

THIRD INTERNATIONAL CONFERENCE ON FINANCING
FOR DEVELOPMENT IN ADDIS ABABA
13 - 16 JULY 2015



AFRICAN TAX
ADMINISTRATION FORUM

FORUM SUR
L'ADMINISTRATION
FISCALE AFRICAINE

ATAF SIDE EVENT

Organized in Association with the Following Partners:
The Netherlands, Switzerland and Germany



Ministry of Foreign Affairs of the
Netherlands



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THE AFRICAN AGENDA 2063: FINDING THE MONEY!

Developing African tax systems in order
to mobilise domestic resources to
fund Africa's development.

Date: Monday, 13 July 2015,

Afternoon (3.30 pm - 6.00 pm)

Venue: Hotel Radisson BLU, Warka 1 + 2



DOMESTIC RESOURCE MOBILIZATION IN FINANCING FOR DEVELOPMENT

The Third International Meeting on Financing for Development (FfD) has Domestic Resource Mobilisation (DRM) as a key development indicator. This, in addition to the African Union's Agenda 2063, has placed taxation and the mobilisation of revenues at the heart of resourcing continental development.

According to the FfD Zero Draft, for all countries, public policies and the mobilization and effective use of domestic resources, underscored by the principle of national ownership, are at the core of our common pursuit for sustainable development, including achieving the Sustainable Development Goals (SDGs). "Agenda 2063", the continent's strategy to optimize use of its resources to the benefit of all its citizens, is an approach to how Africa should effectively exploit all opportunities available so as to ensure positive transformation towards sustainability within the next 50 years. It is agreed that the mainstay of its implementation would have to foremost be the continent's own resources, complemented by attracting outside investment.

There are, however, large challenges to overcome in mobilizing greater domestic resources, especially through taxation.

These challenges can be grouped in the following categories:

- Building fair and efficient tax systems (Tax policy, Tax Administration and Tax Legislation)
- Building tax capacity
- Managing the taxation of multinational enterprises and the extractive industries;
- Enhancing tax compliance
- Improving the efficiency and effectiveness of spending
- Increasing and stabilising the tax base over time

- Collecting more and/or collecting better (i.e. through a better understanding of "modern" forms of revenue sources such as e-commerce, telecommunications, industry intangibles, etc.), and
- Countering illicit financial flows, especially trade misinvoicing.

Domestic Resource Mobilization (especially Taxation) is particularly important for inclusive growth, poverty eradication and sustainable development in Africa and, in addition, financing the African Union's (AU) Agenda 2063. It is also an important tool for:

- Transparency and accountability
- Good governance and democracy

ATAF'S CONTRIBUTION TO FINANCING FOR DEVELOPMENT

Over the last five years, the African Tax Administration Forum (ATAF) has led continental efforts in developing more efficient and effective tax administrations. It has provided African governments with a significant platform through which greater technical capacity is being developed especially through technical assistance, and good practices shared through peer learning and research, among others. Common African approaches to global tax matters are also formulated, and home-grown solutions are developed to tackle tax evasion and avoidance and illicit financial flows.

The purpose of this side event is to:

1. Place tax administration at the centre of the continent's renewed efforts to mobilize greater domestic resources for its development;
2. Urge African governments to provide the required political support to their respective agencies in their quest to raise revenues and tackle tax base erosion (i.e. IFFs and especially trade misinvoicing; BEPS; tax incentives; taxation of natural resources; etc.)

SOME OF ATAF'S ACTIVITIES

1) CAPACITY BUILDING ACTIVITIES

- ATAF 2015 Technical Events. For a detailed calendar of activities, please visit the link: www.ataftax.org/en/Pages/default.aspx
- African Tax Research Network – as the platform of choice for African Research on tax matters, the Network strives to facilitate African capacity for credible research in tax policy, administration, law & leadership. The ATRN's will have its inaugural Annual Congress in Cape Town from 2 to 4 September 2015 under the theme "Contemporary Tax Challenges for African Countries." For more information, please visit the link atnafrica.org
- Executive Master's In Taxation (EMT) (English and French) - The EMT Programme is a multidisciplinary degree programme directed towards professionals from the public sector primarily from the African continent who wish to continue their career in the field of public finance. The programme aims at building capable future African decision-makers in tax policy and tax administration. The first cohort of the Anglophone EMT programme was successfully launched in October 2014. The second cohort will start in October 2015. The francophone EMT programme is due to be launched in October 2015. For more information about the Anglophone EMT, please follow the link: www.emtaxation.org/. For more information about the Francophone EMT, please visit the ATAF website: www.ataftax.org/en/Pages/default.aspx

3. Highlight the importance of increasing commitments to domestic resource mobilization by the donor community. In this regard, ATAF welcomes and supports the Addis Tax Initiative.
4. Channel the increased commitment by the donor community through regional tax organizations such as ATAF to carry out the continent's own initiatives.

