

INTERNATIONAL CONGRESS

GLOBAL TAX ADMINISTRATIONS' EFFICIENCY: International Fiscal Cooperation and Governance

GENERAL INFO:

This 1st International Congress is an activity carried out in the framework of the EXCELLENCE NETWORK: DER 2017- 90874-REDT (G.O.T.A-INTAXCOOP&GOV): The Global Observatory on Tax Agencies: towards the International Administrative Cooperation and Global Tax Governance (PI: Eva Andrés Aucejo).

Coordinators: E. Andrés Aucejo (DER 2015- 68768-P), C. García-Herrera Blanco (IEF), M. A. Grau Ruiz (DER 2015-653704-R), M. A. Martínez Lago and J. M. Almudí Cid (DER 2015-65832-P), M. Nicoli (HCBM Project), V. Montesinos Julve (European Project), A. Olesti Rayo (DER 2015-65003-P), A. M. Pita Grandal (DER 2015-66338-P), J. Ramos Prieto (DER 2011-25520), E. Simón Acosta (DER 2012-39342-C03-01).

SCIENTIFIC COMMITTEE:

M. A. Martínez Lago, E. Andrés Aucejo, J. M. Almudí Cid and M. A. Grau Ruiz



Generalitat de Catalunya
Departament de la Vicepresidència i
d'Economia i Hisenda
Secretaria d'Hisenda

— CONGRESS CHRONICLE —



Friday 1 June 2018

Venue: EAPC (Public Administrative School of
Catalonia)

Girona St, 20, Barcelona

INTERNATIONAL CONGRESS REPORT

THE EFFICIENCY OF TAX ADMINISTRATIONS, INTERNATIONAL FISCAL COOPERATION AND GOVERNANCE

Eva Andrés Aucejo¹; Cristina García-Herrera Blanco²; Montse Peretó García³ (Coords.); Mari Cruz Barreiro⁴; Ana María Guembe⁵; Luis Muleiro⁶; María Isabel Poza⁷; Eva Rivera⁸; Carmen Ruiz⁹,
Ana María Enríquez¹⁰.

On **1 June 2018**, an **International Congress** took place, entitled: **The Efficiency of Tax Administrations, International Fiscal Cooperation and Governance**, which derived from the Network of Excellence project DER 2017-90874-REDT (G.O.T.A-INTAXCOOP&GOV): The Global Observatory on Tax Administrations (PR: Eva Andrés). This event was organised by the General Directorate of Planning and Fiscal Studies of the Generalitat de Catalunya together with the University of Barcelona, and was held at the Public Administration School of Catalonia (EAPC).

¹ Full Professor of Tax Law. University of Barcelona. Researcher and Consulter from the Global Forum on law, Justice and Development of the World Bank on the HCBM, Project 2017. Extraordinary award both Law Degree and PHD in Law. Bachelor of Economic Sciences and Business Studies. Director of the Education and Law Review; Principal Investigator of the Excellence Network DER 2017-90874-REDT G.O.T.A.- INTAXCOOP&GOV: "The Global Observatory on Tax Agencies: Towards to the International Tax Cooperation and Governance"; Principal Investigator of the Der 2015-68768-P Project: International Administrative Co-Operation in Tax Matters and ADR of Transnational Tax Disputes and Models for an Institutional Architecture from a European Perspective. Principal Investigator of the "Comparative ADR Systems on tax Law" Project (Generalitat de Catalunya). Visiting scholar in Harvard School of Law, European University Institute, Università di Roma 'La Sapienza', Università degli Studi di Firenze, International Bureau of Fiscal Documentation (Amsterdam), Università degli Studi di Bologna, LSE of London, University of Leeds (UK), Georgetown University (Washington, DC), World Bank (Washington, DC).

² Director of the Spanish "Fiscal Studies Institute" (Institute attached to the Ministry of Finance, through the Spanish Ministry of Finance). Associate Professor of the Complutense University of Madrid (UCM). Director of Research Studies. Associate Professor UCM.

³ General Director of Planning and Fiscal Studies of the Generalitat de Catalunya, and full professor of Tax Law, Autonomous University of Barcelona (UAB).

