



Technical Assistance Report

Project Number: 50060-001
Regional—Capacity Development Technical Assistance (R-CDTA)
November 2016

Strengthening Tax Policy and Administration Capacity to Mobilize Domestic Resources (Financed by the Japan Fund for Poverty Reduction)

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
AEOI	–	automatic exchange of information for tax purposes
ATI	–	Addis Tax Initiative
BEPS	–	base erosion and profit shifting
DMC	–	developing member country
DRM	–	domestic resource mobilization
G20	–	Group of Twenty
ICT	–	information and communication technology
OECD	–	Organisation for Economic Co-operation and Development
SDG	–	Sustainable Development Goal
SGATAR	–	Study Group on Asian Tax Administration and Research
TA	–	technical assistance

NOTE

In this report, "\$" refers to US dollars.

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 50060-001	
Project Name	Strengthening Tax Policy and Administration Capacity to Mobilize Domestic Resources	Department /Division	SDCC/SDTC-GOV
Country	REG	Executing Agency	Asian Development Bank
2. Sector		Financing (\$ million)	
✓ Public sector management	Public expenditure and fiscal management		1.00
		Total	1.00
3. Strategic Agenda		Climate Change Information	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
Regional integration (RCI)	Pillar 1: Cross-border infrastructure Pillar 2: Trade and investment Pillar 3: Money and finance		
4. Drivers of Change		Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development Public financial governance	No gender elements (NGE)	✓
Knowledge solutions (KNS)	Knowledge sharing activities		
Partnerships (PAR)	Implementation Regional organizations United Nations organization		
5. Poverty and SDG Targeting		Location Impact	
Geographic Targeting	No	Not Applicable	
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG17		
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		0.00	
None		0.00	
Cofinancing		1.00	
Japan Fund for Poverty Reduction		1.00	
Counterpart		0.00	
None		0.00	
Total		1.00	
9. Effective Development Cooperation			
Use of country procurement systems		No	
Use of country public financial management systems		No	

I. INTRODUCTION

1. Strengthening capacity to collect domestic revenue is indispensable for developing countries to achieve the Sustainable Development Goal (SDG) of domestic revenues driving development financing.¹ Strengthening domestic resource mobilization—including international support for developing countries to improve domestic capacity for tax and other revenue collection—is a target under SDG 17 to strengthen the means of implementation and revitalize the global partnership for sustainable development.² The Addis Tax Initiative (ATI) stresses the importance of tackling both cross-border and domestic tax evasion and avoidance.³ The Asian Development Bank (ADB) has worked with tax authorities in ADB developing member countries (DMCs)—through regional conferences, tax policy and administration research, and training seminars on tax issues—to identify challenges and opportunities to enhance tax authorities' capacity and regional cooperation. This technical assistance (TA) will conduct tax policy and administration research and training courses, designed based on research and a capacity development needs assessment, to enhance the capacity and regional cooperation of tax authorities. The design and monitoring framework is in Appendix 1.⁴

II. ISSUES

2. Many developing countries seek TA to help broaden and protect the domestic tax base, improve domestic tax compliance, and implement tools and procedures to stem both cross-border and domestic tax evasion and tax avoidance.⁵ Strengthening domestic revenue systems is not just a question of raising revenue. It is also about designing a tax system that promotes inclusiveness, encourages good governance, promotes investments and job creation, matches society's views on reducing inequality, and promotes social justice.⁶ This is particularly relevant in developing Asia, where a large number of economies have low tax collection rates, usually below 20% of gross domestic product.⁷

3. Raising tax revenue poses many challenges for developing countries. Specific obstacles include weak tax administrations, low taxpayer morale and compliance, corruption, a small tax base, and missing reciprocal links between tax and public and social expenditures.⁸

4. The rapid globalization of financial services, investment, and trade poses new challenges and opportunities in international taxation, particularly for developing countries. The Group of Twenty (G20) has identified base erosion and profit shifting (BEPS) as a serious risk

¹ The United Nations Open Working Group proposed SDG Target 17.1 which states “Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.”

