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The
G20 Research Group
at Trinity College at the Munk School of Global Affairs in the University of Toronto
presents the

2015 G20 Antalya Summit Final Compliance Report

16 November 2015 to 3 September 2016

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“The University of Toronto ... produced a detailed analysis to the extent of which each G20 country has met its commitments since the last summit ... I think this is important; we come to these summits, we make these commitments, we say we are going to do these things and it is important that there is an organisation that checks up on who has done what.”

— *David Cameron, Prime Minister, United Kingdom, at the 2012 Los Cabos Summit*

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Preface

Since the G20 leaders met at their first summit in 2008 in Washington, the G20 Research Group at the University of Toronto and the Center for International Institutions Research of the Russian Presidential Academy of National Economy and Public Administration (RANEPA), formerly with the International Organizations Research Institute at the National Research University Higher School of Economics (HSE), in Moscow have produced reports on their progress in implementing the priority commitments made at each summit. These reports monitor each G20 member's efforts to implement a carefully chosen selection of the many commitments produced at each summit. The reports are offered to the general public and to policy makers, academics, civil society, the media and interested citizens around the world in an effort to make the work of the G20 more transparent, accessible and effective, and to provide scientific data to enable the meaningful analysis of the causes of compliance and the impact of this important informal international institution. Previous reports are available at the G20 Information Centre at <http://www.g20.utoronto.ca/analysis>.

The G20 Research Group has been working with Marina Larionova's team at RANEPA and previously at HSE since initiating this G20 compliance research in 2009, after the Washington Summit in November 2008. The initial report, covering only one commitment made at that summit, tested the compliance methodology developed by the G8 Research Group and adapted it to the G20.

To make its assessments, the G20 Research Group relies on publicly available information, documentation and media reports. To ensure accuracy, comprehensiveness and integrity, we encourage comments from stakeholders. Indeed, scores can be recalibrated if new material becomes available. All feedback remains anonymous. Responsibility for the contents of this report lies exclusively with the authors and analysts of the G20 Research Group. Due to extenuating circumstances, stakeholders had limited time to submit feedback. This report reflects feedback submitted as of 5 September 2016. It includes seven commitments that could not be distributed for stakeholder feedback.

The interim report, published in July 2016, assessed performance by G20 members with 10 priority commitments among the total of 113 commitments made at the 2015 Antalya Summit, held on 15-16 November 2015. It covered the first part of China's G20 presidency up to 5 April 2016.

This final report assesses performance by G20 members on those same 10 commitments plus the seven that did not receive stakeholder feedback, for a total of 17.

I am most grateful to Sarah Scott and our G20 Research Group team, as well as Marina Larionova, Mark Rakhmangulov and their team in Moscow at RANEPA.

Professor John Kirton
Co-director, G20 Research Group

9. Development: Tax Administration

“We support the efforts for strengthening developing economies’ engagement in the international tax agenda.”

G20 Antalya Leaders’ Communiqué

Assessment

	No Compliance	Partial Compliance	Full Compliance
Argentina		0	
Australia			+1
Brazil			+1
Canada			+1
China			+1
France			+1
Germany			+1
India			+1
Indonesia			+1
Italy			+1
Japan			+1
Korea			+1
Mexico		0	
Russia			+1
Saudi Arabia		0	
South Africa			+1
Turkey			+1
United Kingdom			+1
United States			+1
European Union			+1
Average		+0.85	

Background

Following the 2008 financial crisis, the G20 recognized that narrowing the development gap and reducing poverty were essential to fulfilling its core objective of strong, sustainable and balanced growth.¹⁹⁷⁵

During the 2010 Seoul Summit, the G20 launched its development agenda with the Multi-Year Action Plan on Development (MYAP).¹⁹⁷⁶ The MYAP established nine pillars in which G20 actions were identified as necessary to resolving the largest obstacles to inclusive, sustainable and resilient growth in developing countries. The eighth pillar, domestic resource mobilization, stressed the importance of strengthening “tax regimes and fiscal policies in developing countries to provide a sustainable revenue base for inclusive growth and social equity, as well as to enhance the transparency and accountability of public finances.”¹⁹⁷⁷ As a framework for fulfilling the eighth pillar, the MYAP

¹⁹⁷⁵ About group, G20 Development Working Group Information Exchange Facility. Access Date: 28 February 2016. <http://www.g20dwg.org>

¹⁹⁷⁶ Annex 2: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Access Date: 28 February 2016. <http://www.g20dwg.org/documents/pdf/view/323/>

¹⁹⁷⁷ Annex 2: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Access Date: 28 February 2016. <http://www.g20dwg.org/documents/pdf/view/323/>

recommended two actions: support the development of more effective tax systems and support work to prevent erosion of domestic task revenues.¹⁹⁷⁸

The Action Plan calls for the Organisation for Economic Co-operation and Development (OECD) Task Force on Tax and Development, United Nations (UN), International Monetary Fund (IMF), World Bank and regional organizations to support the development of more effective tax systems.¹⁹⁷⁹

According to a report published by the OECD, IMF, UN and World Bank for the G20 Development Working Group (DWG), taxation provides governments with the necessary funds needed to invest in development, relieve poverty, and deliver public services. It also allows developing countries to reduce their dependency on foreign aid. Moreover, according to the report, tax system design is closely linked to domestic and international investment decisions, including in terms of transparency and fairness. Thus, a strong tax administration is essential to strengthening domestic resource mobilization. Despite this, half of the Sub Saharan African countries still mobilize less than 17 per cent of their Gross Domestic Product (GDP) in tax revenues, which is well below the 20 per cent minimum level considered by the UN as necessary to achieve the Millennium Development Goals (MDGs). Therefore, the G20 needs to take greater action in assisting developing countries in building capacity with respect to their tax administrations.¹⁹⁸⁰

Commitment Features

The report by the IMF, OECD, UN and World Bank to the G20 Development Working Group titled Supporting the Development of More Effective Tax Systems identified two broad ways in which G20 countries can work with developing countries to support the efforts for strengthening developing economies' engagement in the international tax agenda: leading by example in addressing common issues and furthering common interests, and as shareholders or members of the international organisations most closely concerned with taxation and development.¹⁹⁸¹

Common issues, common interests — leading by example and developing partnerships

1. Estimate and publish tax expenditures, and the cost of special provisions, in regular tax expenditure and budgets. G20 countries could lead and encourage a more rigorous assessment of the costs and benefits of such provisions.
2. Develop analytical frameworks, suitable to the varying needs and circumstances of different countries, to assess the costs and benefits of preferential tax treatments, including in particular tax incentives aimed at Foreign Direct Investment (FDI), and provide guidelines for countries which use such incentives.
3. Disclose and consider reducing the scope of tax exemptions required by G20 countries from country recipients of aid-funded projects.

¹⁹⁷⁸ Annex 2: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Access Date: 28 February 2016. <http://www.g20dwg.org/documents/pdf/view/323/>

¹⁹⁷⁹ Annex 2: Multi-Year Action Plan on Development, The Seoul Summit Document (Seoul) 12 November 2010. Access Date: 28 February 2016. <http://www.g20dwg.org/documents/pdf/view/323/>

¹⁹⁸⁰ Supporting the Development of More Effective Tax System, A Report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank 2011. Access Date: 19 February 2014. <http://www.imf.org/external/np/g20/pdf/110311.pdf>

¹⁹⁸¹ Supporting the Development of More Effective Tax System, A Report to the G20 Development Working Group by the IMF, OECD, UN, and World Bank 2011. Access Date: 28 February 2016. <http://www.imf.org/external/np/g20/pdf/110311.pdf>

4. Undertake “spillover” analyses of proposed changes to tax law in G20 countries, for example in trade and international taxation — which could have effects on the fiscal circumstances of developing countries.

Acting as shareholders or members in international organizations

1. Encourage international organizations to more thoroughly assess and act upon linkages of tax and expenditure policies in their technical assistance to developing countries.
2. Encourage the IMF and World Bank, working with other international and regional organizations as appropriate, to further develop and make publicly available consistent and detailed revenue data sets for the developing countries.
3. Encourage the international organizations, including the Forum on Tax Administrations, to develop a tool kit of measures to counter tax evasion and avoidance, based on best practices and guidelines adapted to the needs of developing countries.
4. Promote the Multilateral Convention on Administrative Assistance in Tax Matters.

Scoring Guidelines

-1	Member does not support efforts for strengthening developing economies’ engagement in the international tax agenda through national actions that address common issues and common interests or as stakeholders or members of international organizations.
0	Member supports efforts for strengthening developing economies’ engagement in the international tax agenda through national actions that address common issues and common interests OR as stakeholders or members of international organizations, but not both.
+1	Member supports efforts for strengthening developing economies’ engagement in the international tax agenda through national actions that address common issues and common interests AND as stakeholders or members of international organizations, but not both.

Lead Analyst: H el ene Emorine

Argentina: 0

Argentina has partially complied with its commitment to help strengthen developing economies’ engagement in the international tax agenda.

From 26-27 February 2016, Argentina participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers’ meeting in Shanghai, China.¹⁹⁸²

On 30 June 2016, Argentina attended a meeting with over 80 countries to take the next steps in tackling BEPS in Kyoto. At this meeting, Argentina signed the Multilateral Competent Authority Agreement which allows signatories to participate in the automatic exchange of Country-by-Country reports.¹⁹⁸³

¹⁹⁸² Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

¹⁹⁸³ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD (Kyoto), 30 June 2016. Access Date: 22 July 2016. <http://www.oecd.org/countries/argentina/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

Argentina has partially supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization however, has not implemented national actions that address common issues and common interests.

Thus, Argentina has received a score of 0.

Analyst: Jiyoung Han

Australia: +1

Australia has fully complied with its commitment to support efforts to strengthen developing economies' engagement in the international tax agenda.