⁴ Interim Full Professor of Tax Law. University of Vigo. Extraordinary award Law Degree. Doctoral degree with the mention of European Doctor. Ph.D. Thesis award by the University of Vigo and the Institute of Fiscal Studies (Spanish Ministry of the Economy). Researcher in European and International Tax Law at different centers and Universities such as the IBFD, WU Vienna University of Economics and Business, Max Planck Institute of Tax Law and Public Finances (Munich) and the NYU.

⁵ Specialist for the General Directorate of Planning and Fiscal Studies of the Generalitat de Catalunya.

⁶ Full Professor of Tax Law. University of Vigo. Extraordinary award Law Degree. Doctoral degree with the mention of European Doctor. Ph.D. Thesis award by the University of Vigo. Research stays at different centers and Universities such as the IBFD, Panthéon-Sorbonne University, Aix-Marseille University, Toulouse Capitole University and University of Padova.

⁷ Assistant to the General Directorate Planning and Fiscal Studies of the Generalitat de Catalunya.

⁸ Advisor to the General Directorate of Planning and Fiscal Studies of the Generalitat de Catalunya, and associate professor of EU Law. University of Girona.

⁹ Full Professor of Tax Law. University of Vigo.

¹⁰ University of Barcelona

The talks given by leading international figures in tax law were split into the following sessions:

- **Official Opening.** Welcome and Congress opening speech given by Montse Peretó, General Director of Planning and Fiscal Studies, Isidre Sala, General Director of Multilateral Affairs for the Generalitat de Catalunya, Piergiorgio Valente, Chairman of the European Confederation of Tax Advisers (CFE), and Albert Castellanos, Treasury Secretary for the Generalitat de Catalunya.
- **Panel I (9:50-12:30). Multilevel tax administration.** Moderated by Stella Raventós Calvo, a renowned expert in the field of international taxation, member of the *Confédération Fiscale Européenne* and partner of the law firm ECIJA. The panel was comprised of Monica Sionara Schpallir Calijuri, Paul Van der Smitte, Julius Sen and Eugenio Simón Acosta.
- **Panel II (13:00-15:00). Trends and issues in international cooperation on indirect taxation (customs and excises duties) and the costs of the automatic exchange of information (CRS) on direct and indirect taxation.** Moderated by Santiago Ibañez, professor at the University of Valencia. The panel was comprised of Caroline Edery, Alex Ortega, Alessandro Turina and Santiago Ibañez.

The talks given by the expert speakers dealt with the main trends in international cooperation and global tax governance. They also analysed the global models on the analysis/assessment of the efficiency of the world's tax administrations and made proposals to improve the efficiency and effectiveness of the Tax Administrations of Spain and the rest of the World.

The Congress was run under the direction of Eva Andrés Aucejo, qualified as a Professor at the University of Barcelona.

OFFICIAL OPENING

Firstly, the General Director of Planning and Fiscal Studies of the Generalitat de Catalunya, Montse Peretó, welcomed the guests and speakers to the International Congress, thanking the collaborators for their contributions and indicating that the Congress is carried out under the framework of the Network of Excellence DER 2017-90874-REDT (G.O.T.A-INTAXCOOP&GOV): The Global Observatory on Tax Agencies: towards the International Administrative Cooperation and Global Tax Governance (PR: Eva Andrés), having been made possible thanks to the collaboration of the Generalitat de Catalunya (Treasury Department) and the University of Barcelona.

Next, the General Director of Multilateral Affairs for the Generalitat de Catalunya, Isidre Sala, opened the congress by reaffirming the need to strengthen international cooperation between the different bodies and multilevel systems in the tax field, given that there are shared mutual objectives. He recalled that, in a globalised world, tax administrations face challenges that go beyond the borders of any country and that the common objective of all tax administrations is to better serve the public. Therefore, there is a need for international cooperation between the different administrations and to seek coordination mechanisms geared towards facilitating the achievement of these objectives. In short, he supports the holding of this congress as a way to contribute to progress being made in the commitment to international cooperation to achieve different shared mutual objectives, learn from best international practices, share lessons learned and explore partnerships providing a mutual benefit.

Next, Piergiorgio Valente (Chairman of the Confédération Fiscale Européene) gave a presentation on the challenges faced by international taxation. He stressed that digitalisation and the global scenario are our present and future reality, and that Tax Administrations therefore need to unite to meet the needs of taxpayers, given the challenges imposed by the digital economy. He argued for the need to move away from the traditional model towards a model that facilitates the exchange of information, reduces uncertainty and where transparency is proportional to the rights of taxpayers, expanding networks to help tax advisers to effectively intervene in international taxation.

