THE ROAD BACK TO KAMPALA
The story of the African Tax Administration Forum and its first decade
The African Tax Administration Forum (ATAF) is a remarkable African success story and this book celebrates its achievements. Launched in November 2009 in Kampala, ATAF has now completed its first decade of serving and representing its membership on the continent. The organisation has come full circle – it returns to Kampala in November 2019 to celebrate its 10th anniversary and to review its journey so far and prepare for the challenges it will face going forward. Ten years is a significant milestone and a time to recognise ATAF’s achievements, to learn from the experiences of the past decade and to plan for a productive and bright future.

In 2008, twenty-eight African countries came together in Pretoria to consider developing a practical mechanism to foster African development by mobilising domestic resources through effective and efficient tax systems. They envisioned a forum that would help strengthen tax administration on the continent and which, importantly, would “be an African programme reflecting African needs and African strategies”.

A mere decade later, not only has this vision been realised, but ATAF is now globally recognised as the voice of Africa in taxation. In the spirit of its founders it has become a truly African institution, built by Africans working together across the continent, with the support of development partners.

At its beginning in 2009, in the threatening shadow of the greatest global financial crisis since the 1930s, ATAF was built on hope and a clear belief among African leaders that continental-wide co-operation on taxation was a necessity to ensure home-grown development.

The objective in establishing ATAF was to free Africa from a dependency on aid for development and promote African self-sufficiency. Efficient and fair tax systems and the collection of revenues are the key to economic self-reliance and continental development.

ATAF’s role is to assist its member countries develop their tax administrations, improve their tax systems, reform their tax policies, promote knowledge sharing and peer learning and provide a clear African voice which protects African interests and changes the terms of the debate in the fast-moving global tax environment.

As this book illustrates, ATAF has fulfilled its role admirably over the past 10 years and its success belongs to the many people who have shared its hopes and vision and whose commitment and hard work have contributed immensely to helping ATAF achieve its goals.

ATAF acknowledges the key role played by our founders who 10 years ago shared a vision of the future, drove the initiative to make it real

In the spirit of its founders it has become a truly African institution, built by Africans working together across the continent, with the support of development partners.
and took the risks needed to put it together. We salute our member countries who have supported and provided the energy for ATAF’s activities and the collective willingness of leaders and tax officials to collaborate on strengthening African tax systems.

The organisation recognises the efforts of members of the ATAF Council who oversaw the development of the fledgling organisation until it took flight and who continue to guide the organisation. We are thankful for the dedication and commitment of our country ‘correspondents’ who promote the work of the organisation and serve as ambassadors for ATAF in our member countries.

We are grateful of the generous and effective technical, institutional and financial support we have received from our development partners who have walked with ATAF every step of the way over the past 10 years.

Much credit for ATAF’s success must go to the Executive Secretary and the staff of the ATAF Secretariat who have worked so tirelessly to achieve the dream of building an African organisation that champions the interests of the continent.

This commemorative book aims to take the reader on a journey that celebrates the achievements of all those who contributed in the past ten years to the ATAF success story, a story which has changed tax administration on the African continent and helped enrich the lives of its citizens.
BUILDING CAPACITY TO BOOST RESOURCE MOBILISATION

Training

100 training events 2009-2019

By 2019
16,000 participants from member countries participated in online short courses

Technical Assistance

INTERVENTIONS SINCE 2015

REVISED LEGISLATION

ENHANCED AUDIT SKILLS

IMPROVED BUSINESS PROCESSES

BOOST IN REVENUE

ESTABLISHING TRANSFER PRICING & EUI UNITS

$1.1 billion raised in assessments
$260 million collected to date

Countries benefiting from technical assistance in:

Cross border taxation:-
Botswana | Egypt | Eswatini | Ghana | Kenya | Lesotho | Liberia | Malawi | Namibia | Nigeria | South Africa | Seychelles | Uganda | Zambia | Zimbabwe

Exchange of Information:-
Angola | Cameroon | Chad | Lesotho | Malawi | Swaziland | Tanzania | Togo | Uganda | Zambia

BUILDING KNOWLEDGE: Promoting Research, Thought Leadership & Shared Expertise

African Tax Research Network

...5 annual conferences held

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>47</td>
<td>49</td>
<td>37</td>
<td>29</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>120</td>
<td>125</td>
<td>121</td>
<td>118</td>
</tr>
</tbody>
</table>

African Tax Outlook

2014-2018

83 tax officials from
26 African Countries have been awarded an Executive Master’s Degree in Taxation

2016 2017 2018 2019

+40% +24% +31%

data from 15 African countries

2016 2017 2018 2019

data from 21 African countries

data from 34 African countries

...online data platform launched in 2017

Full papers presented Participants
CHAPTER ONE
BUILDING A SUSTAINABLE ORGANISATION
ORGANISATIONAL MILESTONES ON THE ROAD BACK TO KAMPALA

2008

January – A group of African heads of tax administrations attend the OECD’s Forum on Tax Administration meeting in Cape Town, South Africa. They discuss how African revenue bodies can improve their capacity to raise the national revenues required to meet the Millennium Development Goals and agree to hold a conference later in the year.

August – The conference on Taxation, State Building and Capacity Development in Africa takes place in Pretoria, South Africa. A steering group of African Commissioners, supported by a technical task team of senior officials, is mandated to begin the work which would lead to the establishment of ATAF. The Steering Group comprises Botswana, Cameroon, Ghana, Nigeria, Rwanda, South Africa and Uganda (later to be joined by Morocco).

2009

February – Members of the steering group and technical task team hold their first meeting in Cape Town, South Africa. Two further meetings are held in June and August 2009, in Nigeria and Ghana respectively, to hammer out the details of the forum’s founding documents and structure.

July – As part of the process of developing ATAF, and to demonstrate its value proposition to potential members, a workshop on transfer pricing is hosted by the Uganda Revenue Taxation, State building and Capacity Development conference participants, Pretoria, 2008.

ATAF Executive Secretary Logan Wort

2nd ATAF Council, Dakar, September 2012
Authority and facilitated by the OECD. Twenty-eight delegates from 14 African countries attend the workshop. **November** – The inaugural conference and election of the first ATAF Council takes place in Kampala, Uganda. Twenty-five African countries join the organisation as members. Delegates elect the first ATAF Council which comprises the Heads of the Tax Administrations of Botswana, Gabon, Ghana, Kenya, Morocco, Nigeria, Rwanda, Senegal, South Africa (Chair) and Zimbabwe.

**2010**

**April** – The ATAF Council holds its first meeting, in Durban, South Africa. It approves the ATAF 2010 Work Plan and Budget and appoints Mr Logan Wort as the organisation’s Acting Executive Secretary on secondment from the South African Revenue Service (SARS). An Interim Secretariat is also established with the secondment of an additional 11 personnel, nine from SARS and one each from Nigeria and Botswana.

**May** – ATAF holds a successful workshop with Development Partners attended by representatives from the European Commission, the European Union, France, Norway, Germany, the Netherlands, Switzerland and the Organisation for Economic Cooperation and Development (OECD). Shortly thereafter, Norway, Netherlands, Switzerland, Ireland and the UK commit to contributing to ATAF financially through a pooled fund for ATAF’s three-year programme and updated yearly workplan.

**November** – The ATAF Council adopts the final text of the draft ATAF Agreement and its corresponding rules and procedures at its meeting hosted by the African Development Bank in Tunis, Tunisia. This paves the way for member countries to proceed with their respective domestic processes of ratification and/or adoption.

**2011**

**June** – The ATAF Council at its meeting in Kigali, Rwanda, approves the establishment of a project office in the Interim Secretariat tasked with making all necessary preparations for the establishment of a permanent ATAF Secretariat once the organisation becomes a legal entity.

**July** – The 1st ATAF General Assembly take places in Balaclava, Mauritius, marking a significant milestone in the development of ATAF. The General Assembly is the highest decision-making body in ATAF. It extends the tenure of the inaugural ATAF Council until the second General Assembly.

**2012**

**September** – ATAF’s holds its second annual General Assembly meeting in Dakar, Senegal, and approves the appointment of Mr Logan Wort as the first Executive Secretary of ATAF. It also endorses the creation of a newly formed position, Vice-President of the ATAF Council, with Mr Amadou Ba, the Director General of the Direction Générale des Impôts et des Domaines du Sénégal, elected to the position.

**October** – ATAF is established as an international organisation with full legal standing after Malawi, following in the footsteps of Zambia, South Africa, Chad and Mauritius, officially deposits the instrument of ratification with the Interim Secretariat on 7 September. ATAF becomes a legally constituted entity on 8 October, i.e. 30 calendar days after the fifth Instrument was deposited.

**2013**

**December** – The Host Country Agreement between ATAF and South Africa is officially signed by the South African Minister of Finance, culminating in an official handing-over ceremony between the ATAF Executive Secretary and the Commissioner of the South African Revenue Service (SARS) at the offices of the Secretariat.
2014

**September** – The 3rd General Assembly Meeting, held in Dar es Salaam, Tanzania, endorses the proposal that South Africa, the host country of the ATAF Secretariat, be allocated a permanent seat on the ATAF Council. A Memorandum of Co-operation is signed between SARS and ATAF.

2015

**April** – The heads of training and human resources of 19 tax administrations meet in Dar es Salaam, Tanzania, and establish a technical committee and network on human resources.

**August** – Legal Counsel from member tax administrations meet in Kampala, Uganda, to establish a network and technical committee.

**September** – The 1st ATAF International Conference on Tax in Africa (ICTA) takes place at the Victoria Falls, Zimbabwe. The conference, which replaces the ATAF General Assembly every alternate year, focuses on “African Perspectives and Challenges in the Taxation of Natural Resources and the Extractive Industries”.

2017

**July** – The first ATAF High-level Dialogue on Tax Policy and Administration, hosted by Uganda, focuses on how best to build the nexus between these two critical components for effective revenue mobilisation.

2018

**July** – The African Union recognises ATAF’s work in combating illicit financial flows in its declaration following the Heads of State Meeting in Nouakchott, Mauritania. The AU now recognises the organisation as the leading body in Africa on tax matters.

**October** – ATAF and the pan-African Parliament sign a Memorandum of Understanding in Kigali, Rwanda, to work together on tax matters for the benefit of the African continent, with ATAF undertaking to assist the PAP with technical advice.

2019

**November** – ATAF celebrates its 10th anniversary in Kampala, Uganda. While reflecting on the past decade and its achievements, the organisation also looks forward to addressing the challenges its members will face in the future in determining tax rules in an increasingly digitalised global economy.
TIME FOR AFRICA TO CHART A NEW COURSE

It is in times of turmoil and crisis that ideas are born that bring a fresh perspective and new hope, giving us the boldness and courage to chart a new course. And so it was with the African Tax Administration Forum (ATAF).

It was against the background of the 2008 global financial crisis that discussions1 about setting up a tax centre in Africa took place. The drivers were the fact that the revenues of the developed economies were under strain, and as revenue authorities across the world moved to safeguard their tax bases, they grappled with the revenue leakages because of weak tax systems, especially in the developing world. This provided the impetus for seeking to assist revenue authorities in Africa strengthen their tax systems.