² United Nations. Sustainable Development Goal 17. <https://sustainabledevelopment.un.org/sdg17>

³ ATI was launched during the Third International Conference on Financing for Development in Addis Ababa in July 2015. The initiative (i) sets the importance of domestic revenue for financing development, (ii) calls for additional development cooperation in this area, and (iii) highlights the importance of tackling tax evasion and avoidance.

⁴ The TA first appeared in the business opportunities section of ADB's website on 12 October 2016.

⁵ The Addis Tax Initiative. 2015. Financing for Development Conference: The Addis Tax Initiative.—Declaration. [https://www.addistaxinitiative.net/documents/Addis-Tax-Initiative Declaration_EN.pdf](https://www.addistaxinitiative.net/documents/Addis-Tax-Initiative%20Declaration_EN.pdf).

⁶ Organisation for Economic Co-operation and Development (OECD). 2015. *Strengthening Tax Systems to Mobilise Domestic Resources in the Post-2015 Development Agenda. The OECD Post-2015 Reflection Series. Element 11, Paper 2*. Paris.

⁷ International Monetary Fund. 2013. *The Government Financial Statistics*. Washington, DC.

⁸ International Tax Compact and OECD. 2015. *Examples of Successful DRM Reforms and the Role of International Cooperation*. Bonn.

to tax revenues, sovereignty, and fair taxation systems worldwide.⁹ The Organisation for Economic Co-operation and Development (OECD) reported to the G20 finance ministers at their meeting on 8 October 2015 in Lima, Peru that developing countries can raise more revenue and create a more stable investment climate for business by addressing BEPS issues.

5. BEPS has a particularly significant effect for tax revenue in some of the poorest countries, which rely very heavily on tax revenue from multinational enterprises. The impact of BEPS on developing countries, however, extends beyond revenue. BEPS undermines the credibility of the tax system in the eyes of all taxpayers. Confidence in—and effectiveness of—the tax system is undermined, if the largest and most high-profile taxpayers are seen to be avoiding tax.

6. International organizations and national governments worldwide have joined in an unprecedented effort to reduce cross-border tax avoidance and increase transparency. The Global Forum on Transparency and Exchange of Information for Tax Purposes provides tools to enhance international tax cooperation and transparency.¹⁰ As more countries become active in the BEPS program, and use a standard format for automatic exchange of information, opportunities to protect each country's domestic revenue base and provide finance for development are growing.

7. Given DMCs' strong demand for support in domestic resource mobilization (DRM) through efficient and transparent tax administrations and the significant program already underway in regional departments, ADB extended TAs to the tax authorities of the Maldives, Mongolia, and the Philippines in 2011. Effective taxation provides a reliable and sustainable source of revenue to promote growth and counteract dependence on aid. There is therefore a potential to further expand operations for DRM.¹¹

8. The primary forum for regional cooperation among tax authorities in the Asia and Pacific region is the Study Group on Asian Tax Administration and Research (SGATAR).¹² ADB is an observer member at the annual SGATAR meetings and, recently, has been approached to provide a platform for training programs to help DMCs implement BEPS recommendations and

⁹ The OECD/G20 Base Erosion and Profit Shifting Project provides governments with solutions to close gaps in existing international rules that allow corporate profits to disappear or shift to low- or no-tax environments where little or no economic activity takes place.

¹⁰ The Global Forum on Transparency and Exchange of Information for Tax Purposes is an international organization mandated by the G20 and promoted by the Addis Tax Initiative.

¹¹ Examples are: (i) ADB. 2016. *Improving Domestic Resource Mobilization for Inclusive Growth Program*. Manila. (Loan 3282-GEO); (ii) ADB. 2014. *Local Government Finance and Fiscal Decentralization Reform Program*. Manila. (Loan 3111-PHI); (iii) ADB. 2007. *Tax Administration Reform and Modernization Project*. Manila. ((Grant 0077-KGZ, TA 4940/4941-KGZ)); (iv) ADB. 2013. *Enhancing Tax Administration Capacity*. Manila (TA 8525-MLD); (v) ADB. 2013. *Supporting Capacity Development for the Bureau of Internal Revenue (BIR)*. Manila. (TA8354-PHI); (vi) ADB. 2014. *Technical Assistance for Enhancing Transparency and Exchange of Information for Tax Purposes*. Manila (TA 8640-REG); (vii) ADB. 2014. *Transparency and Efficiency in Public Financial Management*. Manila. (TA 8742-MON); and (viii) ADB. 2017. *Tax Revenue Administration Modernization and Policy Improvement in Local Governments*. Manila. (TA 8877-INO).