On 8 December 2015, the Australian Taxation Office worked to increase transparency by reaffirming its commitment to work with other tax administrations to share intelligence on advisers operating globally.¹⁹⁸⁴

On 11 December 2015, Australia enacted the Multinational Anti-Avoidance Law in order to combat tax base erosion due to tax avoidance by multinational corporations operating in Australia.¹⁹⁸⁵

On 17 December 2015, the Australian Taxation Office published the Corporate Tax Transparency Report for the 2013-2014 income year.¹⁹⁸⁶ The report aimed to lead by example and to form part of a "much wider domestic and global push for improved corporate transparency."¹⁹⁸⁷

On 27 January 2016, as a member of the Organisation for Economic Co-operation and Development (OECD), Australia signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost the transparency of multinational enterprises.¹⁹⁸⁸

From 26-27 February 2016, Australia participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.¹⁹⁸⁹

¹⁹⁸⁴ Tax- Office Chasing Up Advisers Who Facilitate Offshore Tax Evasion, Australian Taxation Office (Sydney) 8 December 2015. Access Date: 22 February 2016. <https://www.ato.gov.au/Media-centre/Media-releases/Tax-Office-chasing-up-advisers-who-facilitate-offshore-tax-evasion/>

¹⁹⁸⁵ Combating multinational tax avoidance – a targeted anti-avoidance law, Australian Taxation Office (Sydney) 11 March 2016. Access Date: 2 July 2016. <https://www.ato.gov.au/Business/International-tax-for-business/In-detail/Doing-business-in-Australia/Combating-multinational-tax-avoidance---a-targeted-anti-avoidance-law/>

¹⁹⁸⁶ Corporate Tax Transparency Report for the 2013 – 2014 Income Year, Australian Taxation Office (Sydney) 17 December 2015. Access Date: 22 February 2016. <https://www.ato.gov.au/Business/Large-business/In-detail/Tax-transparency/Corporate-tax-transparency-report-for-the-2013-14-income-year/>

¹⁹⁸⁷ Corporate Tax Transparency Report for the 2013 – 2014 Income Year, Australian Taxation Office (Sydney) 17 December 2015. Access Date: 22 February 2016. <https://www.ato.gov.au/Business/Large-business/In-detail/Tax-transparency/Corporate-tax-transparency-report-for-the-2013-14-income-year/>

¹⁹⁸⁸ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

¹⁹⁸⁹ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

On 4 April 2016, Australia reaffirmed its commitment to sharing information and coordinating with other tax administrations through Project DO IT.¹⁹⁹⁰ This affirmation was a response to the release of the Panama Papers, a leak that exposed thousands of instances of tax evasion.¹⁹⁹¹

On 1-3 March 2016, the OECD, of which Australia is a member, hosted the Task Force on Tax and Development and the Global Forum on Transfer Pricing.¹⁹⁹² The events addressed a new inclusive framework for developing-country participation in the BEPS plan, and the Tax Inspectors Without Borders capacity-building initiative, in addition to the impact of revisions to OECD Transfer Pricing Guidelines.¹⁹⁹³

On 13 May 2016, Australia attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.¹⁹⁹⁴

On 30 June 2016, Australia attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.¹⁹⁹⁵

Australia supported efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as a member of international organizations.

Thus, Australia has received a score of +1.

Analyst: Jiyoung Han

Brazil: +1

Brazil has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

From 23-25 November 2015, Brazil hosted the XIII Plenary Meeting of the National Strategy for Combating Corruption and Money Laundering (ENCCLA), a government initiative with private

¹⁹⁹⁰ ATO Statement Regarding Release of Taxpayer Data, Australian Taxation Office (Sydney) 4 April 2016. Access Date: 18 April 2016. <https://www.ato.gov.au/Media-centre/Media-releases/ATO-statement-regarding-release-of-taxpayer-data/>.

¹⁹⁹¹ ATO Statement Regarding Release of Taxpayer Data, Australian Taxation Office (Sydney) 4 April 2016. Access Date: 18 April 2016. <https://www.ato.gov.au/Media-centre/Media-releases/ATO-statement-regarding-release-of-taxpayer-data/>.

¹⁹⁹² Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

¹⁹⁹³ Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

¹⁹⁹⁴ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>.

¹⁹⁹⁵ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

and public sector authorities. The ENCCLA Group discussed the national plan to implement the G20 High Level Principles on Beneficial Ownership Transparency.¹⁹⁹⁶

From 26-27 February 2016, Brazil participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.¹⁹⁹⁷

On 13 May 2016, Brazil attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.¹⁹⁹⁸

On 1 June 2016, the ENCCLA published Normative Instruction n° 1634, the outcome of the plenary meeting which details actions the Brazilian government will take to counter corruption and money laundering.¹⁹⁹⁹

On 30 June 2016, Brazil attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁰⁰

Brazil has supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization and national actions that address common issues and common interests.

Thus, Brazil has received a score of +1.

Analyst: Elena Lifshits Carrera

Canada: +1

Canada has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 5 February 2016, the Government of Canada announced that it had signed a Joint Declaration with Switzerland expressing intent for the two countries to engage in the automatic exchange of

¹⁹⁹⁶ XIII Plenary Meeting of the National Strategy for Combating Corruption and Money Laundering, Estratégia Nacional de Combate à Corrupção e à Lavagem de Dinheiro (Brasília) 1 June 2016. Access Date: 2 August 2016. <http://enccla.camara.leg.br/aco.es>.

¹⁹⁹⁷ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

¹⁹⁹⁸ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>.

¹⁹⁹⁹ XIII Plenary Meeting of the National Strategy for Combating Corruption and Money Laundering, Estratégia Nacional de Combate à Corrupção e à Lavagem de Dinheiro (Brasília) 1 June 2016. Access Date: 2 August 2016. <http://enccla.camara.leg.br/aco.es>.

²⁰⁰⁰ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

financial account information in accordance with the with standard developed by the Organisation for Economic Co-operation and Development (OECD).²⁰⁰¹

On 23 February 2016, the Department of Finance released its annual report on federal tax expenditures. One of the reasons the Government of Canada releases this report is to “foster government budgetary and fiscal transparency.”²⁰⁰²

From 26-27 February 2016, Canada participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers’ meeting in Shanghai, China.²⁰⁰³

On 1-3 March 2016, the OECD, of which Canada is a member, hosted the Task Force on Tax and Development and the Global Forum on Transfer Pricing. The events addressed a new inclusive framework for developing-country participation in the BEPS plan, and the Tax Inspectors Without Borders capacity-building initiative, in addition to the impact of revisions to OECD Transfer Pricing Guidelines.

On 22 March 2016, the Government of Canada released the Federal Budget 2016, which confirmed that Canada will implement country-by-country reporting for multinationals in accordance with BEPS Action 13. The Budget also outlined the Government’s intention to implement a minimum standard for the spontaneous exchange of tax rulings as outlined in the BEPS Report released in October 2015. Lastly the Budget confirmed the Government of Canada’s commitment to counter treaty abuse by including either a Limitation on Benefits clause or a Principal Purpose Test.²⁰⁰⁴

On 12 May 2016, Canada signed the Multilateral Competent Agreement on the Exchange of Country-by-Country Reports (MCAA). This agreement enables Canada and its international treaty partners to share information on large multinational enterprises consistent with BEPS Actions 13.²⁰⁰⁵

On 13 May 2016, Canada attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰⁰⁶

²⁰⁰¹ Government Moving Forward to Address Tax Evasion Through the Automatic Exchange of Tax Information, Department of Finance (Ottawa), 5 February 2016. Access Date: 13 March 2016. <http://www.fin.gc.ca/n16/16-020-eng.asp>

²⁰⁰² Department of Finance releases annual report on federal tax expenditures, Department of Finance (Ottawa), 23 February 2016. Access Date: 13 March 2016. <http://www.fin.gc.ca/n16/16-026-eng.asp>

²⁰⁰³ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²⁰⁰⁴ The Latest on BEPS – 28 March 2016, Ernst and Young Tax Insights. Accessed 22 April 2016. <http://taxinsights.ey.com/archive/archive-news/the-latest-on-beps-28-march-2016.aspx>.

²⁰⁰⁵ Canada continues moving forward with OECD transparency agenda, PwC 26 May 2016. Access Date: 18 July 2016. <http://www.pwc.com/gx/en/tax/newsletters/pricing-knowledge-network/assets/pwc-Canada-moving-forward-OECD-transparency-agenda.pdf>.

²⁰⁰⁶ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>.

On 30 June 2016, Canada attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁰⁷

On 5 July 2016, the EU and Canada engaged in the Comprehensive Economic and Trade Agreement to take further steps to increase tax transparency in the wake of the release of the “Panama Papers.”²⁰⁰⁸ Both sides pledged to promote the EU’s high standards by working together to encourage others around the world, particularly developing countries, to raise their own standards.²⁰⁰⁹

Canada has supported the efforts to strengthen developing economies’ engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, Canada has received a score of +1.

Analysts: Elena Lifshits Carrera and Keshini Mahesan

China: +1

China has fully complied with its commitment to help strengthen developing economies’ engagement in the international tax agenda.

From 24 — 26 November 2015, China sent a taxation delegation to the 45th annual meeting of the Study Group on Asian Tax Administration and Research (SGATAR) in Singapore.²⁰¹⁰ This annual conference included a task force meeting where delegates discussed three main issues: tax compliance of small and medium enterprises, increased efficiency and efficacy when executing tax administration policies and the implementation of country-by-country reporting.²⁰¹¹ Furthermore, delegates discussed an overhaul to the structure of SGATAR to improve training resources for member nations. China has committed to actively participate in the reformative measures proposed by SGATAR.²⁰¹²

On 1 December 2015, Chinese President Xi Jinping and Zimbabwe President Mugabe signed an agreement on avoiding double taxation and preventing tax evasion.²⁰¹³ The treaty promoted technical

²⁰⁰⁷ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS--5-July-2016>.

²⁰⁰⁸ EU-Canada trade deal to be signed by governments; next steps on tax transparency and security, European Commission (Brussels) 5 July 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/07/20160705_2_en.htm.

²⁰⁰⁹ EU-Canada trade deal to be signed by governments; next steps on tax transparency and security, European Commission (Brussels) 5 July 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/07/20160705_2_en.htm.

²⁰¹⁰ Sun Ruibiao Attends 45th SGATAR Annual Meeting, State Administration of Taxation of The People’s Republic of China (Beijing) 2 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010214/content.html>.

²⁰¹¹ Sun Ruibiao Attends 45th SGATAR Annual Meeting, State Administration of Taxation of The People’s Republic of China (Beijing) 2 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010214/content.html>.

²⁰¹² Sun Ruibiao Attends 45th SGATAR Annual Meeting, State Administration of Taxation of The People’s Republic of China (Beijing) 2 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010214/content.html>.