At the same time, African countries, facing up to a sharp decrease in official development assistance and foreign direct investment, came to the realisation that they needed to look to home-grown sources of revenue and funding for their development needs. In the wake of a 2007 proposal by the Organisation for Economic Cooperation and Development (OECD) that South Africa consider establishing an OECD African Tax Centre, several heads of tax administrations from African countries were invited for the first time to attend the OECD’s Forum on Tax Administration meeting in Cape Town, South Africa.

Amongst other issues, the meeting explored concrete ways to assist African revenue bodies in developing their capacity to raise the national revenues required to meet the Millennium Development Goals. The proposal for an African tax centre grew into a determination by the African countries present to work together to establish an Africa-wide organisation dedicated to assisting countries on the continent to effectively mobilise domestic resources.

Heeding the injunction from then South African Finance Minister Trevor Manuel “not to waste this crisis”, it was agreed to hold a conference later in the year to take the issue further. The two-day conference on Taxation, State Building, and Capacity Development in Africa was held in August 2008 in Pretoria, South Africa. Hosted by the South African Revenue Service (SARS), and sponsored by the revenue authorities of Botswana, Ghana, Nigeria, Rwanda, South Africa and Uganda, the conference was attended by 39 countries, of which 28 were from Africa, and eight international organisations.

Out of the discussions on the challenges being faced by tax authorities in Africa, the idea of an African organisation dedicated to strengthening tax administrations on the continent received overwhelming support, and the excitement, energy and commitment to bringing the idea to fruition was palpable amongst those present.

Ms Allen Kagina, then Commissioner-General of the Uganda Revenue Authority, recalled the discussions. “Commissioner Gordhan got a number of us together to discuss it and there was a lot of support; it was an idea whose time had come. We realised we had a bigger role to play; it was then we took on the task of being nation builders and not just revenue collectors.”

The communique issued at the close of the conference noted that a steering group2...
comprising the heads of tax administrations of Botswana, Cameroon, Ghana, Nigeria, Rwanda, South Africa and Uganda (later joined by Morocco) was mandated to develop an action plan and prepare for the launch of an African Tax Administration Forum (ATAF). It was to be supported by a technical task team of senior tax officials.

In practical terms, the African tax administrations envisaged that ATAF would be a focal point for sharing experience, developing co-operation, benchmarking performance and setting the strategic direction for African tax administrations. ATAF would conduct its own research work on tax in Africa, develop diagnostic tools for African revenue bodies and develop a capacity building programme. This work would be supported by development partners, both countries and institutions, who would provide financial, technical and institutional support to build this new platform.

The communique described the establishment of ATAF as “an opportunity for Africa to say what Africa wants in the tax area; for African-based processes and institutions to take the lead on the continent.”

From the beginning, the leadership tasked with bringing the organisation into being was united in the vision of creating a pan-African organisation, one which encouraged the membership of all the countries of the continent and which would seek to represent all their interests.

Reflecting on the conceptualisation of ATAF, technical task team member Lincoln Marais, described it as “an opportunity to design and develop an institution which is built by the continent for the continent. In part it was defined initially by what it shouldn’t be. It was very clear to us that it shouldn’t just be an outreach OECD project.”

ATAF’s Africanist identity not only shaped the organisation, it also informed its fundamental purpose – that of working to strengthen African institutions and governance in the pursuit of the mobilisation of domestic resources which would ultimately lead to self-reliance and free the continent from indebtedness and a dependence on aid.

The history of colonialism shared by the majority of African countries, and the similar socio-economic challenges they faced in the post-colonial period, served to further strengthen solidarity and create a determination to unite for a common purpose.

At the same, there was a clear acknowledgment that the plurality of African cultures, societies, languages and economic circumstances must also be taken into account. Building change on such a vast continent required a multilingual approach and engagement at the regional as well as the continental level.

Technical team member Modeste Mopa, currently Director-General of the Cameroon’s tax administration, said: n 2008 when we first met to set up this association it was clear that there was a vacuum to be filled as there was no organisation on the continent for tax administrations. Everybody was very passionate about this; we knew we had common challenges. We were aware that some issues were going to emerge as, even though we have one continent, there would be differences of language and culture, and even different tax systems, but we were determined to work together to overcome these and build an organisation that would put Africa first.”

ATAF’s immediate course was set with optimism and clarity of purpose despite the wider economic gloom. The Steering Group set to work to put in place the institutional mechanisms required and prepare for the launch to take place in Kampala in November 2009.

Steering Group member Mary Baine, who
A HELPING HAND THAT LIGHTENS THE BURDEN ON MEMBERS

Mary Baine has a unique perspective on ATAF. As a member of the Steering Group and first Council, she was intimately involved in the establishment and launch of the organisation, as Commissioner-General of the Rwanda Revenue Authority she was on the receiving end of technical assistance from ATAF and now as the organisation’s Director of Tax Programmes she is ensuring that members’ needs are met.

When the establishment of ATAF was first mooted Ms Baine had been CG for two years, “Taking over as CG, I was surprised by the level of responsibility the job entailed, especially for tax policy. There were also many organisational challenges which were very daunting. We had come through the genocide which had devastated our human resources; on the one hand we had lost many skilled people and on the other we had officials who were from the old guard and were cautious about what the future would bring.

“We had to set up totally new systems and build capacity but we didn’t have the resources to do that on our own. At the same time, the need to mobilise revenue for development was overwhelming. I really felt that I had to deliver because I had the future of my country in my hands,” Ms Baine said.

When the idea of ATAF was mooted as an initiative aimed at strengthening African tax administrations, for Ms Baine it was a dream come true. “I realised it was an organisation that would help us fill the gaps we had and provide continuity, and this fuelled my commitment.” One of the most valuable aspects of setting up ATAF was the close ties Ms Baine developed with members of the Steering Group and other heads of tax administrations. “I could use it as a platform for sounding ideas and there was the comfort that you could just pick up the phone and call for assistance and advice. You didn’t feel that you had to shoulder the burden alone anymore,” she explained.

“For example, we were struggling with the audit of a multinational which involved transfer pricing. I called Oupa Magashula at SARS and asked for help. SARS then sent us a resource for two weeks and in that time we not only tackled the problem but also laid the foundation for what became our transfer pricing section.”

Ms Baine stepped down as CG in 2011 to join Rwanda’s Foreign Ministry but remained in touch with ATAF’s work through colleagues in the RRA.

In 2016 she joined the ATAF Secretariat as head of international tax and technical assistance. “I was amazed at the progress that had been made in just a few years; ATAF had evolved into becoming the experts on tax matters on the continent and were recognised as such. The work being done had moved on from being merely capacity building to providing focused technical assistance and policy advice and taking part in international discussions on tax.

“Now that I am at ATAF I know that our dream is still not fully realised but I think we have a big reason to celebrate. We have made a lot of progress in the past ten years.”
was then the Commissioner-General of the Rwanda Revenue Authority, described the sheer determination, effort and will to succeed needed to birth the organisation. “It was a daunting task but the conviction that the initiative could make a real difference to Africa’s development was a potent motivating factor.

“The members of the Steering Group were very clear that for this initiative to be successful we must all be fully committed to it and make the time, however busy our schedules, to attend all the meetings and give it the attention it demanded. A road map of all the tasks to be accomplished before the official launch of the organisation was drawn up and we had to stick to it,” she explained.

For the organisation to exist it needed members and the Steering Group played a key role in mobilising African countries to join ATAF. The continent was divided up and specific countries were allocated to each Steering Group member according to region, work and personal ties. The Steering Group members then went on an active recruitment campaign.

“We picked up the phone to promote ATAF, but even more importantly, the Steering Group members made a concerted effort to attend events in the countries we were allocated and mobilise members. We also actively promoted the organisation at the sides of other scheduled events. The fact that we managed to convince just under half the countries of Africa by the time ATAF was launched was very encouraging,” Ms Baine said.

Members of the Steering Group and technical task team held three meetings in the course of 2009, ahead of the launch of the organisation in November, and did all the required spadework to bring the organisation to life at the official launch in Kampala.

“ATAF showed it is an organisation which achieves things. It is not simply a talk shop but creates the possibility of real change”

From the outset, a central tenet was for ATAF to concretely demonstrate the value proposition it offered to African countries. To do this, several ATAF events were held in 2009, even before the launch of the organisation. Tax officials gathered together for the workshops in West, East and South-Central Africa to share experience on key technical issues – transfer pricing, taxation of natural resources, and the informal economy among others – delivered in partnership with international organisations such as the OECD. This provided a tangible example of the benefits that the new organisation could bring.

This was succinctly expressed by Ron van der Merwe, ATAF’s technical advisor on tax treaties: “ATAF showed it is an organisation which achieves things. It is not simply a talk shop but creates the possibility of real change.” After a year of frenetic activity, the big day dawned on 19 November 2009. The President of the Republic of Uganda, His Excellency President Yoweri Museveni, formally launched ATAF in Kampala. Its inaugural conference was attended by 31 African tax administrations, nine development partner countries and 18 partner organisations. The establishment of ATAF, President Museveni emphasised, would directly contribute to economic development and good governance on the African continent.

The ATAF Council was elected and necessary resolutions passed regarding the ATAF agreement, procedures, staffing, budget and work programme. South Africa, which was elected as Chair of the Council, agreed to provide the infrastructure ATAF needed until in due course it was able to become a fully-fledged international organisation, hosting the small Interim Secretariat, seconding staff and supplying legal, technical and other resources.

“It was important that we were all on the same
wavelength, to agree on a common vision for a consultative platform. Then we had to decide on a whole range of issues, including membership and how to increase it, the structure of the organisation, how to promote cooperation and knowledge sharing. It was a very exciting period and full of possibilities and hope,” said Mr Magashula, the then Commissioner of SARS, who was elected first chair of the ATAF Council.

After the launch, the focus of the first ATAF Council turned to building the organisation to ensure its stability and sustainability. Decisions had to be made on membership fees, the work programme and on the structure and staffing of the Interim Secretariat which was being hosted by SARS.

To secure funding the Council went on a donor drive which culminated in a successful workshop with development partners in May 2010 which was attended by representatives from the European Commission, the European Union, France, Norway, Germany, the Netherlands, Switzerland and the OECD. Shortly thereafter, a number of donors committed to contributing to ATAF financially through a pooled fund for ATAF’s three-year programme and updated yearly workplan.

To drive the message home that ATAF was not only an organisation “on paper” and that it was delivery oriented, low hanging fruits were identified; these were practical initiatives that ATAF could deliver on quickly for its members.

“It was important to maintain the momentum ATAF had from the launch and to gain credibility among potential members and donors/development partners. The strategy to do this was to start by demonstrating positive impact immediately - through technical assistance, capacity building leading to the development of African-focused soft law, standards and guidelines,” Sarah Birungi Banage, the Assistant Commissioner for Public and Corporate Affairs at the Uganda Revenue Authority, was tasked with overseeing the launch of ATAF in Kampala.

“I was the chief event organiser and I worked with my team under the guidance of the then Commissioner-General Allen Kagina,” said Ms Banage.

She was responsible for coming up with a concept to launch the new forum in Uganda and give it the profile it deserved. “The concept was carefully structured to take into account the different blocs in Africa in as far as representation was concerned at the launch, in terms of the languages, the entertainment, the food etc. For a successful launch we had to have representation from as many countries in Africa as we could get,” Ms Banage remembered.

