

Global Tax Umbrella Program

GTP News

The Global Tax Program, housed at the Fiscal Policy and Sustainable Growth Unit of the Macroeconomics, Trade and Investment (MTI) Global Practice at the World Bank, is excited to share the latest highlights from GTP-supported work and projects of the World Bank. The second edition of GTP News offers news, publications, events and more for your summer reading list. For more information on the Global Tax Program, please visit the GTP website or contact us.

FEATURED NEWS



Customs administration reforms play an important role in developing fiscal capacity and institutions in fragility settings. **The Somalia Customs Support Project**, funded by the World Bank's Global Tax Program (GTP), is helping the country build its national customs administration with increased capacity for tax collection and strengthened institutions for intergovernmental coordination. Read more in this latest blog on "Customs reforms help Somalia increase tax revenue despite COVID-19 and fragility."



Data analysis is a major topic for the customs administrations in increasing efficiency and customs revenue. With support of the Global Tax Program, the World Bank has helped **Niger Customs Service** develop capacity in data analysis and create a data analysis and reform unit. Niger Customs Service is already having tangible results by increasing customs revenue 10 times within the first nine months of implementation. Read more in this new blog on "A new approach to customs reform in Niger: Positive results based on data science and innovative technologies"



Fiscal policy can serve as a powerful tool to promote gender equality. In September 2021, the World Bank's Global Tax Program (GTP), with the support of the Government of the United Kingdom, launched the **Gender Equality and Tax Reform Workstream**. Through this initiative, the World Bank aims to help low- and middle-income countries formulate tax policies with a gender lens. In a new blog, "Gender differences in taxation: Why do they matter?", illustrates how, if properly revised, tax systems in **Ethiopia**, India, and Pakistan can contribute to gender equality goals.



Improving the quality of Kosovo's taxpayer registry can lead to increased tax compliance and reduced informality, and in return, help enhance revenue collection. With the support of the Global Tax Program, the World Bank is assisting the digitalization of the **Tax Administration of Kosovo** (TAK) to improve its data collection and management. Read more in a recent feature story on "Digitalization and Data-Sharing Are Helping Kosovo Boost Tax Compliance and Reduce Informality."



GTP Activities Dashboard is now available on the GTP website. This dashboard is an interactive tool that allows users to view the GTP country portfolio by various indicators such as income group, region, and thematic work area. **Download the GTP Dashboard here**.

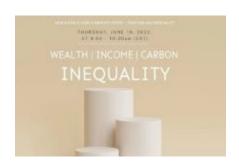


The World Bank Global Marginal Effective Tax Rate (METR) Database was recently released with an accompanying report on GitHub by the World Bank Revenue Academy, which has been supported by GTP. The database brings together data on investment in four main asset types – equipment, building, land and inventory – from 95 countries. The tool will allow policymakers to compare tax burden on investments across countries and simulate the impact of changes in underlying factors of the METR. | See the METR Database Report here | Access the database on GitHub

EVENTS



The World Bank, with support from the GTP's Gender Equality and Tax Reform Workstream, held a training workshop on <u>Commitment to Equity</u> (<u>CEQ</u>) <u>Assessment and Fiscal Incidence Analysis</u> on June 27-29, 2022, in Addis Ababa, <u>Ethiopia</u>. The three-day workshop focused on the construction of CEQ income concepts and discussed with participants from the Government of Ethiopia about <u>how to measure the impact of fiscal policy on gender equality by using engendered CEQ analysis.</u>



Together with the Offices of Executive Directors for Nordic-Baltic Countries and Germany, the World Bank organized the seminar on <u>Wealth, Income, Carbon Inequality</u> on June 16, 2022. This event, supported by GTP, discussed the rising concentration of wealth, income, carbon and the role of progressive taxation. | <u>See the event presentation here</u> | <u>Replay the seminar</u>



The World Bank (WB) activities supported by GTP's **Health Tax Workstream** were presented at **the Side Event on Health Taxes at the 6th Annual Health Financing Forum** on June 14-16, 2022. The session highlighted the importance of excise taxes on tobacco, alcohol, and sugar sweetened beverages as an option to simultaneously expand governments' fiscal space while improving health outcomes. Replay the session on health taxes in English and French | Read key takeaways from the session



The World Bank Revenue Dashboard was launched with a webinar on May 26, 2022. This tool, supported by GTP, provides a high-level and quick assessment of a country's tax system, and also the possibility to benchmark a country's tax system performance against others. | Replay the webinar | Explore the revenue dashboard here



The World Bank, the Global Tax Policy Center of the Vienna University of Economics and Business, and EY held the 4th Virtual Tax Seminar: New Technologies - The Opportunities and Challenges of Artificial Intelligence and Blockchain for Tax Administrations on May 19, 2022. The session, participated by over 200 attendees from 17 countries, focused on the potential of Al and blockchain for fiscal authorities and taxpayers. The WB contributions to the seminar were supped by GTP.



