

1ST NTO TECHNICAL CONFERENCE

BUILDING STRONGER PARTNERSHIPS TO FIGHT TAX-RELATED IFFS

19-21 OCTOBER 2021 (VIRTUAL)

THE NETWORK OF TAX ORGANISATIONS (NTO)

Tax networks – known as regional or international tax organisations – play a decisive role in supporting the efforts of national governments to promote the evolution and institutional strengthening of revenue administrations. Due to their varied organisational setup, being locally anchored or built on historical ties, linguistic, religious or political considerations, these organisations are in a unique position to foster a diversity of approaches to collaboration and capacity development, enhancing international, South-South and triangular cooperation.

In a context of internationalising tax dialogues, several tax networks agreed to build on existing synergies to exchange under a common umbrella, the Network of Tax Organisations (NTO). Launched in May 2018 in Ottawa, the NTO is a network of nine regional and international tax organisations aiming to develop and promote effective tax systems as a means to contribute to the well-being of people. The goal of the NTO is to act as a global platform for the exchange of experiences, knowledge, and best practices on tax administration matters.

Currently, the following organisations are members of the NTO: the African Tax Administration Forum (ATAF), the Association of Tax Authorities of Islamic Countries (ATAIC), the Commonwealth Association of Tax Administrators (CATA), the Inter-American Center of Tax Administrations (CIAT), the Caribbean Organisation of Tax Administrators (COTA), the Cercle de réflexion et d'échange des dirigeants des administrations fiscales (CREDAF), the Intra-European Organisation of Tax Administrations (IOTA), the Pacific Islands Tax Administrators Association (PITAA) and the West African Tax Administration Forum (WATAF).

THE 1ST NTO TECHNICAL CONFERENCE: EXPANDING THE GLOBAL DEBATE ON TAX AND CRIME

Background

During the 4th NTO Council Meeting held in Paris in January 2020, tax and crime encompassing tax-related Illicit Financial Flows (IFFs) was identified as the critical topic to be addressed in the 1st NTO Technical Conference.

NTO adopts a broad definition of IFFs, encompassing money flows that stem from illicit and from illegal activities. This includes international movements of illegally earned, transferred, and/or utilised money or capital, but also the socially unpalatable activities, detrimental to sustainable development in many countries, such as aggressive tax planning by multinationals, also known as tax avoidance that is targeted e.g. by the work of the OECD/G20 Inclusive Framework on BEPS. Such definition focuses on the target of the flows and the Illicit nature of income generation and management. It

encompasses tax evasion, avoidance, laundering of criminal proceeds, and the bribery of public officials and theft of state assets.¹

Financial crimes, including tax crimes, money laundering and terrorism financing, undermine the political and economic interests of all countries and pose a serious threat to national security. The increasing linkages between the global economy and crime can be identified through practices such as illicit trade of legal products or the use of established banking, trade and communications networks to move illicit goods. Responding to the new transient, dispersed and interlinked forms of crime calls for a global strategy and comprehensive tools, strongly suitable to the regional and country-specific needs.

IFFs are of concern to all countries, but particularly to developing countries, since they strip them off scarce resources that could finance these countries' long-term development. The 2021 report of the High-Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (FACTI) pointed out that illegal flows laundered by criminals are estimated to represent 2.7 per cent of the global GDP. In September 2020, UNCTAD argued that curbing IFFs in Africa could cut by half the continent's annual financing gap of \$200 billion. Against this background, IFFs are specifically addressed in the target 16.4 of the Sustainable Development Goals (SDGs), which calls for countries to "significantly reduce illicit financial and arms flow, strengthen the recovery and return of stolen assets and combat all forms of organised crime."

Governments have understood how the fight against IFFs should involve a global approach that allows the competent authorities to be able to share their knowledge and skills to prevent, identify and counteract such cases. Tax revenue losses are a direct consequence of tax-related IFFs, and revenue administrations play a central role in identifying and consequently reporting money laundering and / or financing of terrorism cases, alongside other tax crimes. At the same time, tax authorities have unique access to information on transactions and financial activities that could serve other agencies greatly to combat financial crimes if interagency cooperation was working efficiently.

Some countries have achieved excellent results in tackling tax crime as a result of an efficient collaboration and sharing of information between tax authorities and other government authorities. This includes, for example, customs administration, financial intelligence units, police, prosecution offices, and other law enforcement agencies. However, challenges to implement such inter-institutional approaches remain, as by default, the usage of tax information is highly restricted.