The cherry on top was when the President of Uganda agreed to attend the launch event. There was also the sense of being part of a historic occasion, where the Commissioners-General of Africa would converge in Uganda to launch the first organisation of its kind in Africa.

She said that meticulous and early planning, the ability to be flexible and innovate, and teams who were willing to go the extra mile were the key ingredients that contributed to a successful launch. “We were determined to showcase the best of Uganda, and the best of Africa.”
explained Lincoln Marais, who headed up the Capacity Building programme in the Interim Secretariat.

Led by the ATAF Council and the Interim Secretariat headed by the Acting Executive Secretary, Mr Logan Wort, who had chaired the technical task team, the organisation took its first steps on the long journey in pursuit of its objectives.

A year after its launch, in November 2010, the ATAF Council adopted the final text of the ATAF Agreement and its corresponding rules and procedures at its meeting in Tunis, Tunisia. Member countries could henceforth proceed with their respective domestic processes of ratification, thus paving the way to establishing ATAF as a legal entity and international organisation.

This significant milestone was reached in October 2012 when Malawi became the fifth member country to deposit its instrument of ratification with the ATAF Secretariat, thus meeting the quorum needed to enable ATAF to operate as an independent entity. In doing so, Malawi joined Zambia, South Africa, Chad, and Mauritius who had ratified the agreement previously.

By this stage, ATAF had already made significant progress as a working organisation. It had held two General Assemblies of its membership, in Mauritius in July 2011 and in Senegal in September 2012, at which the membership confirmed the appointment of Mr Logan Wort as the ATAF Executive Secretary, a position in which he had been acting.

The organisation was also making huge strides in delivering on its annual workplans; it was delivering technical assistance and capacity building, had already developed models for mutual assistance on tax matters (AMATM), implemented an analysis of regional needs, and was beginning its work of representing the continent on tax issues in international forums.

A more detailed account of this work is dealt with in subsequent chapters.

Now, as ATAF completes its first decade of existence, the organisation again stands on the cusp of change. While recognising and celebrating its stellar performance and achievements, ATAF has to reflect on how to transform the institution’s focus and re-engineer its relationships to meet the evolving needs of its members in a fast-changing global environment. New approaches are needed to reinforce ATAF’s values and implement its objectives as it seeks to chart a new course to meet new challenges.
The Interim Secretariat for ATAF, set up at the SARS in early 2009, was headed by Ms Varsha Singh, then a senior manager in the International Relations unit. The Interim Secretariat was tasked with operationalising the roadmap approved by the Steering Group for the establishment of ATAF. This entailed a myriad of tasks, all to be achieved within very tight deadlines. This included the development of the organisation’s founding documents and vision and mission, regularly engaging with African governments and tax administrations who were the prospective members and soliciting support for the new organisation, managing interactions with development partners and organising the capacity building events that were being held to promote ATAF even before it was launched.

“It was a very steep learning curve. There were challenges on every front; documents had to be translated into French, Portuguese and Arabic and there were problems in getting consistent translations. We had to take into account the varied legal systems that existed across the continent with regard to the ATAF agreement and of course, funding and the lack of capacity and organisational resources for the technical events had to be addressed. But not only did we overcome all these challenges, we learnt valuable lessons that we could draw on going forward,” Ms Singh said.

“Setting up a brand-new, continent-wide organisation, cutting across language, cultural and legal boundaries was extremely daunting. Considerable discussions were held with various stakeholders to understand the dynamics and legal issues related to establishing an international organisation. This was made all that more overwhelming by the tight deadlines the team had to adhere to,” Ms Singh remembered.

What was particularly memorable was the unfettered support received from the SARS executive and the passion and determination shown by every member of the Interim Secretariat. “Each individual carried out their respective ATAF tasks in addition to their routine SARS work with a personal drive to pursue the ‘higher purpose’ of creating an excellent organisation that will contribute to improving the lives of people on the African continent,” Ms Singh added.

“Personally, being selected to lead the Interim Secretariat was an honour and a privilege. It is with absolute pride that I acknowledge that I, with my dedicated team1 were part of an initiative that worked towards unlocking the true human and economic potential of this great continent,” she said.

---

1 The team comprised: Lincoln Marais, Bradley Ngcobo, Emelda Behr, Johan Fourie, Lebohang Leshoro, Pumla Moguerane, Santha Naiker-Singh, Theo Ruiters, Zebeda Mamaila and Fazila Malherbe.
A VISION FOR BUILDING A BETTER CONTINENT

An organisation’s vision and mission statement are at the centre of its identity and inform its strategic direction and values. ATAF’s vision since its inception in 2009 has been to promote the mobilisation of domestic resources to foster self-reliance and promote the socio-economic development of African countries which will result in improving the living standards of citizens on the African continent.

While the core vision has remained constant, in the course of ATAF’s 10-year journey what the vision encompasses has evolved, as has its mission statement and mandate, as the organisation has matured and the scope of ATAF’s work has become both more focused and wider.

But the vision and mission statement remain mere words unless they have real meaning for the leadership, staff and members and are lived out in the values of the organisation. The testimonies below show that for ATAF this is the case.

For ATAF Executive Secretary Logan Wort the main inspiration behind the formation of ATAF was the opportunity to set up an organisation by Africans for Africans to work towards building a better life for the people of the continent by galvanising the domestic resources of African countries.

Although Africa is the world’s second largest, second most-populous continent and rich in minerals and other natural resources its socio-economic development lags behind that of the rest of the world and its 1.3 billion people are amongst the poorest on earth.

“After the 2008 global financial crisis it became clear that official development aid will decline and that for Africa to make progress and be in control of our own development African countries must look increasingly to mobilising domestic sources of funding by increasing
The road back to Kampala

revenue collection through more effective taxation. A critical factor in achieving this was to improve both the capacity and capabilities of African tax administrations and this informed the formation of ATAF,” Mr Wort said.

Right from the start, there was an appreciation that there was a positive link between improved tax systems, economic growth and better governance. This is reflected in the 2009 mission statement: “ATAF strives to provide a platform to improve the performance of tax administration in Africa. Better tax administration will enhance economic growth, increase accountability of the state to its citizens, and more effectively mobilise domestic resources.”

For Mary Baine, who served on the first ATAF Council as the then Commissioner-General of the Rwanda Revenue Authority, this link is central to achieving ATAF’s mission and speaks to ATAF’s mandate to advance the role of taxation in African governance and state building.

In her role as Director of Tax Programmes at ATAF since 2016, Ms Baine has seen how the mission has developed to incorporate facets other than capacity building that also contribute to improving the performance of tax administrations. The work on base erosion and profit shifting has brought to the fore the need to share information and review tax treaties. The advent of the digital economy has given rise to debate on whether the international rules on taxation are still fit for purpose or need a fundamental overhaul to address new challenges that have risen over issues such as where profits should be taxed and how they should be shared.

This is reflected in the 2019 mission statement: “ATAF serves as an African network that aims at improving tax systems in Africa through exchanges, knowledge dissemination, capacity development and active contribution to the regional and global tax agenda. Improved tax systems will increase accountability of the State to its citizens, enhance domestic resource mobilisation and thereby foster inclusive economic growth.”

The big challenge for African tax administrations is that while they strive to address the policy and administration challenges to meet domestic revenue demands, the global agenda on tax has become more complex because of the new and different challenges thrown up by the rise of the digital economy. Meeting these dual challenges will be at the core of ATAF’s outlook beyond 2019.

ATAF’s Director of Research, Dr Nara Monkam, and Mr Thulani Shongwe, ATAF’s Manager for Resource Mobilisation, both of whom have been with ATAF for most of its existence, outline the significance of this expanded mission for them.

“Data and information are key resources for tax administrations today. The effective analysis of data can result in better policy choices and also improve compliance and revenue collections. Quite early in ATAF’s existence we recognised that the organisation must serve as a knowledge hub for African tax administrations, promoting research and proposing solutions that are relevant to the countries on the continent,” Dr Monkam said.

The Research Directorate is passionate about ATAF’s mandate to produce and disseminate knowledge on tax matters to inform policy and legislation formulation, foster transparency and accountability and improve revenue collection. The aim is for ATAF to serve as the centre of excellence for the data on tax and customs administration revenue in Africa.

“Our objective is to develop an African repository of high quality, relevant scientific knowledge on tax that will influence the discourse and provide thought leadership around taxation on the continent. Another important aim is
to ensure that we provide perspectives from Africa that can be added to the existing body of scientific knowledge as this traditionally has just not been the case,” Dr Monkam added.

For Mr Shongwe the expanded mission illustrates that ATAF is ready for the next 10 years. It shows that the organisation has grown and is ready to take on more responsibilities for the advancement of Africa’s position in the global tax arena.

“Moreover, the expanded mandate is well in line with other African goals such as the African Union’s Agenda 2063, showing that Africans are beginning to move together and speak with one voice that takes into account the various cultures and people of the continent. Lastly, the expanded mandate gives me confidence that our members believe in the work that the Secretariat delivers, and I am further encouraged to put my best foot forward in implementing the mandate of ATAF.

“As a young African and having seen the organisation expand, I believe that the moment is ripe for African countries to seize the moment and advance the living standards of citizens. Considering that our continent has some of the most impressive GDP growth rates, the work ATAF has put into improving tax systems is paramount. “Moreover, ATAF has given a voice to African countries through global discussion both at the OECD and United Nations. These interventions have showcased African excellence and I have been given an opportunity to voice the African perspective at the highest international fora.

“ATAF’s success in championing African perspectives during the BEPS discussions, particularly on commodities, was a landmark and the first of its kind by an African organisation at the OECD. It illustrates that ATAF has heeded the call of members to voice their unique African positions,” Mr Shongwe added.

As much as ATAF’s goal is to become self-funding, it was recognised from the outset that development partners and donors would play a crucial role in establishing and building the organisation. Developing solid partnerships between African countries, development partners, and civil society organisations has been part of the mandate of ATAF since its inception.

ATAF’s success in championing African perspectives during the BEPS discussions, particularly on commodities, was a landmark and the first of its kind by an African organisation at the OECD. It illustrates that ATAF has heeded the call of members to voice their unique African positions,” Mr Shongwe added.

ATAF has been fortunate to have a range of development partners who have consistently provided support in the form of funding, technical expertise, the secondment of experts and in many other ways that have contributed to ATAF’s success.

ATAF’s Director of Strategic Planning, Partnerships, Monitoring and Evaluation, Mr Raphael Kamoto, reflected on the importance of these relationships.

“ATAF has succeeded in building solid relationships with all our donors and development partners over the ten years of our existence. A key feature of these relationships has been the mutual understanding and trust that we have built up with our partners which has created the room for ATAF to prioritise the work that best addresses the needs of our members,” Mr Kamoto said.

In the quest of accomplishing its vision and mission ATAF has remained true to its values of treating all members as equals and with courtesy, fostering mutual respect, acting with integrity and striving to represent the diversity of its membership within a framework that promotes inclusivity.
STRONG LEADERSHIP AND ENGAGED MEMBERS SET A FIRM FOUNDATION

The stability and collegial spirit of its leadership have been a key ingredient in ATAF’s ability to execute on the organisation’s strategic vision and mission and have been a crucial factor in the success of ATAF.

