to Take the Tax Agenda Forward

- On a regular basis, working with others including the Addis Tax Initiative, we will help to give a comprehensive picture of the total effort of international, regional and bilateral partners in supporting developing countries on tax matters.
- We will integrate and aim for the highest possible standards of transparency in the provision of information about our capacity development activities in developing countries through the Platform website.
- On international tax we will scale-up our joint work to support developing countries to address tax transparency and base erosion and profit shifting, including on treaties.
- Working together with other stakeholders, we will seek to provide coherent and consistent international tax policy advice.
- We will complete the Platform Toolkits to help countries address challenges in international taxation and launch an expanded outreach program to support the development and use of the Toolkits. We will respond to additional concerns raised by countries with analytical work, recommendations and guidance.
- We will provide, in mid-2018, an update to the G20 on tax certainty and developing countries.
- We will analyze and report on the spillovers and opportunities from changes in the international tax environment on and for developing countries.
- We will work together to support the development of country-led MTRSs, including through the involvement of bilateral partners, and report on outcomes. We will align our support according to the plans set out by governments.
- We will help developing countries access the knowledge, experience and good practices in tax administration, starting with the use of technology, working with the Forum on Tax Administration, regional tax organizations and other partners.
- We will support the participation of developing countries in tax policy discussions at international fora.
- We will launch a multi-year Tax and SDGs Program, that will include components on taxation and health, education, gender, inequality, environment, and infrastructure.
- We will establish a regular dialogue between the Platform and stakeholders—most importantly developing country governments.
- We will review current practice, and provide guidance and recommendations, on the tax treatment of ODA-funded goods and services.
- To help deliver this agenda we will seek to secure donor funding for the expanded work program, supported by a strengthened Platform Secretariat.



## Delivering the Platform's Agenda

This conference has offered the opportunity for stakeholders to suggest other topics on which the Platform could work and other ways in which it could foster cooperation. Taking these suggestions into account, the Platform will produce a forward agenda of the issues raised by this conference, and identify areas where further work is possible, either by the Platform, or by Platform Partners individually or in collaboration with others.

These proposed actions could make a significant contribution that would reflect the important role of taxation in achieving the SDGs. These actions can only be delivered if resources are made available. We gratefully acknowledge the contributions from the Governments of Luxembourg, Switzerland, and the United Kingdom, and the commitment from the Government of Japan. Taking the Platform to the next level of ambition will require a new injection of resources, not least to increase the capacity of its Secretariat.

The Platform looks forward to working with all stakeholders to deliver this agenda, through continued support to country-led MTRSs, information sharing, on-the-ground cooperation, enhanced dialogue with stakeholders, further focus and guidance on international tax challenges and initiatives that will ensure a greater participation of developing countries in international tax policy discussions and institutions.

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Taxes generate the funds that finance government activities in support of the SDGs



Taxation affects equity and economic growth



Taxes influence people's behavior and choices with implications for health outcomes, gender equity, and the environment



Fair and equitable taxation promotes taxpayer trust in government and strengthens social contracts that underpin development