²⁰¹³ China and Zimbabwe Sign Tax Treaty, State Administration of Taxation of The People’s Republic of China (Beijing) 4 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010298/content.html>.

and economic exchange between China and Zimbabwe by reducing tax burdens for cross-border investors of both countries.²⁰¹⁴

On 4 December 2015, Administrator of the State Administration of Taxation Wang Jun, visited the Tax and Customs Administration of Ethiopia. During his visit, he signed the Sino-Ethiopian memorandum of understanding on strengthening China and Ethiopia's tax administration and tax collection capacities.²⁰¹⁵ The memorandum stressed the importance of exchanging tax related information between the two countries.²⁰¹⁶

On 16 December 2015, China signed a memorandum of understanding with the Organisation for Economic Co-operation and Development (OECD) to set up a joint multilateral taxation centre in China. This centre will provide taxation training to tax representatives from developing countries and Asia, as well as help developing countries build a platform for enhancing tax collection and administration capabilities.²⁰¹⁷

From 26-27 February 2016, China participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²⁰¹⁸

On 14 March 2016, the State Administration of Taxation and the OECD set up the first OECD Multilateral Tax Centre. The tax centre will provide tax training for tax officials in developing nations and strengthen their tax administration capabilities.²⁰¹⁹

On 12 April 2016, Wang Qinfeng, the Chinese Deputy Administrator of the State Administration of Taxation met with Nakahara Hiroshi, the Head of the National Tax Agency of Japan in Beijing. The two leaders discussed tax system reform, tax administration and BEPS.²⁰²⁰

On 12 May 2016, China signed the Multilateral Competent Agreement on the Exchange of Country-by-Country Reports (MCAA). This agreement enables China and its international treaty partners to share information on large multinational enterprises consistent with BEPS Actions.²⁰²¹

²⁰¹⁴ China and Zimbabwe Sign Tax Treaty, State Administration of Taxation of The People's Republic of China (Beijing) 4 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010298/content.html>.

²⁰¹⁵ Wang Jun visits Taxation and Customs Administration of Ethiopia, State Administration of Taxation of The People's Republic of China (Beijing) 7 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010336/content.html>.

²⁰¹⁶ Wang Jun visits Taxation and Customs Administration of Ethiopia, State Administration of Taxation of The People's Republic of China (Beijing) 7 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2010336/content.html>.

²⁰¹⁷ Wang Jun Meets With OECD Delegates, State Administration of Taxation of The People's Republic of China (Beijing) 16 December 2015. Access Date: 8 March 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/n2958/c2010391/content.html>.

²⁰¹⁸ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b27336e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>.

²⁰¹⁹ SAT establishes Multilateral Tax Centre with OECD, State Administration of Taxation of The People's Republic of China (Beijing) 16 March 2016. Access Date: 22 July 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2120533/content.html>

²⁰²⁰ Wang Qinfeng Met with Head of the National Tax Agency of Japan, State Administration of Taxation of The People's Republic of China (Beijing) 13 April 2016. Access Date: 30 June 2016. <http://www.chinatax.gov.cn/2013/n2925/n2957/c2157332/content.html>

²⁰²¹ A new boost to transparency in international tax matters, OECD (Beijing) 12 March 2016. Access Date: 5 August 2016. <http://www.oecd.org/newsroom/a-new-boost-to-transparency-in-international-tax-matters-six-new-countries-sign-agreement-enabling-automatic-sharing-of-country-by-country-reporting.htm>.

On 13 May 2016, China hosted the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰²²

On 30 June 2016, China attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰²³

China engaged developing economies' in the international tax agenda through national actions that addressed common issues and common concerns and as stakeholders of international organizations.

Thus, China has received a score of +1

Analyst: Jiyoung Han

France: +1

France has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 30 December 2015, France enacted the 2016 Finance Act and the Amended 2015 Finance Act.²⁰²⁴ This act included a provision obliging large companies to carry out country-by-country reporting in line with the Organisation for Economic Co-operation and Development (OECD) recommendations on Base Erosion and Profit Shifting (BEPS) Action Plan.²⁰²⁵

On 27 January 2016, as a member of the OECD, France signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports as part of the OECD G20 BEPS Project.^{2026 2027}

On 28 January 2016, the EU Economic and Financial Affairs Council—a group made up of the economics and finance ministers of all EU member states, including France—presented the Anti-Tax Avoidance Package, which aims to combat corporate tax avoidance. The package is based on the standards developed by the OECD for addressing BEPS.²⁰²⁸ Among other things, the package

²⁰²² Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing) 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²⁰²³ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>.

²⁰²⁴ France enacts distribution rules and BEPS-inspired measures, Tax Insights from International Tax Services (New York) 8 January 2016. Access Date: 25 February 2016. <https://www.pwc.com/us/en/tax-services/publications/insights/assets/pwc-france-enacts-distribution-rules-and-beps-inspired-measures.pdf>.

²⁰²⁵ France enacts distribution rules and BEPS-inspired measures, Tax Insights from International Tax Services (New York) 8 January 2016. Access Date: 25 February 2016. <https://www.pwc.com/us/en/tax-services/publications/insights/assets/pwc-france-enacts-distribution-rules-and-beps-inspired-measures.pdf>.

²⁰²⁶ Signature de l'accord multilatéral prévoyant les modalités de mise en œuvre du reporting pays par pays, Le portail de l'Économie et des Finances (Paris) 27 January 2016. Access Date: 23 February 2016. <http://www.economie.gouv.fr/accord-multilatéral-de-mise-en-oeuvre-du-reporting-pays-par-pays>.

²⁰²⁷ Signature de l'accord multilatéral prévoyant les modalités de mise en œuvre du reporting pays par pays, Le portail de l'Économie et des Finances (Paris) 27 January 2016. Access Date: 23 February 2016. <http://www.economie.gouv.fr/accord-multilatéral-de-mise-en-oeuvre-du-reporting-pays-par-pays>

²⁰²⁸ The Anti Tax Avoidance Package-Questions and Answers. The European Union (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

includes a strategy for promoting tax governance globally — including the implementation of anti-BEPS projects in other countries.²⁰²⁹

On 9 February 2016, France and Germany participated in the 48th Franco-German Financial and Economic Council. During the council, “both countries continuously stressed the urgent need to advance efforts in the fight against tax avoidance and aggressive tax planning, both at the global and EU levels, to ensure transparency and the implementation of the principle of a minimum effective level of taxation.”²⁰³⁰ During the conference, France and Germany strongly welcomed the conclusions of the OECD BEPS Action Plan and called for its swift and efficient implementation.²⁰³¹ On the topic of automatic exchange of information (AEOI), France and Germany encouraged “the Global Forum to monitor its implementation, ask to report on it before the end of 2016 and establish a review mechanism, and further the work on tougher incentives for countries failing to respect international standards of AEOI on request.”²⁰³²

On 12 February 2016, the EU Economic and Financial Affairs Council met again for its first discussion on the anti-tax avoidance package. The Council Presidency set the objective of reaching political agreement by the summer on a draft directive on anti-tax avoidance.²⁰³³

From 26-27 February 2016, France participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers’ meeting in Shanghai, China.²⁰³⁴

On 1-3 March 2016, the OECD, of which France is a member, hosted the Task Force on Tax and Development and the Global Forum on Transfer Pricing.²⁰³⁵ The events addressed a new inclusive framework for developing-country participation in the BEPS plan, and the Tax Inspectors Without Borders capacity-building initiative, in addition to the impact of revisions to OECD Transfer Pricing Guidelines.²⁰³⁶

²⁰²⁹ The Anti Tax Avoidance Package-Questions and Answers. The European Council (Brussels) 28 January 2016. Access Date: 5 August 2016.

http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

²⁰³⁰ Leading Effective TADAT Assessments. The Tax Administration Diagnostic Assessment Tool (TADAT). Access Date: 24 February 2016. http://www.tadat.org/news_events/NewsAndEvents.html

²⁰³¹ 48th Franco-German Financial and Economic Council. Federal Ministry of Finance (Berlin) 9 February 2016. Access Date: 24 February 2016.

<http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Europe/Articles/2016-02-09-48th-franco-german-financial-and-economic-council.html#Start>

²⁰³² 48th Franco-German Financial and Economic Council. Federal Ministry of Finance (Berlin) 9 February 2016. Access Date: February 24 2016.

<http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Europe/Articles/2016-02-09-48th-franco-german-financial-and-economic-council.html#Start>

²⁰³³ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰³⁴ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NfK>

²⁰³⁵ Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

²⁰³⁶ Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

On 8 March 2016, the EU Economic and Financial Affairs Council reached an agreement on the draft directive concerning the exchange of tax-related information on the activities of multinational companies.²⁰³⁷ This directive required multinationals to create country-by-country reports on tax related information. Under this directive, national tax authorities will exchange the information submitted by multinationals automatically.²⁰³⁸

On 11 April 2016, France reiterated its commitment to be at the forefront of the fight against all forms of fraud, evasion, and aggressive tax planning in the aftermath of the release of the Panama Papers.²⁰³⁹ France also called upon all countries, who have not already, to sign the 2014 Berlin Declaration for an automatic exchange of information between tax administrations, effective in 2018 at the latest.²⁰⁴⁰ France has confirmed its commitment that all the countries of the G20 and the OECD implement, consistently, the 15 BEPS actions covering the whole of international taxation.²⁰⁴¹

On 13 May 2016, France attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰⁴²

On 21 June 2016, the EU Economic and Financial Affairs Council reached an agreement on the anti-tax avoidance directive.²⁰⁴³ This was preceded by a passing vote in the European Parliament on 8 June 2016.²⁰⁴⁴

On 30 June 2016, France attended the first meeting of more than 80 countries and jurisdictions to discuss the BEPS Project in Kyoto, Japan. France has committed to implementing the BEPS package and this meeting was dedicated to beginning the work on setting standards for remaining issues such as transfer pricing and interest deductibility and the development of practical guidance to support consistent, global implementation of their commitment.²⁰⁴⁵

²⁰³⁷ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰³⁸ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰³⁹ Lutte contre la fraude et l'optimisation fiscale agressive : Michel Sapin rappelle son plan d'action pour les réunions de Washington, Le portail de l'Économie et des Finances (Paris) 11 April 2016. Access Date: 12 July 2016

<http://www.economie.gouv.fr/michel-sapin-rappelle-plan-daction-pour-reunions-washington>

²⁰⁴⁰ Lutte contre la fraude et l'optimisation fiscale agressive : Michel Sapin rappelle son plan d'action pour les réunions de Washington, Le portail de l'Économie et des Finances (Paris) 11 April 2016. Access Date: 12 July 2016

<http://www.economie.gouv.fr/michel-sapin-rappelle-plan-daction-pour-reunions-washington>

²⁰⁴¹ Lutte contre la fraude et l'optimisation fiscale agressive : Michel Sapin rappelle son plan d'action pour les réunions de Washington, Le portail de l'Économie et des Finances (Paris) 11 April 2016. Access Date: 12 July 2016

<http://www.economie.gouv.fr/michel-sapin-rappelle-plan-daction-pour-reunions-washington>.