Of the countries that played a key role in ATAF’s inception, South Africa, Rwanda, Nigeria and Uganda, have remained intimately involved in the organisation and have served on each of the five ATAF Councils that have been elected in the past decade. This has provided continuity and the ability to move forward as the Council provides strategic direction and oversees the work of the ATAF Secretariat.

While continuity and institutional memory have been important, this has been balanced by the steady infusion of new members to the ATAF Council. Fifteen other countries have served on the ATAF Council to date. The election of countries representing the diversity of the ATAF membership has a re-energising impact, promotes inclusivity and ensures that ATAF’s work receives top level support in all regions of the continent.

This was further boosted when, at the meeting of the 2nd General Assembly, the organisation’s highest decision-making body, members voted to create the position of vice-chair of the ATAF Council to support the chair and share the workload. To date, this position has been occupied by Mr Amadou Ba, of Senegal and currently by Mr Sudhamo Lal of Mauritius.

Given the crucial role played by SARS in the inception of ATAF, in incubating the fledgling organisation and hosting the Interim Secretariat, it was to ATAF’s benefit that the Chairman of the first and second ATAF Council was the Commissioner for SARS, Mr Oupa Magashula.

This relationship was particularly important because South Africa was chosen as the country to also host the permanent ATAF Secretariat, and the young organisation has relied heavily on the support of SARS throughout its first ten years, and especially so in the first two thirds of the decade. Through the host country agreement, South Africa has provided substantial financial and organisational support to ATAF, while also contributing in terms of the secondment of staff. In recognition of this immense contribution, the third ATAF General Assembly in 2014 voted to award South Africa a permanent seat on the ATAF Council.

Mr Magashula was replaced by Mr Gershem Pasi, the Commissioner-General of the Zimbabwe Revenue Authority, as Chairman of the ATAF.

---

5 To date the following 19 countries have served on the ATAF Council: Angola, Botswana, Burundi, Chad, Eswatini, Gabon, Ghana, Kenya, Liberia, Mauritius, Morocco, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Togo, Uganda and Zimbabwe.
Council in 2014 and by its current Chairman, Mr Tunde Fowler of Nigeria in 2016. Mr Fowler and the vice chairman Mr Sudhamo Lal are both serving their second term as leaders of the ATAF Council. The ATAF Council meets at least twice a year, as does its three committees which deal with the following matters respectively:
- Governance and Organisational Development;
- Finance and Audit; and
- Capacity Building, Research and Development and Technical Assistance.

The Committees are the work fora of the ATAF Council and provide guidance and strategic inputs to the ATAF Secretariat on their respective portfolios. They report back on progress to the full ATAF Council at the twice-yearly meetings.

Reflecting on his two terms as chair of the ATAF Council, Mr Fowler said that a solid institutional foundation had been laid in the past 10 years upon which it was now possible to build many further storeys.

The frank and warm working relationships between members of the Council and the Secretariat was pivotal to the success of the organisation. “It is of utmost importance that the relationships are based on mutual respect and trust. The common purpose and the knowledge that we are all striving for the betterment of our continent has served to focus all minds on the task in hand,” he said.

He praised the commitment shown by ATAF members and urged them to hold the organisation close and take an active interest in the work the organisation does. There is much to gain from doing so, he said, as he can testify as head of Nigeria’s revenue administration. He also encouraged members to foster closer ties between themselves.

“ATAF belongs to its members, they are the foundation on which organisation is built. The Council and Secretariat are here to serve in the interests of members. While our role is to provide leadership and direction, I can safely say we listen to our members and take our cue from them.”

Stability and continuity too have been provided by the ATAF Executive Secretary, Mr Logan Wort, who has been the golden thread in ATAF’s first decade. Not only did he play a key role in the setting up of ATAF as the head of the technical task team, he has been the mainstay of the ATAF Secretariat since the inception of the organisation, serving in an acting position until being appointed as ATAF’s Executive Secretary in September 2012. As chief executive,
Mr Wort has led from the front and has worked tirelessly to promote the organisation on the African continent and in international fora. His charisma and communication skills have played a big role in boosting ATAF’s profile amongst all its stakeholders.

He has led a small and agile Secretariat staffed by a team of dedicated officials who are highly motivated, innovative and have a progressive commitment to African transformation. This has meant the Secretariat has been flexible enough to respond to the evolving needs of member countries and to rise to the challenges of the changing international tax arena.

The Secretariat’s staff readily acknowledge Mr Wort’s leadership abilities. “One of the key reasons that ATAF has been successful can be ascribed to the vision of the Executive Secretary and his ability to strengthen individuals and build on their potential, thus empowering the directors and the staff. He is also very good at building relationships, particularly with our members, and external stakeholders,” said Leila Kituyi, ATAF’s Manager for Legal and Corporate Governance.

This is echoed by Mr Lee Corrick, ATAF’s technical advisor on cross border taxation: “The leadership has contributed massively in their out-facing role in developing the ATAF brand,” he said.

One of the most important achievements of ATAF’s leadership has been the trust it has built up amongst the ATAF member countries, resulting in buy-in from the heads of member tax administrations and a willingness to meet their financial obligations as members and host and participate in ATAF initiatives and events. This has made a significant contribution to the organisation’s success.

“The trust is built upon the fact that ATAF has engaged actively with its members, delivered tangible benefits to its membership and has managed to maintain its independence as an entity.

Because of this trust, ATAF has been able to carve out and define its own space on tax matters on the continent even though it is young and small and competing with more established actors such as the IMF and World Bank,” said Maurice Ochieng, a former Kenyan Revenue Authority official who is an advisor with GIZ.

The ATAF Council and the Secretariat have been very clear – the organisation exists to serve its members and not vice versa.

As Mr Corrick expressed it: “ATAF is a service provider to improve tax regimes in Africa. It is the primary source of support to tax administrations because it understands its membership. This service rests on and enables impact in policy work and global engagement. Its membership provides legitimacy, as does its track record, and its overall understanding of the challenges that Africa faces, and the need for African solutions.”

The ATAF membership has grown from 25 in 2009 to 38 in 2019. The organisation has membership in all the regions of the continent, claiming 70% of the countries on the continent as members. Its ambition is to claim all of Africa’s countries as members and going forward it will go on an active drive to recruit the non-member countries, many of whom are in north Africa.
The success of ATAF is the story of successful partnerships based on mutual respect and working towards a common goal. This is especially true of the strong relationships ATAF has forged with its development partners, donors and civil society in the 10 years of its existence.

The aftershocks of the global economic crisis of 2008 brought into sharp focus the need to find new levers to promote socio-economic development in the developing economies of the world.

“Happily, ATAF’s creation coincided with new thinking about tax in development agencies, which took tax out of its technical niche into broader concerns of governance, state building and as an antidote to aid dependency,” said Mr Ben Dickinson, head of the Global Relations and Development Division of the OECD’s Centre for Tax Policy and Administration (CTPA).

At the OECD, the first development agency working group was formed whose main achievement was to set out the importance of tax as a fundamental development concern, to attract the attention of senior people who would see tax in the context of a strategic financing for development challenge. Work was developed to analyse how and why so little aid-funded support was given to tax administration and tax policy in developing countries.

“By the time ATAF was launched in 2009, the thinking in donor agencies was changing. The case for an African body to build the continent’s capacity to mobilise domestic resources and to provide a platform for African voices in fast moving international tax discussions became compelling,” Mr Dickinson said.

Once it was clear that ATAF would need significant resourcing, a ready-made donor network disposed to help was ready, and funding to support the new organisation could be mobilised quite quickly. “There were inevitable teething problems, and after intensive negotiations five donor agencies acted collectively and rallied around ATAF by pooling their funding to supporting this exciting new initiative,” he added.

This was a significant achievement and contributed to making ATAF a reality by providing the funding for the launch of the organisation and the initial technical events and work programme. This pooling of funds also gave ATAF the flexibility and independence to determine its own priorities and carry out its work programme in response to the needs of its members.

Donors who have contributed to the pooled fund which has supported ATAF’s workplans, comprising its technical assistance, capacity development programmes and research activities, over the 10-year period are: State Secretariat of Economic Affairs of Switzerland (SECO), the UK’s Department for International Development (DFID), Ministry for Foreign Affairs of Ireland (Irish Aid), Ministry for European Affairs and International Co-operation of the Netherlands, Norwegian Agency for Co-operation and Development (NORAD), Denmark (Danida), Finland and the Austrian Development Agency.

In addition, ATAF benefits from the support of donors that contribute funding and technical or institutional support towards specific activities or projects. For example, in line with the broadening
of its strategic focus, ATAF has expanded its work into promoting the nexus between tax administration and tax policy on a wider canvas to develop and reinforce state building on the continent in the interests of all its citizens. This work is specifically supported by the African Development Bank, which also supports the organisation’s advocacy work and its work on specific topics such as taxpayer education and the informal sector.

The focus by BMZ (German Federal Ministry of Economic Cooperation and Development - through GIZ), is on providing technical and institutional support to ATAF in the form of materials and equipment and funding its strategy planning activities. Along with ATAF’s pooled funders, it has also supported specific programmes, such as the Exchange of Information and the African Tax Outlook, through the secondment of technical experts, and the Executive Master’s in Taxation courses.

ATAF also has a number of valued private donors. A grant from the Open Society Initiative for West Africa (OSIWA) provides technical assistance and funding of the work of the African Tax Researchers Network (ATRN) while the William and Flora Hewlett Foundation supports the promotion of Africa’s voice and position in international tax dialogues.

A key element in these successful series of partnerships between ATAF and its development partners is the fact that these relationships are not simply just a funding relationship.

“From the beginning ATAF has been able to draw heavily on the experience of its partners such as the OECD and GIZ. This had helped ATAF shape the direction of its work, provided technical advice and expertise to improve capacity and supported ATAF’s efforts to be heard on the global stage. Partners have also built ATAF’s research and technical assistance work into its own bilateral or multilateral programmes,” commented Mr Richard Parry who has a long-time involvement with ATAF which began when he was with the CTPA.

ATAF has also cultivated relationships and partnerships with regional and global bodies and a wide range of civil society organisations with whom it can work in concert on issues of mutual interest and relevance to African tax administrations.

These include the Pan-African Parliament, United Nations Economic Commission for Africa, the High-Level Panel on Illicit Financial Flows and the Consortium on Illicit Financial Flows,
I started working with ATAF in 2009 shortly before the official launch in Kampala and was immediately inspired by the drive and dedication behind this initiative, both within the Secretariat and across the continent within its member administrations. From 2011 until 2015, I was based in Pretoria at the ATAF offices where I coordinated GIZ’s support for the establishment of ATAF as an independent, international organisation. During this time, I have seen ATAF grow from a small, crowded back office at SARS to a fully functional, well established African organisation that delivers value to African tax administrations and brings an African voice to the international tax debate.

Today, ATAF has become an integral and important part of the tax landscape. I am proud and honoured to have been part of this initiative, and grateful for having had the opportunity to work with ATAF.