¹² SGATAR was initiated at the Fifth Southeast Asian Ministerial Conference for Economic Development in Yogyakarta in 1970 as a study group for review and exchange of information on tax structures in Southeast Asia. The first SGATAR meeting was held in Manila in 1971; members comprise Australia; Cambodia; the People's Republic of China; Hong Kong, China; Indonesia; Japan; the Republic of Korea; Macau, China; Malaysia; Mongolia; New Zealand; Papua New Guinea; the Philippines; Singapore; Taipei, China; Thailand; and Viet Nam.

automatic exchange of information for tax purposes (AEOI).¹³ The OECD and the Global Forum have also recognized the need for training in Asia and the Pacific and expressed support for ADB to lead capacity-development activities for SGATAR member countries. This TA will deliver the training requested by SGATAR members and contribute to DRM.

9. In 2015, ADB hosted a Global Forum and OECD workshop on Automatic Exchange of Information, and 58 government officials from 27 countries, including Cambodia, Indonesia, Malaysia, Mongolia, Papua New Guinea, the Philippines, Thailand, and Viet Nam, were represented by key information and communication technology (ICT) personnel as well as international tax officers.

10. Since 2014, ADB has provided TA at a regional level to enhance transparency and exchange of information for tax purposes.¹⁴ There were many requests for further assistance, especially to draft legislation and develop ICT systems for AEOI. Several participants—especially small jurisdictions and small island states—requested for in-country assistance. There were also a number of requests for assistance on making effective use of the data received. Other suggestions for support included audit work on international transactions, combating international tax avoidance and evasion, and the use of voluntary disclosure regimes. This TA will produce a recommendation report, which will propose issues that require further capacity development in regional and country-level contexts for eight DMCs, and will disseminate reports to relevant regional departments.

11. In April 2016, ADB joined more than 30 countries and international organizations in expressing support for the ATI. The ATI aims to boost DRM capacity, covering both tax effort and countering leakages through tax cooperation, in support of the SDGs. ADB, under its Anticorruption Policy (1998, as amended to date), is working to set out its role in supporting DMCs through TA projects or policy dialogue to enhance their capacity to meet the internationally agreed standards for tax transparency, to counter tax evasion, and to protect themselves against aggressive tax planning (all of which increase the risks of corruption, money laundering, and the financing of terrorism).

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

12. The impact will be increased sustainable tax revenue for development financing in support of the ATI. The outcome will be enhanced capacity of national tax administrations to increase resource mobilization in target DMCs.

B. Methodology and Key Activities

13. The TA will strengthen the capacity of tax authorities in target countries¹⁵ to collect tax by (i) broadening and protecting the domestic tax base by implementing the BEPS report

¹³ The standard calls on jurisdiction to obtain information from DMCs' financial institutions and automatically exchange that information with other jurisdiction on an annual basis. The OECD and the Global Forum's work is supported by the G20 process (G20. 2013. *G20 Leaders' Declaration*. Adopted at the G20 Leader's Summit. Saint Petersburg Russia. 5–6 September 2013).

¹⁴ ADB. 2014. *Technical Assistance for Enhancing Transparency and Exchange of Information for Tax Purposes*. Manila (TA 8640-REG).

¹⁵ Cambodia, Indonesia, Malaysia, Mongolia, Papua New Guinea, Philippines, Thailand and Viet Nam.

recommendations; (ii) improving domestic tax compliance through efficient and transparent tax administration, enhanced exchange of information, and improved risk management practices; and (iii) improving tools and procedures to stem both cross-border and domestic tax evasion and avoidance. For the effective and sustainable capacity development of tax authorities, the focus will be on developing training modules, and delivering training courses targeting tax officials. The TA has three main outputs.