²⁰⁴² Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016.

<http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²⁰⁴³ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁴⁴ Parliament calls for crackdown on corporate tax avoidance. European Parliament News (Brussels) 8 June 2016.

Access Date: 5 August 2016. <http://www.europarl.europa.eu/news/en/news-room/20160603IPR30204/Parliament-calls-for-crackdown-on-corporate-tax-avoidance>

²⁰⁴⁵ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD 30 June 2016. Access Date: 22 July 2016

On 12 July 2016, the EU Economic and Financial Affairs Council formally adopted the anti-tax avoidance directive.²⁰⁴⁶

On 5 July 2016, France announced that the public register of trusts is now readily available on the internet to those with the tax number and access code. This project addresses France's commitment to increasing transparency.²⁰⁴⁷

France has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, France has received a score of +1.

Analyst: Sonja Dobson

Germany: +1

Germany has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

From 23-27 November 2015, the Gesellschaft für Internationale Zusammenarbeit (GIZ), an international development organization owned by the German government, held a workshop in Panama in conjunction with the Inter-American Center of Tax Administrations (CIAT). The main topic of the workshop was the effective implementation of transfer pricing in tax administrations faced with the challenge of a globalizing world.²⁰⁴⁸

From 18-21 January 2016, the Tax Administration Diagnostic Assessment Tool (TADAT) Organization, ran a TADAT Assessment Leadership course in conjunction with the Center for Excellence in Finance in Ljubljana, Slovenia.²⁰⁴⁹ Assessors from, a GIZ-funded project and the Ministry of Finance were part of the German delegation that attended the course.²⁰⁵⁰

On 27 January 2016, as a member of the Organisation for Economic Co-operation and Development (OECD), Germany signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost transparency by multinational enterprises.²⁰⁵¹

<http://www.oecd.org/tax/beps/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

²⁰⁴⁶ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁴⁷ Mise en ligne du registre public des trusts : une étape de plus dans la transparence, Le portail de l'Économie et des Finances (Paris) 5 July 2016. Access Date: 9 July 2016.

<http://www.economie.gouv.fr/registre-public-des-trusts-accessible-sur-internet>

²⁰⁴⁸ Seminario - Taller sobre Análisis de Casos de Precios de Transferencia GIZ-CIAT, Inter-American Center of Tax Administrations (Panama City) 10 February 2016. Access Date: 24 February 2016.

<http://www.ciat.org/index.php/en/news/the-executive-secretary-in-the-press.html>

²⁰⁴⁹ Overview. The Tax Administration Diagnostic Assessment Tool (TADAT). Access Date: 24 February 2016.

<http://www.tadat.org/overview/overview.html>

²⁰⁵⁰ Leading Effective TADAT Assessments. The Tax Administration Diagnostic Assessment Tool (TADAT). Access Date: 24 February 2016. http://www.tadat.org/news_events/NewsAndEvents.html

²⁰⁵¹ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

On 28 January 2016, the EU Economic and Financial Affairs Council—a group made up of the economics and finance ministers of all EU member states, including Germany—presented the Anti-Tax Avoidance Package, which aims to combat corporate tax avoidance. The package is based on the standards developed by the OECD for addressing BEPS.²⁰⁵² Among other things, the package includes a strategy for promoting tax governance globally—including the implementation of anti-BEPS projects in other countries.²⁰⁵³

On 9 February 2016, France and Germany participated in the 48th Franco-German Financial and Economic Council during which ministers from both states met to speak about critical financial issues. During the council “both countries continuously stressed the urgent need to advance efforts in the fight against tax avoidance and aggressive tax planning, both at the global and EU levels, to ensure transparency and the implementation of the principle of a minimum effective level of taxation.”²⁰⁵⁴ France and Germany also called for the quick implementation of the Base Erosion and Profit Shifting (BEPS) Action Plan. Finally, France and Germany called for the Global Forum to monitor the implementation of automatic exchange of information, establish a review mechanism, and provide tougher incentives for countries failing to respect standards for the exchange of information.²⁰⁵⁵

On 12 February 2016, the European Council’s Economic and Financial Affairs Council met again for its first discussion on the anti-tax avoidance package. At that time, the Council Presidency set the objective of reaching political agreement by the summer on a draft directive on anti-tax avoidance.²⁰⁵⁶

From 26-27 February 2016, Germany participated in discussions regarding implementation of proposals to curb BEPS at the G20 Finance Ministers’ meeting in Shanghai, China.²⁰⁵⁷

On 8 March 2016, the EU Economic and Financial Affairs Council reached an agreement on the draft directive concerning the exchange of tax-related information on the activities of multinational companies.²⁰⁵⁸ This directive required multinationals to create country-by-country reports on tax related information. Under this directive, national tax authorities will exchange the information submitted by multinationals automatically.²⁰⁵⁹

On 13 May 2016, Germany attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and

²⁰⁵² The Anti Tax Avoidance Package-Questions and Answers. The European Union (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm

²⁰⁵³ The Anti Tax Avoidance Package-Questions and Answers. The European Council (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm

²⁰⁵⁴ Leading Effective TADAT Assessments. The Tax Administration Diagnostic Assessment Tool (TADAT). Access Date: 24 February 2016. http://www.tadat.org/news_events/NewsAndEvents.html

²⁰⁵⁵ 48th Franco-German Financial and Economic Council. Federal Ministry of Finance (Berlin) 9 February 2016. Access Date: February 24 2016.

<http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Europe/Articles/2016-02-09-48th-franco-german-financial-and-economic-council.html#Start>

²⁰⁵⁶ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁵⁷ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²⁰⁵⁸ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁵⁹ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰⁶⁰

On 1 June 2016, the Federal Ministry of Finance (BMF) published a ministerial draft bill on the implementation of amendments to the EU administrative assistance directive and further measures against base erosion and profit shifting.²⁰⁶¹

On 21 June 2016, the EU Economic and Financial Affairs Council reached an agreement on the anti-tax avoidance directive.²⁰⁶² This was preceded by a passing vote in the European Parliament on 8 June 2016.²⁰⁶³

On 30 June 2016, Germany attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁶⁴

On 12 July 2016, the EU Economic and Financial Affairs Council formally adopted the anti-tax avoidance directive.²⁰⁶⁵

Germany has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, Germany has received a score of +1.

Analyst: Michael Warchol

India: +1

India has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 31 December 2015, the Government of India published an updated Guidance Note for implementation of Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) as per Multilateral Competent Authority Agreement (MCAA) for Automatic Exchange of Information.²⁰⁶⁶

²⁰⁶⁰ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²⁰⁶¹ German Tax Monthly- Information on the latest tax developments in Germany. July 2016. Access Date 29 July 2016. <https://assets.kpmg.com/content/dam/kpmg/pdf/2016/07/german-tax-monthly-july-2016-kpmg.pdf>

²⁰⁶² Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁶³ Parliament calls for crackdown on corporate tax avoidance. European Parliament News (Brussels) 8 June 2016. Access Date: 5 August 2016. <http://www.europarl.europa.eu/news/en/news-room/20160603IPR30204/Parliament-calls-for-crackdown-on-corporate-tax-avoidance>

²⁰⁶⁴ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²⁰⁶⁵ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁶⁶ Clarification for implementation of FATCA and CRS –regarding, Income Tax Department (New Delhi) 19 February 2016. Access Date: 25 February 2016. [http://www.incometaxindia.gov.in/Lists/Press Releases/Attachments/443/Press-Release-Clarification-for-implementation-of-FATCA-19-02-2016.pdf](http://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/443/Press-Release-Clarification-for-implementation-of-FATCA-19-02-2016.pdf)

On 28 January 2016, the Central Board of Direct Taxes in India announced that it resolved over 100 transfer pricing disputes under the Mutual Agreement Procedure (MAP) provision contained in the provision contained in the India-USA Double Taxation Avoidance Convention (DTAC) signed in 2015.²⁰⁶⁷

On 2 February 2016, the Ministry of Finance of the Government of India established the “Tax Policy Research Unit and Tax Policy Council to bring consistency, multidisciplinary inputs, and coherence in tax policy making.”²⁰⁶⁸

On 26-27 February 2016, India participated in discussions regarding implementation of a proposal to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers’ meeting in Shanghai, China.²⁰⁶⁹

On 10 May 2016, the Ministry of Finance of the Government of India signed a protocol for amendment of a double taxation treaty with the Government of Mauritius in order to prevent fiscal evasion with respect to taxes on income and capital gains between the two countries.²⁰⁷⁰

On 13 May 2016, India attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰⁷¹

On 13 May 2016 India joined the Multilateral Competent Authority agreement for automatic exchange of Country-by-Country reporting at the OECD Forum on Tax Administration Plenary in Beijing, China.²⁰⁷²

On 27 May 2016, India implemented an Equalization Levy on e-commerce transactions in order to safeguard against BEPS.²⁰⁷³

²⁰⁶⁷ Resolution of more than 100 cases of transfer pricing disputes with USA under MAP-regarding, Income Tax Department (New Delhi) 28 January 2016. Access Date: 24 February 2016.

[http://www.incometaxindia.gov.in/Lists/Pressper cent20Releases/Attachments/439/PressRelease_28-1-16.pdf](http://www.incometaxindia.gov.in/Lists/Pressper%20Releases/Attachments/439/PressRelease_28-1-16.pdf)

²⁰⁶⁸ Government sets-up Tax Policy Research Unit and Tax Policy Council to bring consistency, multidisciplinary inputs, and coherence in Tax Policy, Press Information Bureau (New Delhi) 2 February 2016. Access Date: 24 February 2016 <http://pib.nic.in/newsite/PrintRelease.aspx?relid=136014>

²⁰⁶⁹ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NfK>

²⁰⁷⁰ Press Release regarding Protocol for amendment of the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains between India and Mauritius, Government of India (New Delhi) 10 May 2013. Access Date: 21 July 2016.