Christiane Schuppert, Senior Advisor at GIZ

The organisation has fostered cooperative relationships with the Collaborative Africa Budget Reform Initiative which works with African finance and budget ministries in developing and implementing reforms that lead to more functional public financial management systems. Civil society partners include Trust Africa, Oxfam and Tax Justice Network Africa, which signed a memorandum of understanding with ATAF in July 2019, amongst others.

The organisation has fostered cooperative relationships with the Global Forum on Transparency and Exchange of Information, the IMF and its Technical Assistance Centres for the various African regions (AFRITAC), the OECD and the World Bank Group and has signed Memorandums of Understanding with the latter two bodies, thus further cementing collaboration.

Mr Raphael Kamoto, ATAF’s Director of Strategic Partnerships, Planning, Monitoring and Evaluation, said ATAF valued the consistent support received from development partners.

“Many of our development partners have been with us from the start of our journey, travelling towards our common goals, providing advice, technical assistance, and resources to deliver ATAF’s programmes and advance its work. ATAF manages these relations through donor consultative conferences and at the ATAF General Assembly or the International Conference on Tax in Africa which take place alternately every year.

“The successful and stable relationships between ATAF and its partners within the continent and externally has been a key to ATAF’s practical success,” he explained.

“Thanks to their substantial support, ATAF has become the platform for African tax administrations to articulate their priorities, develop and share best practices in the region and further afield, and build capacity in African tax policy and administration,” he added.

Stable relationships between ATAF and its partners has been a key to success.
Over the first ten years of ATAF’s life, so much has changed in global tax cooperation. In 2009, we could not have foreseen how taxation would become so central to development, to the achievement of the Millennium Development Goals, and now the Sustainable Development Goals, and that the tax transparency agenda would have transformed the international tax landscape. Ten years ago, as ATAF entered this landscape, the tax and development agenda was embryonic and was yet to be mainstreamed in development thinking, development programmes and budgets.

It has since become clear that different policy communities need to work together on tax and development. In the OECD donor countries, officials from development agencies, tax administrations and finance ministries began to collaborate and to see a shared interest in developing countries being able to participate effectively in global tax matters.

This approach helped ATAF to form its early work programme. Cash was important, but technical expertise was also needed. Access to the experience of tax officials from OECD members and beyond would help ATAF to build up the knowledge and skills of the continent’s tax administrators, through ATAF training courses and other capacity building work.

Of equal importance, by the time the BEPS project was under discussion in 2013, ATAF was fully networked into all the international tax discussions and began playing a critical role in representing African views and voices on international tax standards. That role has been firmly established as the global tax community embarks on the complex task of addressing the taxation of the digitalising economy in 2019.

Reflecting on the last ten years, the OECD is proud to have facilitated the launch and growth of one of our closest and most trusted partners and stands by to offer all support as ATAF embarks on the next ten years.

**Ben Dickinson**
Head, Global Relations and Development Division CTPA, OECD
A DECADE OF SUPPORT FROM ATAF’S DEVELOPMENT PARTNERS
ATAF Interim Council members and staff, 1st ATAF General Assembly, Mauritius, July 2011.

ATAF Council members, Pretoria, April 2019.

ATAF Council members elected at the 3rd ATAF General Assembly, Dar es Salaam, September 2014.

Mr. Donald Kaberuka, President, African Development Bank, 2008.
CHAPTER TWO
BUILDING CAPABILITY TO
BOOST DOMESTIC
RESOURCE MOBILISATION
MILESTONES IN BUILDING EFFECTIVE TAX ADMINISTRATIONS IN AFRICA

2009

July - As part of the process of developing ATAF, and to demonstrate its value proposition to potential members, a workshop on transfer pricing is hosted by the Uganda Revenue Authority and facilitated by the OECD. Twenty-eight delegates from 14 African countries attend the workshop. This is followed by a workshop on the Taxation of Minerals, Oil and Gas in October, a month before ATAF’s official launch.

2010

February - The first of ATAF’s three capacity building events on Transfer Pricing for the year takes place in Egypt, in collaboration with the OECD and the Egyptian Tax Authority. The other two events are held in Malawi in September and in Nigeria in November.

ATAF holds a total of nine technical events in the year covering a range of topics: Negotiating tax treaties, risk management and taxpayer services, organisation and management of tax administrations, Auditing of SMMEs and MNEs and the Exchange of Information.

2011

April - Three working groups to tackle issues of specific interest to African tax administrations are established. The working groups focus on transfer pricing, indirect taxation and the exchange of information and tax treaties. The Transfer Pricing and the Exchange of Information and Tax Treaties working groups hold their inaugural meetings at the Interim Secretariat in Pretoria.

November - ATAF participates in the Fourth High-Level Forum on Aid Effectiveness in Busan, Korea. It hosts a side event to emphasize the importance of domestic resource mobilisation for financing development.

A panel comprising African Development Bank President Donald Kaberuka, South African Deputy Finance Minister Nhlanhla Nene, Director-General of the Senegal’s Tax Authority Mr Amadou Ba and OECD Secretary General Angel Gurria endorse the need to strengthen tax systems in Africa as a key requirement for fostering sustainable development.

2012

July - Twenty-two member countries meet in Pretoria, South Africa, to consider and agree to the text of the ATAF Agreement on Mutual Assistance in Tax Matters (AMATM). The agreement provides for parties to assist each other in relation to the exchange of tax information, the carrying out of joint examinations and the collection of taxes. The agreement is the first of its kind in Africa and aims to foster ties of cooperation, self-reliance and inter-dependence amongst African countries.

November - The first Country Correspondents Conference is held in Pretoria, South Africa. Member countries, through their representatives, are given insights into how the ATAF Secretariat functions and into the new ATAF website and members’ portal which was designed to enhance online interactions between the Secretariat and members.

2013

April - ATAF launches Tax Audit, an online training programme on audit and investigation, which runs from 15 April until 15 July. It is offered in a French and English version and successfully completed by...
72 participants from 16 member countries.

**July** - ATAF is requested to join the newly established Technical Advisory Group, set up to support the technical development and ongoing operation of the IMF’s Tax Administration Diagnostic Assessment Tool (TADAT). The group comprises the three main international tax administration organisations (ATAF, CIAT and IOTA), and the tax administrations of countries comprising the International Steering Group.

**September** - The 1st ATAF International Conference on Tax in Africa (ICTA) takes place at the Victoria Falls, Zimbabwe. The conference, which replaces the ATAF General Assembly every alternate year, focuses on African Perspectives and Challenges in the Taxation of Natural Resources and the Extractive Industries.

**2014**

**March** - ATAF holds a consultative conference on the New Rules of the Global Tax Agenda in Pretoria, South Africa. The advent of the G20 and OECD project on Base Erosion and Profit Shifting (BEPS) and the possible development of new international tax rules necessitated an Africa-wide consultation on its impact on African tax policy and administration.

**June** - The Transfer Pricing Working Group is incorporated into the Cross-Border Taxation Technical Committee which is established to develop a continental approach to the BEPS Action Plan, to influence the global standard setting processes and to consider the factors contributing to base erosion in Africa.

**2015**

**January** - At the invitation of the Centre for Tax Policy and Development, ATAF becomes an observer on the OECD’s Committee on Fiscal Affairs which is at the heart of work on the BEPS Project.

**July** - The Addis Tax Initiative is formed at the Third International Conference on Financing for Development held in Addis Ababa. The initiative aims to improve the fairness, transparency and effectiveness of tax systems to mobilise domestic resources for development. ATAF is one of 16 partner organisations of the ATI, which also comprises 24 countries and 20 development partners.

**October** - The second ATAF International Conference on Tax Matters in Africa (ICTA) is held in Lomé, Togo. The conference focuses on issues around tax compliance and limiting illicit financial flows. The inaugural ATAF Innovation Awards are presented during the ICTA. The inaugural winners are:
- Kenya in the customer initiatives category for their mobile payment platform geared for enquiries and payment of taxes ideal for the small and micro enterprises.
- Uganda in the staff initiatives category for an internally driven leadership development programme.
- Mauritius in the revenue initiatives category for a VAT retail lottery aimed at ensuring compliance through taxpayer ‘policing’.

**2016**

**April** - The ATAF Model Agreement for the Avoidance of Double Taxation (DTA) and the Prevention of Fiscal Evasion with Respect to Taxes on Income is endorsed by members at the conclusion of a second consultative meeting held in Pretoria, South Africa. The model agreement addresses African concerns on double taxation and can be used as the basis for future negotiations by member countries.

**June** - ATAF organises the First Consultative Meeting of ATAF Competent Authorities in Accra, Ghana.
**June** – Following the February 2015 release of the AU/ECA High-Level Panel's report on Illicit Financial Flows from Africa and further sub regional meetings in Nairobi and Accra, stakeholders meet in Johannesburg to establish the Consortium to Stem Illicit Financial Flows (IFFs) from Africa. The Consortium, chaired by former South African President Thabo Mbeki, is tasked with implementing the recommendations of the HLP report. ATAF is one of 17 organisations comprising the consortium and is also a member of the IFF Working Group, providing input on tax matters.

**2017**

**June** – ATAF holds discussions focused on articulating medium-term revenue mobilisation strategies in Liberia as it seeks to increase its policy advisory work on the continent. This is followed by similar discussions in Uganda in July.

**July** – The first ATAF High-level Dialogue on Tax Policy and Administration, hosted by Uganda, focuses on how best to build the nexus between these two critical components for effective revenue mobilisation.

**September** – The 3rd ATAF International Conference on Tax in Africa meets in Abuja, Nigeria, to discuss ways in which strong domestic tax regimes can be built in Africa. A special focus is placed on the role of personal income tax, corporate income tax and value-added tax in domestic resource mobilisation.

**October** – A Technical Committee on Exchange of Information is established. The heads of the designate offices of Exchange of Information from six member countries meet in Pretoria, South Africa, under the guidance of the ATAF Secretariat.

**October** – A skills development programme on illicit financial flows (IFFs) called Dialogue with African Parliamentarians, is held in Nairobi, Kenya. The programme, in partnership with the AU Consortium, aims to empower participants to deal with illicit financial flows from Africa. Other members of the consortium are the African Capacity Building Foundation (ACBF), Tax Justice Network Africa (TJNA) and the UN Economic Commission for Africa (UNECA).

**November** – In the course of 2017, ATAF publishes four key documents on transfer pricing to assist in closing gaps in domestic tax legislation in the fight against illicit financial flows. Two of the documents recommend suggested approaches to the drafting of transfer pricing legislation and interest deductibility legislation respectively. The other two documents are The ATAF/WBG Risk Assessment Tool for Transfer Pricing and The ATAF/GIZ Toolkit for Transfer Pricing Risk Assessment in the African Mining Industry.

**2018**

**March** – ATAF hosts its first media engagement workshop in Johannesburg, South Africa. The workshop is attended by 68 tax officials from member administrations and media practitioners representing over 20 media houses from different parts of the continent.

**May** – ATAF plays a key role in the establishment of the Network of Tax Organisations (NTO). ATAF Council member Mr Audace Niyonzima, the Commissioner-General of the Office Burundais des Recettes, signs the Memorandum of Understanding of the NTO on the margins of the CIAT General Assembly in Ottawa, Canada.