- (i) **Knowledge-sharing workshop on developments and country experiences in improving domestic resource mobilization delivered.** A workshop for tax policy and administration officials in target DMCs will (a) discuss the latest developments in improving DRM by implementing internationally agreed standards, including legal and administrative reforms; and (b) encourage peer-to-peer sharing of experience. It will also identify issues to be addressed at the regional level by the participating tax authorities.
- (ii) **In-country consultation delivered and country capacity development needs assessment and recommendation report prepared.**¹⁶ The first stage will assess the current state of taxation, including tax administration capacity, in the target countries. The TA project will deliver a capacity development needs assessment and recommendation report (consultant's report). Substantive training and operational support will be provided on selected topics related to DRM in some of the target DMCs, based on the capacity development needs assessment.
- (iii) **Capacity-building activities for tax policy and administration officials, including knowledge-sharing with partner organizations, conducted.** The training courses will be based on the capacity development needs assessment conducted at the country level under output (2) and issues identified at the regional level under output (1). Training will also be conducted with support from other international organizations, including OECD and the ADB Institute. Support from other international organizations will aim (a) to provide the latest information on developments in international taxation and advice on policy and technical issues, and (b) to enable participating countries to establish a roadmap toward implementing international standards. Possible topics include implementation and legislation to align with global standards on international taxation, including BEPS, AEOL, risk management and audit, human resource management, integrity, ICT for tax administration, revenue statistics, DRM (including tax and nontax revenues), and international tax crime investigations. A follow-up assessment and outcome evaluation of the TA outputs will be conducted and reported.

C. Cost and Financing

14. The TA is estimated to cost \$1,000,000, which will be financed on a grant basis by the Japan Fund for Poverty Reduction and administered by ADB.

¹⁶ ADB. 2014. *Technical Assistance for Enhancing Transparency and Exchange of Information for Tax Purposes*. Manila (TA 8640-REG).

D. Implementation Arrangements

15. ADB's Sustainable Development and Climate Change Department will be the executing agency for the TA. The TA will be carried out in coordination with other ADB grant and TA projects on the capacity development of tax authorities being implemented by ADB's regional departments, Office of Anticorruption and Integrity, and Economic Research and Regional Cooperation Department.

16. The TA will be implemented in partnership with external partner organizations that have expertise and practical experience in tax policy and administration in both global and regional contexts. The OECD Centre for Tax Policy and Administration is promoting international standards on tax policy and administration, and the National Tax Agency, Japan, and the Australian Taxation Office are leading regional good practices on international cooperation among tax authorities. These entities are expected to provide resource persons for technical consultation sessions and training. The TA will affirm that relevant officials will be nominated.

17. The TA requires 11 experts (three international consultants with 31 person-months of inputs, and eight national consultants with 68 person-months of inputs). The three international consultants will produce assessment and recommendation reports and lead capacity development activities; the eight national consultants will assist the international consultants with country-specific expertise, affirm that relevant officials will be invited, and provide support to capacity development activities. As assignments are specific and narrowly defined, individual consultants are most appropriate. Consultants will be engaged by ADB on an individual basis, in partial lump-sum contracts arrangement, in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). Disbursement under the TA will be in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). No TA activities will be financed or undertaken in the territory of a DMC until a no-objection confirmation has been obtained from the government concerned.

18. The tax policy and administration specialist will regularly report progress to ADB. A recommendation report will be widely disseminated among DMCs and international organizations as well as within ADB. The TA will be implemented from 1 November 2016 and will be completed by 31 October 2018.

IV. THE PRESIDENT'S DECISION

19. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$1,000,000 to be financed on a grant basis by the Japan Fund for Poverty Reduction for Strengthening Tax Policy and Administration Capacity to Mobilize Domestic Resources, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Impact the Technical Assistance Project is Aligned With Sustainable tax revenue for development financing in support of Addis Tax Initiative ^a increased			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome Capacity of national tax administrations to increase resource mobilization in target developing member countries (DMCs) enhanced	By 2018, a new guide to advance domestic revenue, based on technical assistance recommendations and training courses, adopted in at least two DMCs (2016 baseline: 0)	A follow-up assessment prepared by the tax policy and administration specialist and team leader Country reports at Study Group on Asian Tax Administration and Research's annual meetings	Capacity development activities do not immediately lead to tax reforms due to lack of institution-wide understanding, commitment, and willingness of government institutions and stakeholders to participate in implementing reforms. Government staff turnover is possible.
Outputs 1. A knowledge-sharing workshop on developments and country experiences in improving domestic resource mobilization delivered 2. In-country consultation delivered and country capacity development needs assessment and recommendation report prepared	1a. By April 2017, 20 tax policy and administration officials from up to eight DMCs participated in a 3-day technical consultation session (2016 baseline: 0) 1b. By May 2017, an action plan drafted in each participant DMC (2016 baseline: 0) 2a. By July 2017, in-country consultation and knowledge-sharing sessions conducted (2016 baseline: 0)	1a. Workshop reports 1b. DMC feedback through workshop evaluations. 2a. Consultant's report shared with each DMC concerned, as well as a published regional report	Sphere of influence of the training participants is not sufficient to effect needed tax reforms.