<http://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/468/Press-release-Indo-Mauritius-10-05-2016.pdf>

²⁰⁷¹ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²⁰⁷² Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), Beijing, OECD (Paris) 13 May 2016. Access Date: 21 July 2016. <https://www.oecd.org/tax/forum-on-tax-administration/meetings/fta-communique-2016.pdf>

²⁰⁷³ The Latest on BEPS – 6 June 2016, Ernst and Young Global Tax Alert (London) 6 June 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---6-June-2016>

On 22 June 2016, India clarified the terms of application of the new domestic general anti-avoidance rule (GAAR), issuing a grandfather clause which exempts income from the transfer of investments made before 1 April 2017.²⁰⁷⁴

In June 2016, the Indian tax tribunal clarified exemption rules and penalty provisions as related to dual-residency taxpayers, stating that residential status should be determined under the tie breaker clauses of the relevant DTAA.²⁰⁷⁵

On 30 June 2016, India attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.

India has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, India has received a score of +1.

Analyst: Fatima Saya

Indonesia: +1

Indonesia has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

From 26-27 February 2016, the Indonesian Ministry of Finance urged G20 members to implement international tax agreements by the deadline at the G20 Finance Ministerial and Central Bank Meeting in Shanghai, China.²⁰⁷⁶

At the same meeting, Indonesian Finance Minister Bambang Brodjonegoro highlighted the challenges faced in the implementation of the international taxation cooperation, particularly the Base Erosion and Profit Shifting (BEPS) initiative and the Automatic Exchange of Information (AEOI) on taxation.²⁰⁷⁷

On 13 May 2016, Indonesia attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. The heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²⁰⁷⁸

²⁰⁷⁴ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²⁰⁷⁵ India tribunal rules on penalties and availability of split year residency under a tax treaty, Ernst and Young HR and Tax Alert (London) June 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/People-Advisory-Services/HC-Alert--India-tribunal-rules-on-penalties-and-availability-of-split-year-residency-under-a-tax-treaty>

²⁰⁷⁶ Indonesia asks G20 to implement taxation cooperation, Antara News (Jakarta) 28 February 2016. Access Date: 1 March 2016. <http://www.antaraneews.com/en/news/103388/indonesia-asks-g20-to-implement-taxation-cooperation>

²⁰⁷⁷ Indonesia asks G20 to implement taxation cooperation, Antara News (Jakarta) 28 February 2016. Access Date: 1 March 2016. <http://www.antaraneews.com/en/news/103388/indonesia-asks-g20-to-implement-taxation-cooperation>

²⁰⁷⁸ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

On 9 June 2016, Indonesia's Ministry of Finance announced that it has formed a team that will focus on taxation of e-commerce activities. Earlier in the year, the Government initiated an investigation of four Internet-based companies for any unpaid taxes including value added tax (VAT) after finding evidence that the companies did not register their local business units as PEs in Indonesia.²⁰⁷⁹

On 30 June 2016, Indonesia attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁸⁰

Indonesia has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or member of international organizations.

Thus, Indonesia has received a score of +1.

Analyst: Michael Warchol

Italy: +1

Italy has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 22 December 2015, Italy implemented rules requiring multinational entities to report, by country, the amounts of gross profit, taxes paid, and other indicators of economic activities in its 2016 budget law.²⁰⁸¹ These reporting requirements are in line with the recommendations made in the Organisation for Economic Co-operation and Development (OECD) Base Erosion and Profit Shifting (BEPS) project.²⁰⁸²

On 27 January 2016, as a member of the OECD, Italy signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost transparency by multinational enterprises.²⁰⁸³

On 28 January 2016, the EU Economic and Financial Affairs Council—a group made up of the economics and finance ministers of all EU member states, including Italy—presented the Anti-Tax Avoidance Package, which aims to combat corporate tax avoidance. The package is based on the standards developed by the OECD for addressing BEPS.²⁰⁸⁴ Among other things, the package

²⁰⁷⁹ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²⁰⁸⁰ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²⁰⁸¹ Italy: Country-by-country reporting approved in 2016 budget law, KPMG 23 December 2015. Access Date: 1 March 2016. <https://home.kpmg.com/xx/en/home/insights/2015/12/tnf-italy-country-by-country-reporting-approved-in-2016-budget-law.html>

²⁰⁸² Italy: Country-by-country reporting approved in 2016 budget law, KPMG 23 December 2015. Access Date: 1 March 2016. <https://home.kpmg.com/xx/en/home/insights/2015/12/tnf-italy-country-by-country-reporting-approved-in-2016-budget-law.html>

²⁰⁸³ A boost to transparency in international tax matters, OECD (Paris) 27 January 2016. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

²⁰⁸⁴ The Anti Tax Avoidance Package-Questions and Answers. The European Union (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm

includes a strategy for promoting tax governance globally—including the implementation of anti-BEPS projects in other countries.²⁰⁸⁵

On 12 February 2016, the EU Economic and Financial Affairs Council met again for its first discussion on the anti-tax avoidance package. At that time, the Council Presidency set the objective of reaching political agreement by the summer on a draft directive on anti-tax avoidance.²⁰⁸⁶

From 26-27 February 2016, Italy participated in discussions on implementing proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²⁰⁸⁷

On 8 March 2016, the EU Economic and Financial Affairs Council agreed on the draft directive concerning the exchange of tax-related information on the activities of multinational companies.²⁰⁸⁸ This directive required multinationals to create country-by-country reports on tax related information. Under this directive, national tax authorities will exchange the information submitted by multinationals automatically.²⁰⁸⁹

On 13 May 2016, Italy attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.

On 21 June 2016, the EU Economic and Financial Affairs Council reached an agreement on the anti-tax avoidance directive.²⁰⁹⁰ This was preceded by a passing vote in the European Parliament on 8 June 2016.²⁰⁹¹

On 30 June 2016, Italy attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁹²

On 12 July 2016, the EU Economic and Financial Affairs Council formally adopted the anti-tax avoidance directive.²⁰⁹³

Italy has supported the efforts to strengthen developing economies' engagement in the international

²⁰⁸⁵ The Anti Tax Avoidance Package-Questions and Answers. The European Council (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm

²⁰⁸⁶ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁸⁷ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²⁰⁸⁸ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁸⁹ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁹⁰ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

²⁰⁹¹ Parliament calls for crackdown on corporate tax avoidance. European Parliament News (Brussels) 8 June 2016. Access Date: 5 August 2016. <http://www.europarl.europa.eu/news/en/news-room/20160603IPR30204/Parliament-calls-for-crackdown-on-corporate-tax-avoidance>

²⁰⁹² The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²⁰⁹³ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>

tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, Italy has received a score of +1.

Analyst: Michael Warchol

Japan: +1

Japan has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 27 January 2016, as a member of the Organisation for Economic Co-operation and Development (OECD), Japan signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost the transparency of multinational enterprises.²⁰⁹⁴

On 26-27 February 2016, Japan participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²⁰⁹⁵

On 24 March 2016, the Japanese International Cooperation Agency announced a new capacity building project with the Tanzanian Revenue Authority to aid with training staff to deal with taxation issues related to oil and gas.²⁰⁹⁶

On 29 March 2016, Japan enacted its 2016 Tax Reform Bill which aligned transfer pricing documentation rules with the OECD Guidance on Transfer Pricing Documentation and Country-by-Country Reporting.²⁰⁹⁷

In April 2016, the Japanese National Tax Agency introduced guidance in order to clarify documentation requirements with respect to transfer pricing in accordance with Action 13 of the OECD BEPS Action Plan.²⁰⁹⁸

On 30 June 2016, Japan hosted the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²⁰⁹⁹

²⁰⁹⁴ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

²⁰⁹⁵ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²⁰⁹⁶ Japan to help build TRA on oil, gas taxation capacity, Daily News (Dodoma) 24 March 2016. Access Date: 25 April 2016. <http://dailynews.co.tz/index.php/home-news/48214-japan-to-help-build-tra-on-oil-gas-taxation-capacity>

²⁰⁹⁷ Japan enacts 2016 tax reform bill, Ernst and Young Global Tax Alert (London) 30 March 2016, Access Date: 21 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--Japan-enacts-2016-tax-reform-bill>

²⁰⁹⁸ Japan releases guidance on transfer pricing documentation requirements, Ernst and Young Global Tax Alert (London) 7 June 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--Japan-releases-guidance-on-transfer-pricing-documentation-requirements>

²⁰⁹⁹ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

Japan has supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization however, has not implemented national actions that address common issues and common interests.

Thus, Japan has received a score of +1.

Analyst: Fatima Saya

Korea: +1

Korea has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

From 26-27 February 2016, Korea participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²¹⁰⁰

On 30 March 2016, Korean Finance Minister Yoo Il-ho reaffirmed the country's commitment to building tax administration capacities in the Asia and Pacific region.²¹⁰¹ The finance minister released a statement stating that, "Korea will help the capacity building in tax administration in Asia and the Pacific and exert efforts to induce more countries to join the BEPS package."²¹⁰² Korea intends to achieve this by providing support through their Economic Development Cooperation Fund (EDCF), which is used to improve the financial capacity of developing countries in the Asia-Pacific region.²¹⁰³

On 13 May 2016, Korea attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹⁰⁴

On 30 June 2016, Korea attended a meeting of over 80 countries to take the next steps in tackling BEPS in Kyoto.²¹⁰⁵ At this meeting, Korea signed the Multilateral Competent Authority Agreement

²¹⁰⁰ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²¹⁰¹ S. Korean finance minister vows to contribute to anti-tax avoidance movement, Yonhap News Agency (Yonhap) 30 March 2016. Access Date: 19 April 2016. <http://english.yonhapnews.co.kr/news/2016/03/30/0200000000AEN20160330002851320.html>

²¹⁰² S. Korean finance minister vows to contribute to anti-tax avoidance movement, Yonhap News Agency (Yonhap) 30 March 2016. Access Date: 19 April 2016. <http://english.yonhapnews.co.kr/news/2016/03/30/0200000000AEN20160330002851320.html>

²¹⁰³ S. Korean finance minister vows to contribute to anti-tax avoidance movement, Yonhap News Agency (Yonhap) 30 March 2016. Access Date: 19 April 2016. <http://english.yonhapnews.co.kr/news/2016/03/30/0200000000AEN20160330002851320.html>

²¹⁰⁴ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communication-2016.pdf>

²¹⁰⁵ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD (Kyoto), 30 June 2016. Access Date: 22 July 2016. <http://www.oecd.org/countries/argentina/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

along with Argentina, Curacao, Georgia, and Uruguay.²¹⁰⁶ This brings the total number of signatories to 44 countries. This agreement allows signatories to participate in the automatic exchange of Country-by-Country reports.²¹⁰⁷

Korea has supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization and has taken actions to address common issues and interests.