The following sub-themes will be discussed:

The meeting will feature perspectives by distinguished guests on, among other aspects:

- The cost of the African Union's Agenda 2063
- The role of domestic resource mobilisation and taxation to fund sustainable development in Africa
- Finding the untapped sources of revenue in Africa
- Stemming Illicit Financial Flows from the continent
- Employing home-grown solutions to developing African tax systems; and
- The role of development assistance in building more efficient and effective tax systems in Africa.

CONFIRMED SPEAKERS TO DATE:

Mr Gershem Pasi, Commissioner General of Zimbabwe Revenue Authority & Chairman of the ATAF Council;

Mr Logan Wort, the ATAF Executive Secretary;

The Hon. Mr P.A. Chinamasa, Minister of Finance & Economic Development of Zimbabwe

The Hon. Ms Lilianne Ploumen, Minister for Foreign Trade and Development Cooperation of the Netherlands and Co-Chair of the Global Partnership for Effective Development Cooperation;

Mr Rished Bade, Commissioner General of the Tanzania Revenue Authority; and the Head of the Swiss delegation to the FFD,

Mr Manuel Sager, State Secretary and Director-General, Swiss Agency for Development and Cooperation.



2) GOOD GOVERNANCE AND ACCOUNTABILITY ACTIVITIES

- Tax and Development Course - The ATAF-ICTD Tax and Development short course is designed for a broad, non-technical audience of practitioners and policy makers interested in, or working on, tax and public resource mobilisation. Participants are envisaged to be from different sectors, for example: Parliament, bilateral and multilateral donors, private foundations, civil society, academia, media, law and judiciary, and revenue authorities. The next course will be offered in January 2016. For more information, please contact: fmbuyamba@ataftax.org.
- Training of Parliamentarians - This course offers an opportunity for parliamentarians to be informed of current processes and initiatives on taxation in Africa; to increase their knowledge and capacity in the areas of tax transparency and avoidance in relation to the successful delivery of the post – 2015 Sustainable Development Goals. The next course will be offered in August 2015. For more information please contact: ebras@ataf.org

3) ATAF AS THE AFRICAN VOICE ON TAX MATTERS

- African Tax Outlook – A flagship publication that will provide valuable, practical and relevant descriptive and analytical work on tax issues, to improve tax administrations and inform tax policy formulation and implementation in Africa. For more information, please visit the link: www.ataftax.org/en/TaxPrograms/Pages/TaxOutlook.aspx

- Cross Border Taxation – The ATAF Cross Border Taxation Technical Committee (ATAF/CBT TC) was created in June 2014 to define the African position with its members, communicate the African response to the OECD/G20 BEPS project, and in general present an African perspective on global tax matters. The CBT TC is participating in the OECD's Working Party 1 on Tax Conventions and Related Questions, Working Party 6 on Taxation of Multinational Enterprises, and Working Party 11 on Aggressive Tax Planning. In December 2014, the OECD Council approved the Committee on Fiscal Affairs' (CFA) recommendation to invite ATAF as an Observer to the CFA and participate in the CFA work on BEPS. For more information, please contact: tshongwe@ataftax.org

4) UPCOMING ATAF'S TECHNICAL ASSISTANCE UNIT (TAU)

- Technical Assistance will be a long-term strategic investment to provide tax administrations with tools, capacities and expertise needed to reform their current practices. An initial focus will be on Annual Capacity Development Programme through Conferences, Technical Events and Seminars. The main objectives of the ATAF TAU will be to: facilitate context-specific home grown solutions by sourcing African experts to the extent possible combined with international expertise; promote peer learning opportunities; leverage existing solutions and innovations to enable continuity; promoting a needs oriented approach and contextualisation; and focus on achieving impact and measuring results. At the core, the TAU will develop a reliable database of African and international experts based on strong accreditation criteria and standards. For more information, please contact: lamarais@ataftax.org



THE AFRICAN TAX ADMINISTRATION FORUM

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