^aFinancing for Development Conference. 2015. The Addis Tax Initiative - Declaration. Addis Ababa, Ethiopia. July.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<p>3. Capacity-building activities for tax policy and administration officials, including knowledge-sharing jointly delivered with partner organizations, conducted</p>	<p>2b. By September 2018, a recommendation report, proposing issues that require further capacity development in regional and country-level contexts, for up to eight DMCs published and disseminated (2016 baseline: 0)</p> <p>3a. By July 2018, at least 40 tax officials from eight DMCs undergo training courses (2016 baseline: 0)</p> <p>3b. By July 2018, at least two knowledge-sharing or capacity development seminars held jointly with other international organizations (2016 baseline: 0)</p>	<p>2b. Consultant's report shared with each DMC concerned, as well as a published regional report</p> <p>3a. Workshop reports</p> <p>3b. Workshop reports</p>	
<p>Key Activities with Milestones</p> <ol style="list-style-type: none"> 1. Knowledge-sharing workshop on developments and country experiences in improving domestic resource mobilization delivered (by May 2017). <ol style="list-style-type: none"> 1.1 Conduct preparatory research to identify area of focus in domestic resource mobilization (by February 2017). 1.2 Design agenda and methodology of a knowledge-sharing workshop (by March 2017). 1.3 Deliver a knowledge-sharing workshop for the tax policy and administration officials of target DMCs; share information on the latest developments in improving domestic resource mobilization and create opportunities for sharing country experience among DMCs (by April 2017). 1.4 Conduct a follow-up dialogue; monitor progress after the workshop; and ensure that an action plan, for each DMC, is drafted (by May 2017). 2. In-country consultation delivered and country capacity development needs assessment and recommendation report prepared <ol style="list-style-type: none"> 2.1 Research DMCs' current tax systems, including capacity development needs assessments for eight DMCs, conduct in-country consultation and knowledge-sharing sessions, and prepare and share the consultant's report (by July 2017). 2.2 Prepare an analysis report on the current tax systems in the Asia and Pacific region, including capacity development needs assessment, for strengthening tax systems to mobilize domestic resources produced (by April 2018). 2.3 Based on capacity needs assessment, provide substantive training and operational support for DMCs' selected issues on domestic revenue mobilization and capacity of selected tax authorities (by July 2018). 2.4 Produce a recommendation report which will propose issues that require further capacity development in regional and country-level contexts for eight DMCs, and disseminate reports to relevant DMCs (by September 2018). 3. Capacity-building activities for tax policy and administration officials, including knowledge-sharing jointly delivered with partner organizations, conducted. Specific topics include (i) broadening and protecting the domestic tax base by implementing the BEPS report recommendations; (ii) improving domestic tax 			

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<p>compliance through efficient and transparent tax administration, enhanced exchange of information, and improved risk management practices; and (iii) improving tools and procedures to stem both cross-border and domestic tax evasion and avoidance.</p> <p>3.1 Based on the issues identified at regional level by output 1 and at country level by output 2, design curriculums for capacity development training courses completed (by July 2017).</p> <p>3.2 Conduct training courses on strengthening tax systems to mobilize domestic resources (by July 2018).</p> <p>3.3 Conduct at least two joint knowledge-sharing or capacity development training seminars with partner organizations (e.g., Organisation for Economic Co-operation and Development, Asian Development Bank Institute) (by July 2018).</p> <p>3.4 Manage follow-up assessment, and evaluate the outcome of the technical assistance outputs (by September 2018).</p>			
<p>Inputs Japan Fund for Poverty Reduction: \$1,000,000</p>			