**July** – The African Union recognises ATAF’s work in combating illicit financial flows in its declaration following the Heads of State Meeting in Nouakchott, Mauritania. The AU recognises the organisation as the leading body in Africa on tax matters.
2019

February - Following on from a first technical note in December 2018, ATAF publishes a second, third and fourth technical note in response to the Inclusive Framework’s proposals set out in a public consultation document titled Addressing the Tax Challenges of the Digitalisation of the Economy that might form part of a long-term global consensus-based solution to the broader tax challenges arising from the digitalisation of the economy and the remaining BEPS issues.

July - ATAF signs a Memorandum of Understanding with the Tax Justice Network Africa at the High-Level Tax Policy Dialogue conference held in Victoria Falls, Zimbabwe. The MoU aims to strengthen collaboration between the two organisations on tax matters in the interests of promoting fair taxation and boosting tax compliance in Africa.

October - ATAF signs a Memorandum of Understanding with the World Bank Group aimed at formalising cooperation towards promoting fair and efficient tax systems in Africa. The two organisations agree to share knowledge and pool their expertise and resources to jointly deliver technical assistance and build capacity across Africa.

November - ATAF returns to Kampala, Uganda, as it reaches the important milestone of its 10th anniversary. This coincides with the 4th International Conference on Aid in Africa. The theme for the conference is Innovation - Digitalisation and Harnessing Technology to Improve Tax Systems. The highlight of the event are the 10th anniversary celebrations which culminate in a gala and awards dinner.
FROM TRAINING WORKSHOPS TO COUNTRY PROGRAMMES: 
THE EVOLUTION OF A HOLISTIC APPROACH TO CAPACITY BUILDING

Developing the capacity of African tax administrations to effectively collect taxes has always been the core function of ATAF. Even before ATAF was formally established it had already delivered a number of training events. While ATAF remains committed to offering high quality training to members, over the ten years of the organisation's existence its approach has evolved to encompass a wider range of capacity building initiatives. Together, they provide more holistic support to members and build sustainability and expertise within member administrations and on the continent.

The initial approach of striving to increase the capacity and capability of tax administrations on the continent through the training of tax officials proved to be too narrow. It became clear that a broader focus was required to increase the effectiveness of tax administrations and systems.

The effective mobilisation of domestic resources required not only an upskilling of officials but also more systemic changes including the modernisation of tax administrations, with the concomitant improvements in strategy, processes, systems and legislation. ATAF also realised it could not offer a “one size fits all” capacity building programme as member tax administrations were at various stages of development and had different priorities and needs.

The organisation therefore supplemented the capacity building workshops and training events with a range of initiatives. In early 2011, ATAF established three working groups to focus on the areas identified by members as key priorities. These were transfer pricing, indirect taxation (VAT) and exchange of information and tax treaties. In the next few years these working groups evolved into the Cross Border Taxation Technical Committee, the VAT Technical Committee and the Exchange of Information Technical Committee. These committees provide thought leadership and offer technical and advisory support to members on issues arising from their portfolios.

In 2015, ATAF established a technical
Mathew Olusanya Gbonjubola has been a member of the Cross Border Taxation Technical Committee since its inception in 2015 and took over as chair in 2016. He is a member of Working Party 6 of the BEPS project and in this role has played a big role in championing the interests of African countries. He outlined the technical assistance on transfer pricing the FIRS received from ATAF and the impact this had on the officials and the administration. “In partnership with the OECD and World Bank Group, ATAF helped build the capacity of officers through a series of workshops and presentations by seasoned facilitators. The facilitators also leveraged on the use of ICT to render remote assistance to FIRS’ transfer pricing team.”

The technical assistance offered, covering a period of three years, included a review of Nigeria’s domestic legislation. Concrete outcomes included the development of a transfer pricing audit practice note, an audit manual and risk assessment tool. “The intervention provided officers with the much-needed technical exposition and boosted their confidence in carrying out transfer pricing examinations, particularly, in interacting with taxpayers and their advisors. The initiative also provided avenue for the officers to obtain a second opinion on issues. The suggestions received from the facilitators helped in closing out cases. This resulted in additional tax revenue being generated from transfer pricing audits,” Mr Gbonjubola explained.

Mr Gbonjubola said his association with ATAF has had many benefits. “I have had the opportunity to be actively involved in the discussions on BEPS and the changes envisioned to international tax rules. It has been very fulfilling in being able to put forward Africa’s perspective in these forums. Assistance boosted skills, confidence and revenue in Nigeria.

A further aspect of the technical assistance that ATAF provides to African countries are the Tax Administration Diagnostic Assessment Tool (TADAT) assessments, widely regarded as providing a valuable overview of the performance and effectiveness of tax administrations.

The IMF's TADAT Secretariat has partnered with ATAF for assessments to be carried out in African countries. ATAF has facilitated the training of a number of assessors from the ATAF Secretariat and member countries who are qualified to participate in the TADAT assessments.

To date, ATAF officials have participated in TADAT missions to Angola, Burundi, Mauritius, Nigeria, Seychelles and Zimbabwe. The outcomes of the TADAT assessments also help inform the technical assistance offered to members.
A key tenet of the tax and development discourse that arose after the 2008 global financial crisis was that domestic resource mobilisation is the financial bedrock on which countries can build sustainable, long-term development. The need for effective domestic resource mobilisation is imperative due to declining revenues from tariffs on cross border trade, revenue leakages through a destructive combination of tax avoidance and evasion and the introduction of new business models due to the digitalisation of the global economy.

Tax administrations have a crucial role to play in mobilising domestic resources through effective tax systems that can provide stable flow of revenue to fund socio-economic development. There is therefore a need to strengthen tax administrations on the continent. To meet this need, ATAF developed a capacity development programme for African tax administrations as the centrepiece of the organisation’s annual workplan.

In the period from 2009 to 2019, ATAF organised a total of close to 100 capacity development programmes to address the skills needs of member tax administrations. There has been growth in the value of the capacity building events and the number of participants attending these events. To date, over 16,000 officials from member countries have participated the ATAF capacity development programmes.

A key achievement has been the development and grooming of a critical mass of facilitators within the ATAF membership who deliver most of these courses. This supports ATAF’s vision for achieving continuity and sustainability through the creation of a cadre of African experts.

A major focus of the ATAF capacity development programme has been the sharing of good practice in various practical areas of tax administrations, with the primary aim of strengthening and upskilling of officials in all ATAF member states.

A typical example of this is the role Ron van der Merwe, ATAF’s expert on tax treaties, has played in mentoring officials from member countries, including representatives from Lesotho, South Africa, Angola, Eswatini, Togo and Nigeria. “This is an important means of extending knowledge in treaty area. The team is used to take part in negotiations with member countries, thus they acquire concrete, first-hand experience. It also helps in the creation of a self sufficient knowledge base on African issues,” Mr van der Merwe said.
This workshop on integrity assurance was extremely informative, enjoyable and, above all, valuable. Bringing together integrity champions from across Africa was a great step towards assisting tax administrations deal with integrity breaches.

The participants were inspired to implement what they have learnt. The workshop made it very clear that it is never too late or too early to implement new strategies or enhance existing strategies to deal integrity breaches.

Integrity and corruption are opposite sides of a coin. Promoting high integrity in tax administrations cannot be underestimated as tax administrators have to be beyond reproach with regards to corruption.

The workshop was eye opening as we realised that we cannot deal with this vice with the same strategies we used some years ago. As the world evolves and technology advances, fighting integrity breaches requires keeping up with the times with training and the sharing of experiences and strategies.

The content of the workshop was spot on. Participants freely shared their experiences and how they have successfully implemented some anti-corruption strategies. – Paulette Thwala, Director of Internal Affairs, Eswatini Revenue Authority

For Kampatibe Vincent Konlani the training he received on tax treaties has proved to be of immense value. Mr Konlani is the head of the Tax Litigation Service at the Togo Revenue Authority. He attended the training organised by ATAF in 2015 and 2016 for tax administration officials from member countries.

“I really appreciated the workshops. They provided essential training and addressed many of the current challenges of fiscal policy we face in Togo. This course allowed me to be equipped on the basic principles of interpretation of tax conventions, negotiation of bilateral conventions in tax matters and especially in dispute resolution related to difficulties born in the interpretation of tax conventions,” he said.

Vincent has also been part of the ATAF mentorship programme on tax treaties. “Today, I constantly support the services of the Ministry of Finance in the negotiations of tax conventions and settlement of disputes related to this theme,” Mr Konlani said.

“May these interventions continue for the benefits they bring to our tax administrations and the impact they have on the public finances of our countries,” he added. – Kampatibe Konlani, Head of Tax Litigation Service, Togo Revenue Authority.
Upon the request of several members for more intensive and targeted technical assistance, ATAF established a technical assistance unit in 2015. The Technical Assistance Unit (TAU) aims to provide to members a comprehensive two to three-year programme of technical assistance to ensure that member countries have effective tax regimes using tailor-made solutions to address their unique revenue mobilisation challenges.

These targeted country programmes provide technical assistance and advice mainly in the areas, such as transfer pricing and Exchange of Information, that are a priority for member administrations. To date, ATAF has implemented more than 20 country programmes in 17 countries.

The country programmes kick off with initial scoping missions to conduct a needs assessment and identify the gaps that need to be filled. This typically includes a review of the relevant legislation, risk assessment processes, governance procedures and organisational restructuring. A programme of action is then devised and implemented over an agreed timespan. The ATAF technical advisers work closely with officials from member tax administrations to ensure that knowledge and skills are transferred during these interventions.

CROSS BORDER TAXATION

To date, ATAF has conducted country programmes in Botswana, Egypt, Eswatini, Ghana, Kenya, Lesotho, Liberia, Malawi, Namibia, Nigeria, South Africa, Seychelles, Uganda, Zambia and Zimbabwe. The cross border taxation interventions are designed to enhance the capability of tax administrations to deal with issues thrown up by cross border transactions by carrying out a review of the existing legislation and administrative and governance processes to ensure that they are robust and fit for purpose. They also aim to build capacity and enhance the skills of tax officials in dealing with cross border taxation transactions and transfer pricing audits through workshops and hands-on training.

The transfer pricing workshops cover a broad spectrum of other relevant issues such as double taxation agreements, international tax issues, and a focus on key business sectors such as oil and gas, financial services, telecoms, mining and e-commerce. Assistance is provided on reviewing and, where necessary, redrafting legislation. Administrative, risk assessment and governance processes are also reviewed and restructured where necessary.

For participating administrations these country programmes have led to:
- Reviewing of the business structures, processes and procedures;
- The establishment of transfer pricing units;
- The revision of transfer pricing and new interest deductibility legislation, and the implementation of new permanent establishment rules. These measures are all designed to tackle base erosion and profit shifting and reduce opportunities for tax avoidance and evasion.
- The training of more than 500 auditors in transfer pricing audits.

These interventions have had a positive impact on revenue collection in member administrations. In one member country,
additional assessed taxes rose from $1 million in 2015 to $20 million in 2016 and $581 million in 2017. In 2017, an East African country reported its first ever revenue collection from a transfer pricing audit; it collected nearly $10 million.

Since 2015 member administrations have collected a total of $260 million extra in revenue due to these interventions, with an additional $1.1 billion raised in assessments as at the end of 2018.

