

The Place Of Africa In The Shift Towards Global Tax Governance:

Can the taxation of the digitalised
economy be an opportunity for more
inclusiveness?

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ABSTRACT

The paper provides an overview of the current international tax governance landscape and inroads towards inclusiveness. It argues that although the governance process is transparent, efforts to establish a true international tax governance through the Inclusive Framework for BEPS Implementation (IF) are foiled by challenges hampering African countries to participate on an “equal footing.” It posits that setting international standards in the relatively new field of the taxation of the digitalized economy would be a natural test of a successful implementation of a framework in which international tax governance is conducted on an expanded multilateral basis, away from a “club structure” type of governance where initiatives are carried out and standards are set by a selected few, to an extended multilateral tax governance structure characterized by a broader distribution of leadership roles and responsibilities. Only such a structure would be seen by developing countries, and African countries in particular, as a driving force for increasing participation, inclusiveness and implementation of international tax reforms.

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TABLE OF CONTENTS

List of abbreviations and acronyms	04
1. Introduction	05
2. Is there a shift towards a global tax governance through multilateralism?	08
2.1 The role of the OECD in the BEPS project	08
2.2 Implementation of the BEPS Package: The Inclusive Framework for BEPS Implementation (IF)	10
2.3 The Global Forum on Transparency and Exchange of Information for Tax Purposes	14
3. Where does Africa fit in this progress towards multilateralism in tax governance?	15
3.1 Where does Africa stand in standard-setting in international taxation?	15
a) Enacting legislative and treaty changes to rectify current deficiencies	17
b) Building technical and audit capacity	18
c) Maintaining focus on and keeping pace with global standard setting through appropriate prioritization	18
d) Having the technology and the resources to mine and analyze data	18
3.2 Africa and the Inclusive Framework	19
3.3 Africa's participation in the standards of transparency and exchange of information for tax purposes	20
4. Towards a new model of multilateral engagement: Can the taxation of the digitalised economy be a game changer?	23
4.1 Challenges in the taxation of the digitalised economy in Africa	23
a) Digitalisation and new business models	23
b) Digitalisation, value chains and value creation	24
4.2 How does the taxation of the digitalised economy become a game changer for Africa?	28
a) The need for fundamental changes to the international tax rules	28
b) Africa's current position on the tax challenges arising from the digitalisation of the economy	30
c) Digitalisation as an opportunity for Africa to steer the direction of the global standard agenda	31
5. Conclusions	33
6. References	34

LIST OF ABBREVIATIONS AND ACRONYMS

AEOI:	Automatic exchange of financial account information
AfDB:	African Development Bank
ATAF:	African Tax Administration Forum
ATAF CBT TC:	ATAF Cross Border Taxation Technical Committee
ATAIC:	Association of Tax Authorities of Islamic Countries
AU:	African Union
BEPS:	Base erosion and profit shifting
BO:	Beneficial Ownership
CATA:	Commonwealth Association of Tax Administrators
CREDAF:	Centre de rencontre des administrations fiscales
CFA:	OECD's Committee on Fiscal Affairs
CIAT:	Centro Interamericano de Administraciones Tributarias
COTA:	Caribbean Organization of Tax Administrators
DRM:	Domestic resource mobilization
ECOSOC:	United Nations Economic and Social Council
EU:	European Union
EOI:	exchange of information
EOIR:	Exchange of information on request
FfD:	Financing for Development
Global Forum:	Global Forum on transparency and exchange of information for tax purposes
ICT:	Information and communications technology
IF:	Inclusive Framework for BEPS Implementation
IFFs:	Illicit financial flows
IOTA:	Intra-European Organization of Tax Administrations
IMF:	International Monetary Fund
MAC:	Convention on mutual administrative assistance in tax matters
MNEs:	Multinational enterprises
M-Pesa:	Kenyan mobile money system
NTO:	Network of Tax Organizations
OECD:	Organization for Economic Cooperation and Development
PCT:	Platform for Collaboration on Tax
RTO:	Regional Tax Organizations
TPGs:	Transfer Pricing Guidelines
UN Tax Committee:	United Nations Committee of Experts on International Cooperation in Tax Matters
UNECA:	United Nations Economic Commission for Africa
WATAF:	West African Tax Administration Forum (WATAF)