^aAddis Tax Initiative. 2015. *Financing for Development Conference: The Addis Tax Initiative—Declaration*. [https://www.addistaxinitiative.net/documents/Addis-Tax-Initiative Declaration_EN.pdf](https://www.addistaxinitiative.net/documents/Addis-Tax-Initiative%20Declaration_EN.pdf).
Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Japan Fund for Poverty Reduction^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (31 person-months, intermittent)	280.0
ii. National consultants (68 person-months, intermittent)	150.0
b. International and local travel	130.0
c. Reports and communications	50.0
2. Training sessions, seminars, and conferences ^b	250.0
3. Miscellaneous administration and support costs ^c	40.0
4. Contingencies	100.0
Total	1,000.0

^a Administered by the Asian Development Bank (ADB).

^b Includes training sessions, seminars, and conference expenses in eight target developing member countries. The range of training will cover the different functional and process stages in capacity-building activities for tax policy and administration officials, and knowledge-sharing events jointly delivered with partner organizations.

^c Includes representation expenses in accordance with ADB. (Budget, Personnel and Management Systems Department and Strategy and Policy Department). 2013. Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs Internal Administrative Expenses Budget. Memorandum. 26 June.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. A total of 31 person-months (intermittent) of international consulting services and 68 person-months (continuous and intermittent) of national consulting services will be required to ensure the effective implementation of this technical assistance (TA) project. Consultants will be recruited as individuals according to the Asian Development Bank (ADB) Guidelines on the Use of Consultants (2013, as amended from time to time).

2. **Tax policy and administration specialist and team leader** (international, 16 person-months, intermittent). The tax policy and administration specialist and team leader should have knowledge and experience in handling tax policy and administration issues, including tax measures to protect the tax base from aggressive tax avoidance and evasion schemes, international cooperation with foreign tax authorities, and TA to developing countries. The specialist will

- (i) Provide overall management of project implementation.
- (ii) Design methodologies to research the tax systems within the scope of this TA project, including topics such as broadening and protecting the domestic tax base, and enhancing tax transparency and international cooperation of tax authorities in participating developing member countries (DMCs).
- (iii) Assess the capacity development needs of up to eight participating DMCs.
- (iv) Conduct research in cooperation with the tax audit and risk management specialist and country-based taxation consultants, and produce a capacity development needs assessment report. The assessment report will take into account the current tax systems and assess the capacity development needs of the DMC in terms of broadening and protecting the domestic tax base, enhancing tax transparency and international cooperation, and combating tax evasion. A preliminary assessment report will be produced before a technical consultation session, and the final assessment and recommendation report will be produced and disseminated after capacity development training sessions.
- (v) Design and lead a knowledge-sharing session for tax policy and administration officials from Cambodia, Mongolia, Papua New Guinea, Thailand, and Viet Nam, which will discuss sound tax policy and effective tax administration. Help each participant country to produce an action plan to strengthen tax systems to mobilize domestic revenues. Conduct follow-up dialogue to support implementation of the action plans in each participating country.
- (vi) Taking into account the capacity development needs assessment report and the outcome of the knowledge-sharing session and follow-up dialogue, produce a recommendation report, which will propose (a) regional policies and practices for international tax cooperation and (b) concrete improvement measures designed for each participating DMC.
- (vii) Based on the findings proposed in the recommendation report, design and lead capacity development training courses at the country and regional levels on broadening and protecting the domestic tax base through sound tax policy and effective tax administration for tax officials from up to eight participating DMCs. Conduct follow-up assessment to evaluate the effectiveness of the workshops and development training courses.
- (viii) Communicate and coordinate with partner international organizations, including the Organisation for Economic Co-operation and Development, with respect to the implementation of the TA project.
- (ix) Regularly report on the progress of the TA project to the TA project officer.