Finally, the Treasury Secretary for the Generalitat de Catalunya, Albert Castellanos, highlighted the role played by events such as this one, especially for learning about international methodologies to assess the efficiency of Tax Administrations. He also took stock of the management of taxes by the Catalan Administration, the results achieved and the challenges faced by Catalonia's Tax Agency in matters of cooperation and the fight against tax fraud.

PANEL 1

Stella Raventós Calvo, member of the Spanish Association of Tax Advisers (AEDEF) and current Chair of the European Confederation of Tax Adviser's Tax Committee, was the moderator for this panel. Before the talks started, she apologised on behalf of Eugenio Simon Acosta who was absent due to personal problems, then emphasised that the panel topics were very interesting and gave a brief introduction to the TADAT Secretariat, an organisation created by the IMF, and without further delay gave the floor to the first speaker, Monica Sionara Schpallir Calijuri.

- **Monica Sionara Schpallir Calijuri** (representative of the IMF), "*The TAX Administration Diagnostic and Assessment Tool (TADAT)*": She has collaborated with various tax administrations in South American countries and is currently an expert adviser to TADAT Secretariat, an organisation created by the International Monetary Fund (financed by the EU, the tax agencies of the Netherlands, Japan, UK and others). Monica was responsible for explaining to the attendees the functioning of the TADAT global tool for assessing the efficiency of tax administrations, which provides an objective view of the health of the tax administration being assessed. Given that the challenges faced by tax administrations are very similar on all levels, she mentioned that a standardised tool has been designed that assesses 47 dimensions based on the results obtained by the tax administration, comparing good international tax practices with the results obtained by the tax administration in 9 areas considered to be the key ones for the efficiency of a tax administration, using the indicators and evidence provided by it.

The general view obtained, shared by all stakeholders and highlighting the strengths and weaknesses of the tax administration system, is a baseline for possible reforms to the procedures of that tax administration. Next, there was a review of the assessments carried out by the TADAT Secretariat, and attention was paid to the lessons learned during the diagnoses and assessments carried out, as well as the future challenges faced by tax administrations when it comes to improving their efficiency.

- **Julius Sen**, "*Brexit and implications for Tax Policy Coordination*": he is a renowned researcher and professor from the London School of Economics and Political Sciences in the United Kingdom, and brilliantly addressed the tax implications of Brexit. In order to be able to make the necessary investments (in education, health, etc.) to ensure that a model based on the domestic economy can grow, the entire system must be reassessed to obtain new income and find solutions to achieve this growth target. Therefore, a solution must be found between creating money, borrowing or creating new taxes (taxes on transactions, improving the tax compliance system, etc.). He emphasised the fact that the British customs system needs to improve in the fight against smuggling and controls on imports of Chinese goods, and there are no resources to do this. If the UK

also designs an attractive tax system, the EU would interpret it as a violation of the rules on state aid, generating discontent among its neighbours, always remembering that the USA does not consider the UK to be at all important in its trade strategy. Given all of this, the speaker ended his speech with criticism of the UK government for not being adequately prepared to address all these challenges arising from the new Brexit situation.

- **Paul Van der Smitte** (IBFD professor), “*The Central Liaison Office of the Netherlands Tax and Custom Administration as an efficient Tax Collection Office Model*”: he has worked as an inspector, auditor and lecturer at various universities, also collaborating with the Dutch tax administration as a legal and strategic advisor for the international collection of tax debts (Central Liaison Office of the Netherlands Tax and Customs Administration). Van der Smitte’s talk was fundamentally based on presenting the successful Dutch collection system based on being proactive in the search for new and imaginative solutions, which bases its operations on a combination of processes and creating specialised multi-sector teams containing experts in international taxation.

He pointed out the need for each tax administration to equip itself with experts who have the skills and abilities to deal with issues anywhere in the world, to thus minimise the legal uncertainty generated by differences between the legal systems of the different countries. Next, he highlighted some good practices and instruments in the Dutch taxation system. Finally, he emphasised the fact that each tax administration must seek and design its own solutions and measures that help to ensure that the collection phase of the tax process is completely efficient and effective.