EXCHANGE OF INFORMATION

The Exchange of Information (EoI) and the capacity to effectively analyse data is a key requirement for tax administrations throughout the world. The exchange of information, automatic or otherwise, between domestic entities and between jurisdictions on a bilateral or multilateral level, has become a necessity and has been highlighted as one of the measures to counter tax evasion and avoidance, base erosion and profit shifting, money laundering and corruption. Some jurisdictions, such as the US as part of its FATCA requirements, have made the EoI mandatory. It is also a key requirement of the BEPS package of measures.

Technical assistance has boosted revenue collections in member countries. Since 2015 a total of $260 million in extra revenue has been collected

For developing countries, the EoI is an important tool that can help prevent abusive attacks on the tax base or identify new sources of revenue, especially with regard to e-commerce and the digital economy. It serves to increase taxpayer compliance through deterrence.

Many African tax administrations have difficulty in implementing effective EoI processes due to a lack of capacity, systems and skills. ATAF established the EoI Country Programme in 2015 to assist member administrations address these challenges.

The programme is rolled out in three stages. Firstly, officials who will deal with EoI in the future and auditors who will make use of EoI data for audit purposes are trained. Secondly, a review of the legislation and business processes is carried out and, where necessary, these are revised and updated. An action plan is then drawn up and a timetable for implementation is put in place. In the third and final step, the interventions are assessed to determine the progress made to achieve the desired international standards.

Of the nine ATAF members with dedicated EoI units, ATAF has assisted with technical support in establishing dedicated units in the following member countries: Uganda, Cameroon, Togo, Senegal, Mauritius, Ghana and Nigeria. It is also in the process of assisting Zambia, Kenya, Rwanda and Eswatini.

A pilot project on the automatic exchange of information was conducted in Cameroon and Uganda in 2018. Both countries are showing positive signs for future enrolment of automatic exchange of information.

“Technical Assistance is at the heart of the ATAF mission. It has built institutional and human capacity among members, provided African countries with an effective solution to shared issues, created institutional coherence within ATAF and spread the organisation’s footprint, thus increasing its political impact,” said Ms Mary Baine, Director of Tax Programmes at ATAF.
“The purpose of the TAU is to facilitate hands-on training by working with tax officials on the ground with the objective of solving problems at hand and ultimately transferring knowledge to ensure sustainability of new initiatives.

“Whereas in the past we would rely heavily on experts from outside the continent we have now developed a good cadre of African experts whose focus is on the continent and who are indeed doing amazing work. We have gone from a position where tax administrations were always on the back foot as the knowledge in complex cases was usually with the taxpayers to a place where many of our tax officials are able to deal with these matters confidently.

“We still have some way to go and the challenge for the next ten years is to develop a critical mass of African expertise in key areas that is available to all Africa’s tax administrations and provide continuity and sustainability going forward. We must also convince members to share their experts as part of peer-to-peer support. Instead of viewing it as losing their skills, they should look at it as an opportunity for experts to broaden their experience and horizons while providing much needed expertise to other member countries,” Ms Baine added.

ATAF’s technical advisor on cross border taxation, Mr Lee Corrick, describes this assistance as a “downstream” engagement by the TAU. “The technical assistance unit also plays a vital ‘upstream’ role,” he explained.

“The lessons learned on the ground from interventions in member countries inform the development by the TAU of ATAF tools, products, and standards which meet the needs of African countries. ATAF provides thought leadership in this process and ensures that Africa’s voice is heard during international discussions aimed at setting global standards. For example, ATAF’s input has changed international rules on the pricing of commodities, an area of considerable significance for developing countries.”

 Angola has benefited from a wide range of technical assistance and training initiatives offered by ATAF and values its membership of the organisation, said Rita Elisângela, a senior official in the AGT’s Strategic Planning and International Cooperation Office.

Training offered to AGT officials include courses on international taxation, basic, intermediate and advanced tax audits and leadership training.

“Angola has received comprehensive technical assistance and training on the Exchange of Information (EoI), including the establishment of a dedicated EoI unit. This has been complemented with training on the OECD Multilateral Instrument, the Mutual Agreement Procedure and the avoidance of double taxation,” she said.

The technical assistance mission has also resulted in Angola revising its Model Double Taxation Agreement. In addition, ATAF has led the TADAT assessment mission to the country.

“What was especially valuable was the exposure of our staff to highly qualified experts who shared their knowledge with us,” Rita said.
PROVIDING THOUGHT LEADERSHIP AND INFLUENCING GLOBAL STANDARDS

A TAF’s three technical committees play an important role in providing advice, guidance and assistance to ATAF members. They ensure that the organisation and its members understand the complex technical tax information and keep abreast of the discussions and proposals for changes to international tax rules. They also serve to articulate the positions of African countries in international fora and ensure that the global tax rules are fit for purpose for African countries.

CROSS BORDER TAXATION TECHNICAL COMMITTEE

At the ATAF International Taxation Conference in 2014 members noted that the OECD/G20 BEPS Project’s focus on ensuring profits should be taxed where economic activity is taking place was extremely important for Africa and that Africa must have a voice in setting the new rules to ensure they took account of the specific challenges faced on the continent.

The Transfer Pricing Working Group established in April 2011 by ATAF evolved into the Cross Border Taxation Technical Committee (CBT) in June 2014. The CBT was tasked to define the African position with ATAF members, communicate the African response to the BEPS project and in general present an African perspective on global tax matters.

To this end, the CBT members represent the organisation at various global standard setting fora. They actively participate in the work of the Inclusive Framework on BEPS. The Inclusive Framework was formed in 2016 at the behest of the OECD and the G20 to set standards on BEPS related issues and review and monitor the implementation of the whole BEPS package.

Interested countries and jurisdictions can join the Inclusive Framework to participate in the work of the Inclusive Framework on BEPS related work with other OECD and G20 countries. Of the 134 jurisdictions that have joined the Inclusive Framework as at August 2019, 24 are African countries. Nigeria and Senegal, with support from ATAF, were elected to be members of the Inclusive Framework Steering Group, along with South Africa. The Steering Group oversees the work of the Inclusive Framework.


They have chalked up a number of successes in shaping the global tax agenda to be fit for purpose for Africa. They have succeeded in contributing to revisions of the new OECD Transfer Pricing Guidelines on financial transactions and on the pricing of commodities and advocated for the use of a fixed ratio rule for interest deductibility to be recognised as best practice and the use of the group ratio rule to be optional for developing countries which might find it difficult to verify the information used by taxpayers relating to the group ratio rule.

In 2016 and 2017 the CBT also influenced the outcomes of the work on two highly technical and complex issues. Firstly, it obtained international acceptance of the use of approaches other than the Approved OECD Approach (AOA)
for the attribution of profits to a permanent establishment.

The ATAF, OECD and UN Model Tax Conventions state that the profits from business activities carried out by a non-resident entity may be taxed by the country where that activity takes place if those activities constitute a permanent establishment. The big challenge is to determine how much of the non-resident entity’s profits should be attributed to the permanent establishment, one of the most complex issues in international tax matters.

There is no standard approach used by all countries, but most OECD countries apply the so-called AOA for attributing profits to permanent establishments. The additional guidance drafted by Working Party 6 reflected this but did not adequately acknowledge that the tax treaties of many countries do not require the use of the AOA. After intense negotiations, the ATAF members on Working Party 6 were successful in getting the guidance to include the use of non-AOA approaches.

Matthew Gbonjubola, Chair of the CBT who serves on Working Party 6, explained: “The majority of countries in the world, and particularly in Africa, do not follow the AOA. However, guidance produced by the OECD is increasingly being viewed by business as the standard to be applied in all countries around the world. It is therefore crucial that ATAF has achieved this outcome of ensuring the new guidance reflects the different approaches countries use on the attribution of profits. This gives the guidance broader acceptance among tax jurisdictions around the world, including in Africa so is a positive outcome for both ATAF and OECD members.”

For the first time an African example has been included in the revised OECD Transfer Pricing Guidelines.

Secondly, for the first time in its 22-year history, an African example on the profit split method has been included in the revised OECD Transfer Pricing Guidelines.

Almost all countries use the global standard of the arm’s length principle to address transfer pricing risk and broadly follow the guidance set out in the OECD Transfer Pricing Guidelines. The guidelines prescribe five methods for determining the arm’s length price, one of which is the profit split method. In 2016, Working Party 6 revised the guidance on the application of the profit split method to clarify and strengthen the guidance.

The revised guidance included several examples to illustrate when it might be appropriate or not to use the profit split method. Concerned at the lack of examples that reflected the types of transactions seen in African countries, the CBT submitted an example that was more typical of transactions in African countries where the exploitation of natural resources makes a unique and valuable contribution to transactions and creates at least some of the residual profit that should be taxed in the African country.

“We are delighted that Working Party 6 included this example in the Transfer Pricing Guidelines. The example illustrates the value that the natural resources of Africa bring to the profits of multinational enterprises operating in African countries and will assist tax administrations to ensure that the right amount of profits is included in the taxable income of the African taxpayer.
“This success demonstrates the impact ATAF is having in bringing the African perspective into the global tax agenda and ensuring the global standards meet the specific challenges faced in Africa,” said William Nkitseng, Botswana’s delegate to the CBT.

The CBT also supports the African members serving on the United Nations Tax Committee which deals with international tax matters. Five of the six African tax experts, including the Chairman of the ATAF Council, Mr Tunde Fowler, serving on the 25-member committee are from ATAF member countries. This has enabled ATAF to ensure that African perspectives are incorporated in the Mutual Assistance Procedure (MAP) Guideline and contribute to the United Nations Handbook on Transfer Pricing for Developing Countries, providing examples of the challenges African countries have in making comparable transactions as well as providing examples of some interim measures and solutions that have been used by ATAF member countries.

At the 17th Session of the UN Tax Committee in October 2018, ATAF was nominated to join the UN Tax Committee’s Subcommittee on the Taxation of Official Development Assistance to which it submitted its publication on the Taxation of Foreign Aid.

EXCHANGE OF INFORMATION TECHNICAL COMMITTEE

ATAF established an Exchange of Information and Tax Treaties (EoI) working group in April 2011. The Working Group aims to assist member countries in building capacity in the area of combating international tax evasion and protecting their countries’ tax base by increasing and/or ensuring that high levels of transparency and exchange of information in tax matters are achieved.

The Working Group, which was absorbed into the EoI Technical Committee in 2017, developed a practical guide for member countries to assist African countries in:

- Improving the effective use of exchange of information in order to counteract tax evasion and avoidance;
- Ensuring efficient implementation of EoI while ensuring taxpayer confidentiality;
- Raising the awareness on the legal instruments available for EoI; and
- Helping developing countries benefit from the international cooperative environment.

The guidelines, developed with the help of the Global Forum on Transparency and Exchange of Information and the OECD Task Force on Tax and Development, have detailed case studies and optional model templates that member countries can use to request information, draft responses and provide information spontaneously. The guidelines also provide extensive guidance for competent authorities and tax auditors on searching publicly available information.

VALUE-ADDED TAX TECHNICAL COMMITTEE

Value-Added Tax (VAT) is widely adopted in Africa, with 44 of the continent’s 54 countries levying the tax on goods and services. It is a significant source of revenue for African countries, with an average VAT-to-total tax revenue ratio of 31% (significantly higher than the OECD average of 20%).