3. **Tax audit and risk management specialist** (international, 12 person-months, intermittent). The tax audit and risk management specialist, who will have experience in tax audit, including aggressive tax avoidance and evasion schemes, exchange of information with foreign tax authorities, and TA to developing countries, will

- (i) Conduct research in cooperation with the tax policy and administration specialist and team leader and country-based taxation policy consultants on audit practices in DMCs, in particular with respect to aggressive tax avoidance and evasion schemes, and support the tax policy and administration specialist and team leader to produce the capacity development needs assessment report and the recommendation report.
- (ii) Contribute to the design and implementation of knowledge-sharing sessions for selected DMCs, in particular with respect to the audit of aggressive tax avoidance and evasion schemes. Support the tax policy and administration specialist and team leader to conduct follow-up dialogue.
- (iii) Based on the findings proposed in the recommendation report, design and lead capacity development training courses at the country and regional levels on enhancing tax transparency and international cooperation of tax authorities and on cooperating to combat international tax evasion, in coordination with the tax policy and administration specialist and team leader. Support the tax policy and administration specialist and team leader to conduct follow-up assessment.

4. **Tax administration specialist** (international, 3 person-months, intermittent). The tax administration specialist, who will have experience in in tax administration, including senior management of tax administration, will

- (i) collect and analyze information on the tax administration authorities of DMCs in the Asia and Pacific region, focusing on the different tax policies and administration systems, including tax administration bodies' regulatory framework functions and performance; to summarize their features; to analyze how those features are different from tax administrations in developed countries; and to present issues that tax administration in DMCs should address;
- (ii) produce a comparative analysis report on tax administrations in the Asia and Pacific region;
- (iii) lead a discussion with the partner organizations, including the Organisation for Economic Co-operation and Development, with respect to the analysis of tax policy and administration systems;
- (iv) review responses and reaction from DMCs, partner organizations, and academics; and present recommendations on how research on revenue administration should be improved in the future to the project; and
- (v) regularly report to the TA project officer the status of the analysis and review of DMC information.

5. **Taxation consultants** (6 nationals, 6 person-months each, intermittent, the countries will be identified based on the outcome of the capacity development needs assessment). The taxation consultants, who will have expertise in tax policy and administration, will

- (i) with country-specific expertise, assist the tax policy and administration specialist and team leader and international tax audit and risk management specialist to conduct research and produce the capacity development needs assessment report and the recommendation report. Assistance will include the translation of relevant materials;

- (ii) communicate and coordinate with tax authorities and other organizations located in the countries included in the scope of this TA project, including assistance to activities to follow up knowledge-sharing sessions and training courses;
- (iii) based on the capacity development needs assessment, design and lead substantive training courses and operational support in each assigned country for selected issues related to domestic revenue mobilization capacity; and
- (iv) carry out any other duties that are within their specialization as may be assigned by the ADB project team, tax policy and administration specialist and team leader, and tax audit and risk management specialist.

6. **Public management consultant** (national, 16 person-months, intermittent, to be based in the Philippines). The public management consultant, who will have expertise in public management and governance including tax policy and administration, will

- (i) assist in communications and coordination among the ADB project team, international specialists, and taxation consultants;
- (ii) assist the tax policy and administration specialist and team leader and tax audit and risk management specialist to produce the capacity development needs assessment report and the recommendation report, including document management, editing, printing, and dissemination;
- (iii) logistically support the preparation and implementation of the knowledge-sharing session and capacity development training courses; and
- (iv) carry out any other duties that are within their specialization as may be assigned by the ADB project team, tax policy and administration specialist and team leader, and tax audit and risk management specialist.

7. **Workshop coordinator** (national, 16 person-months, continuous, to be based in the Philippines). The workshop coordinator will be responsible for preparing the workshops, coordinating with workshop partners and cosponsors, and coordinating with ADB departments involved in the events. The workshop coordinator will also

- (i) provide lead support to the project officer in coordinating logistical arrangements, documentation, secretariat services, preparation and dissemination of information and materials, and related support;
- (ii) oversee internal coordination within ADB, including liaising with the regional departments, Economics Research and Regional Cooperation Department, Office of Administrative Services, Department of External Relations, Governance Thematic Group, and relevant sector group;
- (iii) prepare cost estimates and coordinate with relevant ADB staff on the workshop budget and other financial requirements;
- (iv) coordinate preparation of information kits, briefing materials, and serve as focal point for the collection and distribution of all workshop speeches, presentations, and other materials;
- (v) prepare a draft post-workshop report; and
- (vi) perform other tasks that may be required to ensure the successful conduct of the workshops.