Thus, Korea has received a score of +1.

Analyst: Jiyoung Han

Mexico: 0

Mexico has partially complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 12 February 2016, as a member of the Organisation for Economic Co-operation and Development (OECD), Mexico signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost transparency by multinational enterprises.²¹⁰⁸

From 26-27 February 2016, Mexico participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²¹⁰⁹

On 13 May 2016, Mexico attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹¹⁰

On 30 June 2016, Mexico attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²¹¹¹

²¹⁰⁶ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD (Kyoto), 30 June 2016. Access Date: 22 July 2016. <http://www.oecd.org/countries/argentina/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

²¹⁰⁷ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD (Kyoto), 30 June 2016. Access Date: 22 July 2016. <http://www.oecd.org/countries/argentina/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

²¹⁰⁸ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

²¹⁰⁹ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²¹¹⁰ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Paris). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²¹¹¹ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

Mexico has partially supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization however, has not implemented national actions that address common issues and common interests.

Thus, Mexico has received a score of 0.

Analyst: Coral Cripps

Russia: +1

Russia has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 30 April 2016 Russia joined Standard for Automatic Exchange of Financial Account Information. It signed the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information.²¹¹²

On 9 May 2016 Russia committed to implementation timelines of the new AEOI standard by the OECD to undertake first exchanges by 2018.²¹¹³

On 12 May 2016, at the Organisation for Economic Co-operation and Development's (OECD) Forum on Tax Administration in Beijing, Russia signed the Agreement, thereby joining the OECD's Standard for Automatic Exchange of Financial Account Information (Common Reporting Standard or CRS).²¹¹⁴

On 13 May 2016, Russia attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹¹⁵

Russia has supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization however and through national actions that address common issues and common interests.

Thus, Russia has received a score of +1.

Analyst: Elena Lifshits Carrera

Saudi Arabia: 0

Saudi Arabia has partially complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

²¹¹² Russia Joins Standard for Automatic Exchange of Financial Account Information, Ernst and Young Global Tax Alert (London) 20 May 2016. Access Date: July 25 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--Russia-joins-Standard-for-Automatic-Exchange-of-Financial-Account-Information>

²¹¹³ OECD members agree on implementation of AEOI Status of Commitments by Jurisdictions, OECD (Paris) 26 July 2016. Access Date: 26 July 2016. <https://www.oecd.org/tax/transparency/AEOI-commitments.pdf>

²¹¹⁴ Russia Joins Standard for Automatic Exchange of Financial Account Information, Ernst and Young Global Tax Alert (London) 20 May 2016. Access Date: July 25 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--Russia-joins-Standard-for-Automatic-Exchange-of-Financial-Account-Information>

²¹¹⁵ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

On 26-27 February 2016, Saudi Arabia participated in discussions regarding the implementation of proposals to curb Base Erosion and Profit Shifting at the G20 Finance Ministers' meeting in Shanghai, China.²¹¹⁶

On 30 June 2016, Saudi Arabia attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.

Saudi Arabia has partially supported efforts to strengthen developing economies' engagement in the international tax agenda as a member of an international organization however, has not implemented national actions that address common issues and common interests.

Thus, Saudi Arabia has received a score of 0.

Analyst: Fatima Saya

South Africa: +1

South Africa has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 12 February 2016, as a member of the Organisation for Economic Co-operation and Development (OECD), South Africa signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost transparency by multinational enterprises.²¹¹⁷

On 25 February 2016, South Africa began work on a report on tax administration, which evaluates the country's use of institutions and infrastructure to implement recommendations on tax policy.²¹¹⁸ In particular, the report will review the South African Revenue Service (SARS) to determine whether the institution is capable of implementing the recommendations of a governmental tax committee formed in 2013.²¹¹⁹

From 26-27 February 2016, South Africa participated in discussions regarding the implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.²¹²⁰

On 13 May 2016, South Africa attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax

²¹¹⁶ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²¹¹⁷ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 22 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

²¹¹⁸ TAX COMMITTEE: Review aiming for in depth look into tax system, Business Day (Cape Town) 25 February 2016. Access Date: 25 February 2016. <http://www.bdlive.co.za/economy/2016/02/25/tax-committee-review-aiming-for-indepth-look-into-tax-system>

²¹¹⁹ TAX COMMITTEE: Review aiming for in depth look into tax system, Business Day (Cape Town) 25 February 2016. Access Date: 25 February 2016. <http://www.bdlive.co.za/economy/2016/02/25/tax-committee-review-aiming-for-indepth-look-into-tax-system>

²¹²⁰ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹²¹

On 30 June 2016, South Africa attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²¹²²

South Africa has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, South Africa has received a score of +1.

Analyst: Coral Cripps

Turkey: +1

Turkey has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 15 December 2015, the Ministry of Finance introduced amendments to tax audit regulations, including provisions to facilitate regulations outlined by Automatic Exchange of Information (AEOI).²¹²³

On 24 December 2015, the Ministry of Finance issued new disclosure regulations for organizations and taxpayers in the e-commerce sector, including the introduction of new obligatory e-archiving requirements.²¹²⁴

On 22 February 2016, the Turkish Revenue Administration launched an annual *Tax Week* to "develop tax awareness in all sectors of society and in order to increase voluntary tax payment habits."²¹²⁵

On 26-27 February 2016, Turkey participated in discussions regarding the implementation of proposals to curb Base Erosion and Profit Shifting at the G20 Finance Ministers' meeting in Shanghai, China.²¹²⁶

On 16 March 2016, the Turkish Revenue Administration released a draft communiqué outlining new transfer pricing reporting requirements for multinationals, including country-by-country reporting requirements.²¹²⁷

²¹²¹ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²¹²² The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²¹²³ Vergi incelemelerinde uyulacak usul ve esaslar hakkında, Revenue Administration (Ankara) 15 December 2015. Access Date: 3 March 2016. <http://www.resmigazete.gov.tr/eskiler/2015/11/20151106-5.htm>

²¹²⁴ Vergi usul kanunu genel tebliği (sıra no: 464), Revenue Administration (Ankara) 24 December 2015. Access Date: 3 March 2016. <http://www.resmigazete.gov.tr/eskiler/2015/12/20151224-7.htm>

²¹²⁵ Turkish Revenue Administration Announcement, Revenue Administration (Ankara) 22 February 2016. Access Date: 3 March 2016. http://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/BasinBultenleri/22022016basinbulteni.htm

²¹²⁶ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

On 13 May 2016, Turkey attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹²⁸

On 21 May 2016, Turkey announced changes to Value Added Taxes (VAT), including updates on VAT on digital services.²¹²⁹

On 30 June 2016, Turkey attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²¹³⁰

Turkey has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, Turkey has received a score of +1.

Analyst: Fatima Saya

United Kingdom: +1

The United Kingdom has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 23 November 2015, the Department for International Development (DFID) updated its aid strategy, re-affirming its commitment to spend 0.7 per cent of national income on Official Development Assistance (ODA).²¹³¹ In support of the government's aim towards progressive tax policy, the ODA states that it will double the amount it invests for improving developing countries tax systems by 2020 to GBP40 million.²¹³² The government will invest more in combatting tax

²¹²⁷ Turkish Revenue Administration implements new transfer pricing documentation approach including CbC reporting, Ernst & Young Global Tax Alert (London) 23 March 2016. Access Date: 22 April 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--Turkish-Revenue-Administration-implements-new-transfer-pricing-documentation-approach-including-CbC-reporting>

²¹²⁸ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²¹²⁹ Value Added Tax General Communication Application Communique on the Amendments, Ministry of Finance (Istanbul) 21 May 2016. Access Date: 22 July 2016. <http://www.resmigazete.gov.tr/eskiler/2016/05/20160521-13.htm>

²¹³⁰ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²¹³¹ Development spending will meet UK's promises to world's poor while serving national interest, Department for International Development (London) 23 November 2015. Access Date: 23 February 2016. <https://www.gov.uk/government/news/development-spending-will-meet-uks-promises-to-worlds-poor-while-serving-national-interest>

²¹³² UK aid: tackling global challenges in the national interest, Department for International Development (London) November 2015. Access Date: 23 February 2016. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478834/ODA_strategy_final_web_09_05.pdf

evasion and avoidance; strengthen and expand government partnerships to defeat bribery and corruption; and return stolen assets.²¹³³

On 25 November 2015, the Department for International Development began developing the capacity of Somalia's new federal system of government by "establishing and improving systems for tax."²¹³⁴

In December 2015, DFID updated its Tax Modernisation Programme in Tanzania which aims to improve Tanzania's tax administration system.²¹³⁵

On 14 December 2015, the UK with the Institute for Fiscal Studies started technical in-country co-analysis of tax policy in Ghana and Ethiopia in order to strengthen tax policymaking capacity.²¹³⁶

On 27 January 2016, as a member of the OECD, the UK signed the Multilateral Competent Authority Agreement (MCAA) for the automatic exchange of Country-by-Country reports in an effort to boost transparency by multinational enterprises.²¹³⁷

On 28 January 2016, the EU Economic and Financial Affairs Council—a group made up of the economics and finance ministers of all EU member states, which previously included the UK—presented the Anti-Tax Avoidance Package, which aims to combat corporate tax avoidance. The package is based on the standards developed by the OECD for addressing BEPS.²¹³⁸ Among other things, the package includes a strategy for promoting tax governance globally—including the implementation of anti-BEPS projects in other countries.²¹³⁹

On 12 February 2016, the EU Economic and Financial Affairs Council reached an agreement on the draft directive concerning the exchange of tax-related information on the activities of multinational companies.²¹⁴⁰ This directive required multinationals to create country-by-country reports on tax related information. Under this directive, national tax authorities will exchange the information submitted by multinationals automatically.²¹⁴¹

²¹³³ UK aid: tackling global challenges in the national interest, Department for International Development (London) November 2015. Access Date: 23 February 2016. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478834/ODA_strategy_final_web_0905.pdf

²¹³⁴ Public Resource Management in Somalia, Department for International Development (London) 29 June 2016. Access Date: 20 July 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-205065>

²¹³⁵ Tax Modernisation Programme Grant – Corporate Plan 4, Department for International Development (London) 29 January 2016. Access Date: 23 February 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-204334>

²¹³⁶ Improving tax and benefit policy development in partner countries with the Institute of Fiscal Studies, Department for International Development (London) 28 June 2016. Access Date: 20 July 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-205083>

²¹³⁷ A boost to transparency in international tax matters, OECD (Paris) 27 January 16. Access Date: 27 February 2016. <http://www.oecd.org/tax/a-boost-to-transparency-in-international-tax-matters-31-countries-sign-tax-co-operation-agreement.htm#note>

²¹³⁸ The Anti Tax Avoidance Package-Questions and Answers. The European Union (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

²¹³⁹ The Anti Tax Avoidance Package-Questions and Answers. The European Council (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

²¹⁴⁰ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>.