On May 17, 2022, the World Bank presented on the GTP-supported work on gender and tax in a session on "Gender and Fiscal Policy" at the 2022 Global Gender Summit of the Multilateral Development Banks Working Group on Gender. The session, which also featured speakers from ADB, IADB and IMF, provided an open forum for sharing knowledge, insights and experiences on taxation and gender equality. | Replay the session here. | View the presentation



GTP Health Tax team participated in the Regional Southeastern Europe (SEE) Partner Think-Tanks Meeting on "Tobacco tax policies to reduce the tobacco use in SEE" in Podgorica, Montenegro on May 10-11, 2022. Organized by the University of Illinois Chicago's Tobacconomics Unit based at the Institute for Health Research and Policy, and the Institute for Socioeconomic Analysis, this regional knowledge-sharing meeting brought together partners and practitioners working on tobacco tax policies.



The Federal Government of **Somalia** has shown a strong commitment to domestic revenue mobilization (DRM) reforms. In a webinar organized by the World Bank's Global Tax Program on March 25, 2022, Mr. Jafar Ahmad, Director General Revenue, Ministry of Finance, the Federal Government of Somalia shared his country's experience pursuing the revenue targets and DRM reforms with support from the World Bank amidst the COVID-19 pandemic in a fragile and conflict-affected environment. Learn more about Somalia's story in this video.

RECENT PUBLICATIONS



The new World Bank paper on "A Gendered Fiscal Incidence Analysis for Ethiopia" examines differences in the welfare impact of taxes and government spending on men and women in Ethiopia by using the Commitment to Equity (CEQ) methodology. This study is funded by the GTP's Gender Equality and Tax Reform Workstream.



The Paris Agreement requires mitigation efforts from both developed and developing economies. This recent World Bank paper, "Political challenges of introducing environmental tax reforms" examines political economy challenges in implementing environmental tax reforms such as carbon pricing policies and outlines a set of common principles that can help design and carry out environmental tax reforms in developing and developed countries. This study is supported by GTP's Environmental Tax Workstream.



Supported by the Global Tax Program, this recent World Bank presentation on "Understanding The Global Minimum Effective Tax on Multinationals - Pillar 2: General Principles, Overview and Scope" provides a deep-dive on the rules of the new global minimum tax on multinationals (Pillar 2) that is being developed by the OECD Inclusive Framework. The presentation is available in English and Spanish.



The VAT Digital Toolkit for Asia-Pacific aims to assist tax authorities in the Asia-Pacific region with the design and implementation of reform to ensure the effective collection of value-added taxes (VAT) on e-commerce activities. The toolkit series provides detailed guidance for the implementation of a comprehensive VAT strategy directed at all types of e-commerce. The WBG's contribution to this work was funded through the Global Tax Program. | Toolkit | Brochure | Press Release



Supported by GTP, the new book on <u>Innovations in Tax Compliance: Building Trust</u>, <u>Navigating Politics</u>, <u>and Tailoring Reform</u> was launched with a webinar on February 17, 2022. By building on recent research and experience for their new conceptual framework, authors argue for a greater emphasis on the overlapping goals of building trust, navigating political resistance, and tailoring reform to unique local contexts. | <u>Replay the launch webinar of the book here.</u>



The latest European Union (EU) Regular Economic Report on "Green Fiscal Reforms: Part Two of Strengthening Inclusion and Facilitating the Green Transition", published by the World Bank, reviews the experience on carbon taxes from Europe and elsewhere with a focus on the challenges facing four EU member states: Bulgaria, Croatia, Poland, and Romania. The report uses the Carbon Pricing Assessment Tool (CPAT) and the Multi Region Input Output (MRIO) model, both of which were developed with contributions from the World Bank's GTP Environmental Tax Workstream, to present illustrative results on the impact of raising carbon prices in the four EU countries.

Additional resources can be accessed on the Resources tab of the GTP Website.

WHAT'S COMING—STAY TUNED!



The World Bank, with contributions from GTP, will co-host **the Fourth Annual Tax Conference on September 22-23, 2022** in a hybrid format. This year's theme, "Global Tax Equity," will bring together leading researchers and policymakers to discuss recent research on making the tax system more equitable on a global scale. Read more about the conference here.

BLOGS



- <u>Customs reforms help Somalia increase tax revenue despite</u>
 <u>COVID-19 and fragility</u> | <u>July 2022</u>
- A new approach to customs reform in Niger: Positive results based on data science and innovative technologies | July 2022
- Gender differences in taxation: Why do they matter? |July 2022
- When the debt crises hit, don't simply blame the pandemic | June 2022
- <u>Digitalization and Data-Sharing Are Helping Kosovo Boost Tax</u>
 <u>Compliance and Reduce Informality</u> | Feature Story | May 2022
- <u>To raise more tax revenue, first build up taxpayers' trust</u> | February 2022

Why tax administrations are embracing digital transformation |
 December 2021

ABOUT THE GLOBAL TAX PROGRAM

The Global Tax Program (GTP) supports developing countries in domestic resource mobilization. The GTP Multi Donor Trust Fund is generously supported by the governments of Australia, Denmark, France, Japan, Luxembourg, the Netherlands, Norway, Switzerland, the United Kingdom, and Bloomberg Philanthropies. For questions, please contact us at Global_Tax_Program_Secretariat@worldbank.org

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