The NTO Technical Conference 2021 will concentrate on the issue of widening collaboration to tackle tax-related IFFs. Under the theme of "Building stronger partnerships to fight tax-related IFFs" the conference will aim at analysing current best international practices of tax administrations regarding the fight against IFFs. It will also serve as a global platform to identify and explore possible approaches and future contributions of the NTO and NTO member organisations to reinforce international and inter-institutional cooperation between revenue administrations and other government bodies in combating tax offenses.

¹ Based on definition by UNCTAD and UNODC, [IFF Conceptual Framework for publication 15Oct.pdf \(unodc.org\)](#)

OBJECTIVES

The first NTO Technical Conference 2021 will provide an inclusive platform for broad-based discussions on the latest international developments in tackling tax crime, the changing nature of tax-related IFFs, practical challenges and ways forward in tackling tax offenses.

The Conference will provide an interactive environment for an in-depth exchange of experiences and best practices between tax practitioners with a view to strengthen existing partnerships and build new ones for an effective global fight against tax crime.

Thereby, the objectives of the NTO Technical Conference 2021 are to:

- Facilitate the in-depth exchange of experiences, explore best practices and case studies in the context of inter-institutional and international cooperation on the fight against tax related IFFs, setting the focus on revenue administrations and their needs, while benefitting from the perspectives of different stakeholders;
- Identify opportunities for cooperation, support and synergies between various stakeholders, explore thematic, regional and global potentials for stronger cooperation against tax crime, gaps to be addressed and measures to be taken.
- Explore the role that regional and international tax organisations can play in reinforcing international and inter-institutional cooperation between revenue administrations and other bodies in combating tax offenses;
- Raise awareness of the importance of international tax cooperation in the fight against tax crime.

Follow-up process

The conference will result in an outcome document with key take-aways, interviews with keynote speakers and central messages from the panels which will serve as a starting point for further discussion on the fight against tax crime on the global level. It is planned to bring about discussions on further international events inside the regional and international tax networks and national revenue authorities, bringing the global effort to the next level.

ORGANISATION

The conference will take place over the course of three days from 19 and 21 October 2021 in an online format. The platform chosen to facilitate the conference will allow the possibility of interaction and networking among participants. The organised rapporteurs will thoroughly document the main conclusions of the sessions, and follow-up on the highlights of the conference.

The main language of the conference is **English**. Panels and breakout sessions will be simultaneously translated into Spanish and French. The conference organised by the NTO Secretariat – facilitated by the [International Tax Compact \(ITC\)](#) – in collaboration with NTO member organisations and financed by [the German Federal Ministry for Economic Cooperation and Development](#).

Format

The conference programme will combine different formats, in order to give all stakeholders the opportunity to connect with each other, present their country/organisation, and articulate their respective needs and perspectives.

Panel discussions will provide insights from relevant stakeholders on specific topics related to fighting tax crime. Polls and quizzes will be applied throughout the conference.

Live sessions will give all participants the opportunity to receive information about topics of interest, featuring different regions and viewpoints, e.g. developed vs developing countries, and looking for a way forward for each group. Break-out sessions and workshops will highlight best practices and case studies. These will focus on examples of what works and what doesn't, provide takeaways and serve as a practical background for the discussion on improving access to initiatives such as Exchange of Information, use of beneficial ownership registers to fight IFFs. Regional and international cooperation including transparency and exchanging information, digital tools for tackling serious tax fraud and evasion would be among the highlights of the conference.

Organisations' booths will allow NTO member organisations, tax administrations and other interested international stakeholders to present their work, current successes and activities, research and tools in the area of the global fight against tax-related IFFs. All stakeholders and participants will have a chance to network with one another and share good practices, lessons learnt, and relevant information with interested parties.

Networking space with discussion groups, where participants will be able to hold live discussions on various topics and get to know each other better.

Participation

Creating an inclusive global tax platform for high-level professional dialogue on fighting tax-related IFFs is the priority of the 1st NTO Technical Conference. The conference will bring together a broad range of stakeholders working on tax and crime from revenue administrations, international organisations, academia and others. Development partners interested in contributing to the work of the NTO are also invited.

The conference aims to host up to 700 participants through the conference platform.

Participation is by invitation only and requires online registration. For further information please contact nto.conference@taxcompact.net.

Costs and funding

Participation is free of charge upon registration.

Funded by	Facilitated by	Hosted by	Partners