²¹⁴¹ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>.

From 26-27 February 2016, the UK participated in discussions regarding implementation of proposals to curb Base Erosion and Profit Shifting (BEPS) at the G20 Finance Ministers' meeting in Shanghai, China.

On 1-3 March 2016, the OECD, of which the UK is a member, hosted the Task Force on Tax and Development and the Global Forum on Transfer Pricing.²¹⁴² The events addressed a new inclusive framework for developing-country participation in the BEPS plan, and the Tax Inspectors Without Borders capacity-building initiative, in addition to the impact of revisions to OECD Transfer Pricing Guidelines.²¹⁴³

On 14 March 2016, the Department for International Development established the HM Revenue and Customs Technical Assistance to the African Tax Administration Forum.²¹⁴⁴ The forum aids African countries implement taxation agendas through continental level approaches and “engage with and participate from international action on the international taxation agenda.”²¹⁴⁵

On 16 March 2016, the UK Treasury introduced the Business Tax Roadmap, which included next steps on the implementation of BEPS in the UK to 2020.²¹⁴⁶

On 24 March 2016, the Government of the UK released its Finance Bill for 2016. This bill introduces new rules to address hybrid mismatch arrangements and increase transparency for payments on intellectual property made overseas, ensuring they are subject to tax.²¹⁴⁷

On 27 March 2016, the Department for International Development began the Caribbean Economic Development Programme to “support governments in the Caribbean region to strengthen their public financial management systems including tax and customs administration.”²¹⁴⁸

On 13 May 2016, the UK attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹⁴⁹

²¹⁴² Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

²¹⁴³ Developed and Developing countries gather at OECD to deepen their engagement to implement BEPS package, OECD (Paris) 4 March 2016. Access Date: 25 April 2016. <http://www.oecd.org/tax/tax-global/developed-and-developing-countries-gather-at-oecd-to-deepen-their-engagement-to-implement-beps-package.htm>

²¹⁴⁴ HM Revenue and Customs Technical Assistance to the African Tax Administration Forum, Department for International Development (London) 13 May 2016. Access Date: 20 July 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-204939>

²¹⁴⁵ HM Revenue and Customs Technical Assistance to the African Tax Administration Forum, Department for International Development (London) 13 May 2016. Access Date: 20 July 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-204939>

²¹⁴⁶ The Latest on BEPS, Ernst and Young Tax Insights (London) 28 March 2016. Accessed 23 April 2016. <http://taxinsights.ey.com/archive/archive-news/the-latest-on-beps-28-march-2016.aspx>

²¹⁴⁷ Finance Bill 2016 legislates new tax changes, 24 March 2016. HM Treasury, HM Revenue & Customs. Accessed 22 April 2016. <https://www.gov.uk/government/news/finance-bill-2016-legislates-new-tax-changes>

²¹⁴⁸ Caribbean Economic Development Programme, Department for International Development (London) 17 June 2016. Access Date: 20 July 2016. <https://devtracker.dfid.gov.uk/projects/GB-1-205047>

²¹⁴⁹ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

On 21 June 2016, the EU Economic and Financial Affairs Council reached an agreement on the anti-tax avoidance directive. This was preceded by a passing vote in the European Parliament on 8 June 2016.

On 30 June 2016, the UK attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²¹⁵⁰

The UK has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, the United Kingdom has received a score of +1.

Analysts: Anna Roach and Keshini Mahesan

United States: +1

The United States has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 22 December 2015, the Internal Revenue Service (IRS) and the US Department of Treasury issued regulations for US multinational enterprise organizations regarding country-by-country reporting requirements established by the Organisation for Economic Co-operation and Development's (OECD) Base Erosion and Profit Shifting (BEPS) project.²¹⁵¹

On 9 February 2016, the US Department of Treasury released the 2017 Fiscal Year Budget Proposal to the US Congress which included significant reform proposals to the US International Tax System, including limits on shifting income through intangible property transfers and restrictions on the use of hybrid arrangements that create stateless income.²¹⁵²

On 17 February 2016, the US Department of Treasury issued a revised US Model Income Tax Convention that reflect improvements based in bilateral tax treaty negotiations to reduce double taxation.²¹⁵³ In particular, it will deny "reduced withholding taxes on U.S. source payments made by companies that engage in inversions related to foreign persons."²¹⁵⁴

²¹⁵⁰ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS--5-July-2016>

²¹⁵¹ Country-by-Country Reporting, Federal Register (Washington) 23 December 2015. Access Date: 1 March 2016. <https://www.federalregister.gov/articles/2015/12/23/2015-32145/country-by-country-reporting>

²¹⁵² General Explanations of the Administration's Fiscal Year 2017 Revenue Proposals, Department of the Treasury (Washington) 9 February 2016. Access Date: 1 March 2016. <https://www.treasury.gov/resource-center/tax-policy/Documents/General-Explanations-FY2017.pdf>

²¹⁵³ Treasury Announces Release of 2016 U.S. Model Income Tax Treaty, Department of the Treasury (Washington) 17 February 2016. Access Date: 1 March 2016. <https://www.treasury.gov/press-center/press-releases/Pages/jl0356.aspx>

²¹⁵⁴ Treasury Announces Release of 2016 U.S. Model Income Tax Treaty, Department of the Treasury (Washington) 17 February 2016. Access Date: 1 March 2016. <https://www.treasury.gov/press-center/press-releases/Pages/jl0356.aspx>

On 26-27 February 2016, the US participated in discussions regarding implementation of proposals to curb BEPS at the G20 Finance Ministers' meeting in Shanghai, China.²¹⁵⁵

On 11 May 2016, the Internal Revenue Service and the US Treasury proposed increasing reporting requirements for foreign-owned US disregarded entities.²¹⁵⁶

On 13 May 2016, the US attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹⁵⁷

On 6-7 June 2016, the US hosted a conference in cooperation with the OECD, US Council for International Business, the Business and Industry Advisory Committee to the OECD (BIAC), the US Branch of the International Fiscal Association Inc. (IFA USA), the International Tax Policy Forum (ITPF), the National Foreign Trade Council (NFTC), the Organization for International Investment (OFII), the Tax Council Policy Institute (TCPI), the Tax Executives Institute (TEI), and Tax Foundation to discuss the OECD's new international taxation initiatives on BEPS.²¹⁵⁸

On 22 June 2016, the US agreed to amend the existing US-Luxembourg Double Taxation Avoidance Agreement in order to ensure consistency with the 2016 US Model Treaty and its specifications regarding treaty benefits and rules related to permanent establishment.²¹⁵⁹

On 29 June 2016, the Internal Revenue Service of the US, in conjunction with the Treasury Department, released final regulations on Country-by-Country reporting to facilitate the exchange of information on profits reported by multinational enterprises.²¹⁶⁰

On 30 June 2016, the US attended the first meeting of the OECD BEPS inclusive framework which included a third signing of the Multilateral Competent Authority Agreement for the automatic exchange of Country-by-Country reports.²¹⁶¹

²¹⁵⁵ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NFk>

²¹⁵⁶ US issues proposed rules that would require reporting by foreign-owned US disregarded entities, Ernst and Young Global Tax Report (London) 11 May 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--US-issues-proposed-rules-that-would-require-reporting-by-foreign-owned-US-disregarded-entities>

²¹⁵⁷ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²¹⁵⁸ 2016 OECD Tax Conference, United States Council for International Business, United States Council For International Business (New York) 20 May 2016. Access Date: 22 July 2016. <http://www.uscib.org/oecd-tax-conference-ud-3647/>

²¹⁵⁹ United States and Luxembourg announce agreement to implement specific change to existing tax treaty, Ernst and Young Global Tax Alert (London) 23 June 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--United-States-and-Luxembourg-announce-agreement-to-implement-specific-change-to-existing-tax-treaty>

²¹⁶⁰ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert, 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

²¹⁶¹ The Latest on BEPS – 5 July 2016, Ernst and Young Global Tax Alert (London) 5 July 2016. Access Date: 22 July 2016. <http://www.ey.com/GL/en/Services/Tax/International-Tax/Alert--The-Latest-on-BEPS---5-July-2016>

The US has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, the United States has received a score of +1.

Analyst: Fatima Saya

European Union: +1

The European Union has fully complied with its commitment to help strengthen developing economies' engagement in the international tax agenda.