PANEL 2

The event resumed after the lunch break. Santiago Ibañez, professor at the University of Valencia and Chairman of the Jean Monnet Chair “EU Customs law”, was moderator of this second session. The panel was comprised by Caroline Edery, Alessandro Turina, Alex Ortega and Santiago Ibañez himself, who also participated as a speaker. This panel addressed the cooperation trends and improvements for indirect international taxation and customs, the costs of the automatic exchange of information in direct and indirect taxation, and other aspects of global tax governance.

- **Caroline Edery** (head of the Tax Administration and fight against Tax fraud- DG TAXUD Unit, European Commission), “*International Cooperation on Indirect taxation within the European Union*”: the representative from the European Commission presented the latest initiatives launched in the area of administrative cooperation in indirect taxation at a community level. She stressed that it was necessary to address the issue of mass tax fraud, the evasion of taxes and aggressive tax planning in its international dimension in order to avoid the loss of income and to do this, effective international administrative cooperation in tax matters among the 27 member states was essential. She also pointed out that the “VAT gap” is five times greater than the annual budget of the 27 tax administrations, as shown in the reports published on VAT. In order to fight VAT fraud, the European Commission has drawn up an action plan on VAT that points to an ambitious reform of the EU VAT system to make it simpler and facilitate cross-border e-commerce transactions. She reviewed the mechanisms and measures that will update the VAT regulations.

- **Alessandro Turina** (postdoctoral researcher at IBFD and professor at the University of Lausana, Switzerland), “*The OECD common reporting standard for the exchange of information and its costs. Who pays the costs of automatic exchange of information?*”: Professor Turina referred to the issue of the assignment and distribution of the costs generated during the exchange of information as one of the pillars in the sustainability of the architecture of international administrative cooperation. He analysed some of the main problems with the international exchange of tax information: what are the costs involved in the process and what types of cost exist, distinguishing between ordinary costs, paid by each state that receives the cooperation request, and extraordinary costs, those that are very difficult to allocate and that tend to be paid by the applicant. He explained that currently the main area of exchange is financial information, which is considered to be of an extraordinary nature, and the cost is incurred more in collecting the information than in the exchange itself. The regulations applicable in the field of cooperation are quite outdated and investment is required to define what information must be obtained and stored. Although the good faith and diligence of the financial institutions

is presumed when obtaining, processing and providing information, he proposes the creation of a central governmental body to carry out this function.

- **Santiago Ibañez**, (professor at the University of Valencia and Chairman of the Jean Monnet Chair “EU Customs law”) “*International Administrative Cooperation in Customs matters*”: Firstly, he spoke about the background and evolution of the international system of common customs rules, which allow imported/exported products to be classified in the same way in all countries. Next, he analysed the different international rules on the exchange of tax information, highlighting the main international treaties and agreements: he examined the role played by the Nairobi International Convention on mutual administrative assistance when investigating customs violations, which allows the exchange of relevant tax information; the Johannesburg Convention; the SAFE regulatory framework of the World Customs Organisation that deals with security; the export regulations aimed at reducing risks, the coordination mechanisms and collaboration agreements promoted by the U.S. Government between customs and multinational companies, which offer security advantages; and finally, the system promoted by the EU regarding the concept of authorised economic operators. Finally, he proposed being more active in the exchange of information between countries, for our mutual benefit.

- **Alex Ortega** (PhD in tax law and a lawyer), “*Administrative Cooperation in the field of Excise Duties within the European Union*”. His talk examined why administrative cooperation in the field of special taxes within the European Union works, with such mutual assistance between member states being essential for the proper functioning of the internal market. In the EU, administrative cooperation in indirect taxation works because it belongs to an effective and efficient system that protects the member states and prohibits tax evasion (MCS). He mentioned the existence of Directive 2011/16/EU of the Council, of 15 February 2011, on administrative cooperation in the field of taxation, which repeals Directive 77/799/EEC. On a community level, this protects member states and prohibits tax evasion. However, he stressed that efficiency and effectiveness in the fight against tax fraud does not depend solely on administrative cooperation, but also on the legal framework existing in each country at all times.