On 1 December 2015, the European Commission updated and published its country-by-country and corporate tax transparency report, thus furthering transparency.²¹⁶²

On 28 January 2016, the European Commission presented a reform agenda, which included a section on assisting developing countries in meeting good tax governance standards.²¹⁶³ This agenda upholds the EU140 million annual donation to developing countries, as well as the Addis Tax Initiative, launched in July 2015, wherein the EU and other international partners committed to doubling the support to developing countries for domestic revenue mobilization.²¹⁶⁴

On 28 January 2016, the European Commission presented a Communication on an External Strategy for Effective Taxation as part of its reform agenda.²¹⁶⁵ The External Strategy outlines measures to promote good tax governance internationally.²¹⁶⁶

On 28 January 2016, the European Commission included the continued promotion of the Extractive Industries Transparency Initiative in its reform agenda.²¹⁶⁷

On 28 January 2016, the European Commission presented a reform agenda which includes "continuing to promote developing countries' contribution to international tax standard setting and pushing for more inclusive international coordination, among others through the G20-Organisation for Economic Co-operation and Development's (OECD) Base Erosion and Profit Shifting (BEPS) project and Automatic Exchange of Information Initiatives (AEOI), the United Nations Committee of Experts on International Cooperation in Tax Matters and regional bodies like African Tax

²¹⁶² Country-by-Country Reporting / Corporate Tax Transparency, European Commission (Brussels) 1 December 2015. Access Date: 25 February 2016.

http://ec.europa.eu/finance/company-reporting/country-by-country-reporting/index_en.htm

²¹⁶³ Communication from the Commission to the European Parliament and the Council on an External Strategy for Effective Taxation, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016.

http://eur-lex.europa.eu/resource.html?uri=cellar:b5aef3db-c5a7-11e5-a4b5-01aa75ed71a1.0018.03/DOC_1&format=HTML&lang=EN&parentUrn=COM:2016:24:FIN

²¹⁶⁴ Communication from the Commission to the European Parliament and the Council on an External Strategy for Effective Taxation, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016.

http://eur-lex.europa.eu/resource.html?uri=cellar:b5aef3db-c5a7-11e5-a4b5-01aa75ed71a1.0018.03/DOC_1&format=HTML&lang=EN&parentUrn=COM:2016:24:FIN

²¹⁶⁵ Platform for Tax Good Governance, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016. http://ec.europa.eu/taxation_customs/taxation/gen_info/good_governance_matters/platform/index_en.htm

²¹⁶⁶ Platform for Tax Good Governance, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016. http://ec.europa.eu/taxation_customs/taxation/gen_info/good_governance_matters/platform/index_en.htm

²¹⁶⁷ Communication from the Commission to the European Parliament and the Council on an External Strategy for Effective Taxation, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016. http://eur-lex.europa.eu/resource.html?uri=cellar:b5aef3db-c5a7-11e5-a4b5-01aa75ed71a1.0018.03/DOC_1&format=HTML&lang=EN&parentUrn=COM:2016:24:FIN

Administration Forum (ATAF), Centre de rencontres et d'études des dirigeants des administrations fiscales (CREDAF) or the Inter-American Center of Tax Administrations (CIAT).²¹⁶⁸

On 28 January 2016, the EU Economic and Financial Affairs Council — a group made up of the economics and finance ministers of all EU member states — presented the Anti-Tax Avoidance Package, which aims to combat corporate tax avoidance. The package is based on the standards developed by the OECD for addressing BEPS.²¹⁶⁹ Among other things, the package includes a strategy for promoting tax governance globally—including the implementation of anti-BEPS projects in other countries.²¹⁷⁰

From 26-27 February 2016, the EU participated in discussions regarding implementation of proposals to curb BEPS at the G20 Finance Ministers' meeting in Shanghai, China.²¹⁷¹

On 8 March 2016, the EU Economic and Financial Affairs Council reached an agreement on the draft directive concerning the exchange of tax-related information on the activities of multinational companies.²¹⁷² This directive required multinationals to create country-by-country reports on tax related information. Under this directive, national tax authorities will exchange the information submitted by multinationals automatically.²¹⁷³

On 12 April 2016, the European Commission proposed public tax transparency rules for multinationals on a country-by-country basis at its weekly meeting.²¹⁷⁴ This proposal will amend the Accounting Directive of 2013 to ensure that large groups publish an annual report disclosing the profit and tax accrued and paid in each Member State on a country-by-country basis.²¹⁷⁵ Contextual information will have to be disclosed for every EU country in which a company is active, as well as for those operating in tax havens. These rules will apply to all multinationals doing business in Europe.²¹⁷⁶

On 13 May 2016, the European Commission attended the 10th Meeting of the OECD Forum on Tax Administration in Beijing. During this meeting, the heads of 44 tax administrations discussed

²¹⁶⁸ Communication from the Commission to the European Parliament and the Council on an External Strategy for Effective Taxation, European Commission (Brussels) 28 January 2016. Access Date: 25 February 2016.

http://eur-lex.europa.eu/resource.html?uri=cellar:b5aef3db-c5a7-11e5-a4b5-01aa75ed71a1.0018.03/DOC_1&format=HTML&lang=EN&parentUrn=COM:2016:24:FIN

²¹⁶⁹ The Anti Tax Avoidance Package-Questions and Answers. The European Union (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

²¹⁷⁰ The Anti Tax Avoidance Package-Questions and Answers. The European Council (Brussels) 28 January 2016. Access Date: 5 August 2016. http://europa.eu/rapid/press-release_MEMO-16-160_en.htm.

²¹⁷¹ Poorer countries handed role in tax evasion fight, Financial Times (London) 24 February 2016. Access Date: 24 February 2016. <http://www.ft.com/intl/cms/s/0/72b2736e-dad2-11e5-98fd-06d75973fe09.html?siteedition=intl#axzz41Ljd7NfK>

²¹⁷² Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>.

²¹⁷³ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>.

²¹⁷⁴ Commission proposes public tax transparency rules for multinationals, European Commission (Brussels) 12 April 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/04/20160412_en.htm

²¹⁷⁵ Commission proposes public tax transparency rules for multinationals, European Commission (Brussels) 12 April 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/04/20160412_en.htm

²¹⁷⁶ Commission proposes public tax transparency rules for multinationals, European Commission (Brussels) 12 April 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/04/20160412_en.htm

three main topics: the implementation of the G20/OECD tax agenda, the modernization of tax administrations and ensuring that all tax administrations, especially in developing countries, meet G20/OECD standards.²¹⁷⁷

On 21 June 2016, the EU Economic and Financial Affairs Council reached an agreement on the anti-tax avoidance directive.²¹⁷⁸ This was preceded by a passing vote in the European Parliament on 8 June 2016.²¹⁷⁹

On 21 June 2016, the Member States also signaled their intention to compile a common EU list of third country tax jurisdictions that do not conform to international tax good governance standards.²¹⁸⁰

On 30 June 2016, the EU attended the first meeting of more than 80 countries and jurisdictions to discuss the BEPS Project, in Kyoto, Japan.²¹⁸¹ The meeting was dedicated to beginning the work on setting standards for remaining issues such as transfer pricing, interest deductibility and the development of practical guidance to support consistent, global implementation of the BEPS Project.²¹⁸²

On 5 July 2016, the EU and Canada engaged in the Comprehensive Economic and Trade Agreement to take further steps to increase tax transparency in the wake of the release of the Panama Papers.²¹⁸³ Both sides pledged to promote the EU's high standards by working together to encourage others around the world, particularly developing countries, to raise their own standards.²¹⁸⁴

On 12 July 2016, the EU and Monaco signed a new tax transparency agreement, under which they will automatically exchange information on the financial accounts of each other's residents from 2018 in order to detect and pursue tax evaders.²¹⁸⁵ The new agreement is fully in line with the new

²¹⁷⁷ Communiqué of the 10th Meeting of the OECD Forum on Tax Administration (FTA), OECD (Beijing). 13 March 2016. Access Date: 22 July 2016. <http://www.oecd.org/tax/administration/fta-communique-2016.pdf>

²¹⁷⁸ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016. <http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>.

²¹⁷⁹ Parliament calls for crackdown on corporate tax avoidance. European Parliament News (Brussels) 8 June 2016. Access Date: 5 August 2016. <http://www.europarl.europa.eu/news/en/news-room/20160603IPR30204/Parliament-calls-for-crackdown-on-corporate-tax-avoidance>

²¹⁸⁰ Fair Taxation: Commission welcomes agreement reached by Member States on new rules to tackle tax avoidance, European Commission (Brussels) 21 June 2016. Access Date: 16 July 2016. http://europa.eu/rapid/press-release_IP-16-1886_en.htm

²¹⁸¹ First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD 30 June 2016. Access Date: 22 July 2016 <http://www.oecd.org/tax/beps/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

²¹⁸² First meeting of the new inclusive framework to tackle Base Erosion and Profit Shifting marks a new era in international tax co-operation, OECD 30 June 2016. Access Date: 22 July 2016 <http://www.oecd.org/tax/beps/first-meeting-of-the-new-inclusive-framework-to-tackle-base-erosion-and-profit-shifting-marks-a-new-era-in-international-tax-co-operation.htm>

²¹⁸³ EU-Canada trade deal to be signed by governments; next steps on tax transparency and security, European Commission (Brussels) 5 July 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/07/20160705_2_en.htm

²¹⁸⁴ EU-Canada trade deal to be signed by governments; next steps on tax transparency and security, European Commission (Brussels) 5 July 2016. Access Date: 16 July 2016. http://ec.europa.eu/news/2016/07/20160705_2_en.htm

²¹⁸⁵ Fighting tax evasion: EU and Monaco sign new tax transparency agreement, European Commission (Brussels) 12 July 2016. Access Date: 16 July 2016. http://europa.eu/rapid/press-release_IP-16-2456_en.htm

OECD/G20 global standard for the automatic exchange of information.²¹⁸⁶ It is the latest in a series of international landmark deals on similar terms that the EU had signed for Switzerland, Liechtenstein, San Marino, and Andorra.²¹⁸⁷

On 12 July 2016, the EU Economic and Financial Affairs Council formally adopted the anti-tax avoidance directive.²¹⁸⁸

The EU has supported the efforts to strengthen developing economies' engagement in the international tax agenda through national actions that address common issues and common concerns and as stakeholders or members of international organizations.

Thus, the European Union has received a score of +1.

Analyst: Anna Roach and Sonja Dobson

²¹⁸⁶ Fighting tax evasion: EU and Monaco sign new tax transparency agreement, European Commission (Brussels) 12 July 2016. Access Date: 16 July 2016.

http://europa.eu/rapid/press-release_IP-16-2456_en.htm

²¹⁸⁷ Fighting tax evasion: EU and Monaco sign new tax transparency agreement, European Commission (Brussels) 12 July 2016. Access Date: 16 July 2016.

http://europa.eu/rapid/press-release_IP-16-2456_en.htm

²¹⁸⁸ Anti tax avoidance package. The European Council (Brussels) 12 July 2016. Access Date: 5 August 2016.

<http://www.consilium.europa.eu/en/policies/anti-tax-avoidance-package/>