CLOSING SESSION

The closing speech of the Congress was given by Eduard Vilà, director of the Tax Agency of Catalonia (ATC), who congratulated the speakers for the quality of their talks, for the great variety of perspectives shared throughout the day, and made a series of final reflections on the topics discussed at the Congress. He stressed that in a globalised world, collaboration between tax administrations is essential, but so is collaboration with intermediaries and tax advisers, and that in any case, the exchange of information must always be made whilst respecting the protection of data. From the ATC's perspective, he insisted that there is a willingness to collaborate with other tax administrations in order to address all of the challenges. He highlighted a report on the tax gap for the taxes managed by the ATC (26% tax gap), the major problem being with undeclared assets located abroad. It is necessary to improve access to this information, and to do this, mutual assistance between countries and tax administrations is essential.

Finally, Eva Andrés expressed her gratitude to Isidre Sala, Montse Peretó and Albert Castellanos for their help in organising the International Congress, and thanked all of the international organisations (IMF, IBFD, European Commission, etc.), representatives of universities and associations, and other speakers who had taken part in the sessions of the Congress in one way or another. She then gave a presentation on the Network of Excellence: The Global Observatory on Tax Administrations, where she pointed out that universities and researchers from all over the world are members of this Network. She explained that a study is being conducted focused on analysing the efficiency of Tax Administrations, the cooperation between tax administrations and international tax governance. This was the first international Congress to be held and she hoped it would not be the last.

Program

Friday, 1 june 2018

**08.45-
09.00** **REGISTRATION**

**09.00-
09.30** **WELCOME**

ISIDRE SALA I QUERALT

General Director for Multilateral and European affairs

MONTserrat PERETÓ I GARCIA

General Director of Tax Studies and Tax Planning

PIERGIORGIO VALENTE

President of the CEF Tax Advisers Europe-Confédération Fiscale Européenne

**09.30-
09.50** **OPENING SPEECH**

ALBERT CASTELLANOS I MADUELL

Secretary of Finance. Government of Catalonia

**09.50-
12.00** **PANEL 1. MULTILEVEL TAX ADMINISTRATION SYSTEMS**

The Tax Administration Diagnostic and Assessment Tool (TADAT)

MÓNICA SIONARA SCHPALLIR

International Monetary Fund. Washington. U.S.A.

Brexit and implications for Tax Policy Coordination

JULIUS SEN

London School Economics and Political Sciences. United Kingdom

The Central Liaison Office of Netherlands Tax and Custom Administration as an efficient Tax collect Office Model

PAUL VAN SMITTE

Belastingdienst/Central Liaison Office. Netherlands

Coordination of the Financial Administration sub-central levels: the “Foral” Administration of Navarre and de Basque Provinces

EUGENIO SIMÓN ACOSTA

Professor of Finance and Tax Law. Navarre University. Spain

Chair:

STELLA RAVENTÓS

Confédération Fiscale Européenne. Spain

**12.00-
13.00** **LUNCH**

13.00-
15.00

PANEL 2. TRENDS AND ISSUES OF INTERNATIONAL COOPERATION ON INDIRECT TAXATION (CUSTOMS AND EXCISES DUTIES) AND THE COSTS OF THE AUTOMATIC EXCHANGE OF INFORMATION (CRS) ON DIRECT AND INDIRECT TAXATION

International Cooperation on Indirect taxation within the European Union

CAROLINE EDERY

European Commission

International Administrative Cooperation in Customs matter

SANTIAGO IBÁÑEZ

Professor of the University of Valencia

Administrative Cooperation in the field of Excise Duties within the European Union

ALEX ORTEGA

PhD on Tax law and lawyer

The Common Reporting Standard (CRS) of exchange of information (OECD) and its costs. Who pays the automatic exchange of information costs?

ALESSANDRO TURINA

Researcher- University of Lausanne, Adjunct Post-doctoral Fellow-IBFD, Lecturer- Bocconi University

Chair: **Representative of the AEDAF**

15.00-15.30 **CLOSING SPEECH**

EDUARD VILÀ I MARHUENDA

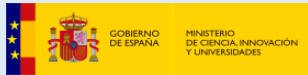
Director of the Catalan Tax Agency

XAVIER PONS I RAFOLS

Dean of the Faculty of Law. University of Barcelona





EVA ANDRÉS AUCEJO

Full professor of Tax Law of the University of Barcelona. P.I.: EXCELLENCE NETWORKING: DER 2017-90874-REDT (G.O.T.AINTAXCOOP&GOV) and P.I.: DER2015-68768-P. International Administrative Cooperation in Tax Matters and ADR of Transnational Tax Disputes and Models for an Institutional Architecture from a European Perspective.

	EXCELLENCE NETWORKING DER 2017-90874-REDT 	CONTACT
	Committee Advisor of The Global Observatory on Tax Agencies: towards on International Administrative Cooperation and Global Tax Governance (G.O.T.A-INTAXCOOP&GOV)	DIRS.: J. Martín Queralt J. Lasarte Álvarez E. Simón Acosta

	EXCELLENCE NETWORKING DER 2017-90874-REDT 	CONTACT
	The Global Observatory on Tax Agencies: towards on International Administrative Cooperation and Global Tax Governance (G.O.T.A-INTAXCOOP&GOV)	<i>Principal Investigator:</i> Eva Andrés Aucejo

UNIVERSITY	COMPETITIVE PROJECTS AND INSTITUTIONAL SUPPORT ENTITIES DER 2017-90874-REDT (G.O.T.A-INTAXCOOP&GOV)	CONTACTS PRINCIPAL INVESTIGATORS
 UNIVERSITAT DE BARCELONA	<i>Project: DER2015-68768-P. International Administrative Co-Operation in Tax Matters and ADR of Transnational Tax Disputes and Models for an Institutional Architecture from a European Perspective.</i>	E. Andrés Aucejo
 Instituto de Estudios Fiscales	<i>Instituto de Estudios Fiscales</i>	C. García-Herrera Blanco
 UNIVERSIDAD COMPLUTENSE MADRID	<i>Universidad Complutense de Madrid, CertificaRSE Project (DER 2015-653704-R, MINECO-FEDER)</i> https://www.ucm.es/proyecto-certificarse/	M. A. Grau Ruiz
 UNIVERSIDAD COMPLUTENSE MADRID	<i>DER2015-65832-P. Título: La protección de las libertades fundamentales y los derechos fundamentales en el Ordenamiento Financiero y Tributario (DER2015-65832-P).</i>	M.A. Martínez Lago J.M. Almudí Cid
 UNIVERSITAT DE VALÈNCIA	<i>European Project funding by the UE</i>	V. Montestinos Julve
 World Bank- 2017	<i>Human Centered Business Model Project</i> http://www.globalforumljd.org/cops/human-centered-business-model	M. Nicoli
 UNIVERSITAT DE BARCELONA	<i>DER2015-65003-P (1/01/2016/31/12/2018). El control democrático y la tutela de los derechos en la Unión Económica y Monetaria.</i>	A. Olesti Rayo

 <p>UNIVERSIDADE DE VIGO</p>	<p><i>DER 2015-66338-P. El ordenamiento financiero y tributario de puertos y zonas francas en España: implicaciones de la Unión Europea y de la liberalización del Comercio internacional</i></p>	<p>A. Pita Grandal</p>
 <p>UNIVERSIDAD PABLO DE OLAVIDE</p>	<p><i>Proyecto I+D+i DER2011-25520 "Competencia fiscal y sistema tributario: un análisis multinivel" (Proyecto COMFISTAM).</i></p>	<p>J. Ramos Prieto</p>
 <p>Universidad de Navarra</p>	<p><i>Proyecto DER2012-39342-C03-01 UNIVERSIDAD DE NAVARRA CIF: R3168001J Centro: Facultad de Derecho.</i></p>	<p>Isaac Merino Jara E. Simón Acosta</p>
 <p>GLOBAL OBSERVATORY TAX AGENCIES</p>	<p><i>Committee of other expert members attached to the Global Observatory on Tax Agencies: towards on International Administrative Cooperation and Global Tax Governance (G.O.T.A-INTAXCOOP&GOV)</i></p>	<p>Coord.: Joaquín Álvarez</p>

With the collaboration of the representative members of:

International Monetary Fund



Intra European Organisation of Tax Administrations



Inter-American Center of Tax Administrations



Confédération Fiscale Européenne



Central Liaison Office, The Netherlands



Spanish Tax Agency



University of Oxford



London School of Economics and Political Science



George Washington University



Institute for Fiscal Studies



Asociación Española de Asesores Fiscales



Asociación Española de Derecho Financiero