However, the optimal collection of VAT is hindered because important sectors are left out the VAT net or because the refund mechanisms are not functioning optimally. Another significant challenge facing all countries, including ATAF members, is the collection of VAT on cross-border transactions, particularly where goods...
and services are acquired by private consumers from foreign suppliers.

For these reasons, ATAF recognized that it must participate in the current global debates on the tax challenges arising from digitalisation to ensure the outcomes address African concerns. The ATAF VAT Technical Committee was re-established in 2017 to serve as a knowledge hub on VAT that provides leadership and guidance on VAT issues relevant to African tax administrations. The committee's experts also work with institutions such as the OECD’s Global Forum where they provide an African voice on ongoing global VAT issues.

The committee is made up of VAT experts from Botswana, Burundi, Ghana, Kenya, Malawi, Mauritius, Rwanda, South Africa and Zimbabwe.

Priority issues the committee is working on include the challenges arising from digitalisation and ecommerce and how to tackle the numerous compliance risks, including fraud, in VAT processes from registration, filing, payments and refunds.

The VAT Technical Committee presented its analysis of VAT in the construction sector on the margins of the 5th ATAF General Assembly in Botswana, in October 2018 and has prepared guidelines on the treatment of VAT in the construction sector.

The committee is also creating a knowledge hub on trade mispricing as part of the recommendations of the High-Level Panel Report on Illicit Financial Flows. ATAF plans to carry out in-country analysis that will be conducted in two pilot countries, namely South Africa and Malawi, and develop policy papers geared towards addressing trade mispricing.

**ASSESSMENT HELPS BURUNDI CHART A MODERNISATION PATH**

ATAF has played a key role in assisting Burundi identify and determine priorities for the modernisation of its tax administration by facilitating the Tax Administration Diagnostic Assessment Tool (TADAT) process in this central African country.

Ms Martine Nibasumba, Director of Strategic Planning and Studies at the Office Burundais des Recettes (OBR) said an action plan for the implementation of the TADAT recommendations has been developed and validated with short, medium- and long-term objectives.

She said 12 executives at the OBR received training, provided by the TADAT Secretariat in April 2018 ahead of the assessment, which was carried out by a team comprising an official from the ATAF Secretariat and one official each from South Africa and Uganda.

“The assessment was particularly valuable in that it highlighted the importance for tax administrations to incorporate risk management in strategic planning. The need to give more value and weight to risk management as a whole and to have a comprehensive strategy for risk management were the key lessons learnt,” Martine said.

“It is also recognised that the OBR needed to improve the quality of its statistical data as a whole,” she added. As a result of the TADAT assessment, an improved action plan had been developed which incorporated good practices at the international level.
TAF has developed a number of products and tools that members can use to develop stronger and clearer legislation, improve risk assessment processes and promote cooperation between tax administrations.

“The development of these tools and products are all aimed at empowering ATAF members by making it easier for them to put the necessary legislative and administrative framework in place which will help them address some of the challenges they face and stem revenue leakages,” explained Ms Baine.

The ATAF Agreement on Mutual Assistance in Tax Matters provides for parties to assist each other in relation to the exchange of tax information, the carrying out of joint audit examinations and the collection of taxes. The agreement, which has been signed by six African countries, can become a powerful instrument that African countries can use to bolster bilateral and multilateral cooperation between the continent’s tax administrations in enforcing tax compliance.

Another key instrument is the ATAF Model Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income which has garnered the support of the pan-African Parliament.

The Agreement generally follows the United Nations Model Double Taxation Convention between Developed and Developing Countries and the OECD Model Tax Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital. The ATAF Model Agreement has been customised to provide an African approach to tax treaties for members. It addresses African concerns on double taxation and can be used as the basis for all future treaty negotiations by member countries.

ATAF has provided a number of products providing guidance on dealing with base erosion and profit challenges that have been extensively used by members to enact new or revised legislation. The Suggested Approach to Drafting Transfer Pricing Legislation contains a framework for the drafting of transfer pricing legislation, providing African countries with a suggested structure and policy options for their legislation. Botswana, Liberia, Malawi, Nigeria, and Zambia have introduced new transfer pricing legislation or regulations based on the ATAF Suggested Approach to Drafting Transfer Pricing Legislation and Eswatini, Lesotho and Rwanda are in the process of doing so.

Other transfer pricing products available to members include the Suggested Approach to Drafting Transfer Pricing Practice Notes that Zambia has used to draft its Transfer Pricing Practice Note published in 2018 and the Suggested Approach to Drafting a Transfer Pricing Audit Manual.

Payments of excessive interest by an enterprise's African subsidiary to other members of a multinational group is one of the most prevalent profit-shifting techniques and poses a significant risk to African tax bases. The Suggested Approach to Drafting Interest Deductibility Legislation provides draft legislation
and guidance that African countries can use to counteract this practice through legislation that restricts the interest that can be deducted for tax purposes.

Senegal, Uganda and Zambia have introduced new interest limitation legislation in 2018 based on the ATAF Suggested Approach to Drafting Interest Deductibility Legislation.

The Risk Assessment Tool for Transfer Pricing was developed by ATAF and the World Bank Group to help tax administrations improve their risk assessment processes by identifying the highest risk transactions to be targeted for auditing. The tool was piloted by the Federal Inland Revenue Service of Nigeria in 2016 and described as “a game changer” for identifying transfer pricing risk in Africa. Botswana, Kenya, Liberia, Malawi, Nigeria, Uganda, Zambia and Zimbabwe are using the tool and report that it has greatly enhanced their capacity to select the most appropriate cases for audit.

ATAF and Gesellschaft für Internationale Zusammenarbeit (GIZ) developed the Toolkit for Transfer Pricing Risk Assessment in the African Mining Industry to assist African tax administrations identify high-risk related party transactions that should be audited.
Pascal Saint-Amans, the Director, Centre for Tax Policy and Administration at the OECD, reflected on ATAF’s beginnings and the decade-long partnership that has been built between the two organisations.

Mr Saint-Amans said that in the aftermath of the 2008 global financial crisis international tax issues have become more political, mainstream and global over the past decade. “With the emergence of the G20, governments have raised international tax issues high on the agenda in an endeavour to combat tax evasion and tax avoidance,” he said.

Africa also began taking on its own view and governance on tax matters and ATAF was created in 2009 as a forum where African tax administrations could support each other. From the start the OECD has been supportive of this ground-breaking initiative to enhance revenue bodies on the African continent in building more skilled and accountable administrations.

ATAF and the OECD have been working together on various projects, such as Tax Inspectors Without Borders, training programmes on exchange of information and on BEPS, as well as joint publications such as the Revenue Statistics in Africa. ATAF participates as an observer to the OECD’s Inclusive Framework on BEPS and to the Global Forum on Transparency and Exchange of Information for Tax Purposes. It is also a member of the Global Forum Africa Initiative since its inception in 2014, which assists African countries to implement and benefit from the tax transparency and exchange of information standards in their domestic revenue mobilisation. The OECD participates as an observer at relevant ATAF meetings, including its Technical Committees on Cross Border Taxation and Exchange of Information.

“Tax administration and policy are closely linked. There has been an intertwined evolution, with both the OECD opening to Africa, and Africa speaking with a common voice to feed the work at the OECD. For the past ten years, ATAF and the OECD have developed and maintained a close relationship. ATAF has grown and plays an active role in the various working parties of the OECD’s Committee on Fiscal Affairs. There are now common staff and personal friendships,” he observed.

“We believe that ATAF plays an important role in assisting African tax administrations enhance tax collection by strengthening the citizen-state relationship. A well-functioning tax system is the cornerstone of the citizen-state relationship, based on accountability and responsibility.

"Implementing an effective framework to make taxes work for development is one of the surest ways to assist countries achieve the African Union's Agenda 2063 as well as the United Nations Sustainable Development Goals.

“ATAF plays a vital role in laying the foundation for improving the overall quality of life of people in Africa, and I would like to celebrate ATAF on a successful 10 years, and look forward to continuing our fruitful partnership,” Mr Saint-Amans added.
THE WILL AND ENERGY TO MAKE THINGS HAPPEN

In August 2019, ATAF and the Tax Justice Network Africa (TJNA) signed a memorandum of understanding to cement the ties the two organisations have built up and further the joint initiatives and cooperation on matters of mutual interests.

For the Executive Director of TJNA, Mr Alvin Mosioma, this marked the culmination of a relationship that has gone from strength to strength in the past decade.

The TJNA was set up a year before ATAF and was still finding its feet when the news came that an organisation was being established to represent Africa tax administrations. Alvin recalls his initial reaction: “We were a bit sceptical…we thought it will be yet another organisation that will exist on paper and not actually deliver much. But it became clear pretty quickly that ATAF was all about delivering on its objectives and had the will and energy to make things happen.”

ATAF and TJNA are both members of the IFF Consortium which was established in response to the report of the High-Level Panel on IFFs, and they run a joint programme to train parliamentarians across the continent on tax matters.

Mr Mosioma said the characteristics that distinguish the organisation and what he valued most about ATAF is its willingness to engage, its openness to other points of view and its agility and ability to respond quickly to matters. “A key ingredient has been the fact that ATAF has managed to steer clear of political agendas and maintain its independence. This means it has not been hamstrung by bureaucracy and protocol, giving it the ability to act and to set the tax agenda on the continent,” he said.

The role it has played and its track record in the past decade has conferred on the organisation a legitimacy with countries on the African continent and further afield. “One of the most important roles ATAF now has is the fact that it has earned the power to convene meetings and discussion forums on tax matters; in fact, in my opinion it is the only organisation that is able to do so on the African continent,” Alvin said.

This will become even more important in view of the fact that the next move strategically is for ATAF to move into the tax policy space. “Because many of the discussions taking place globally are not only technical, they are underpinned by fundamental issues of tax policy it is inevitable that ATAF has to move in line with this. The organisation already plays a key role in ensuring that Africa’s voice is heard in technical discussions on tax; it is best placed to act as a body that ensures that African states develop an effective and coherent approach to the tax policy issues that are on the international agenda,” he added.

“We understand that there are instances where ATAF is not able to be as forthright as we can be, and there will be issues where we differ; that is inevitable. But we have many areas where we can work together and cooperate,” Mr Mosioma said.
SERVING AS AND AMPLIFYING AFRICA’S VOICE ON TAX MATTERS

It is widely acknowledged that one of the most important roles ATAF has played in the past decade has been to champion the interests of African countries in the regional and global dialogue and serve as Africa’s voice on tax matters on the global stage.

“The work ATAF has done in the past ten years has resulted in the organisation being taken seriously in forums on taxation. That is quite an achievement because ATAF was moving into a space that is occupied by many more established and well-oiled institutions with many more resources.

“What it brought to the table was what was missing – the African perspective. It has enabled Africa to become part of the international discussions on tax. In such a short time ATAF has managed to consolidate its role on the continent and globally as the organisation articulating Africa’s views on tax. Its events are sought after; it is invited to participate in key discussions in international fora. Now, when you think of Africa and tax, you immediately think of ATAF,” said Maurice Ochieng, head of the GIZ-GFG in Africa Programme.

To date, ATAF has participated in over 80 regional, continental and global fora to promote African perspectives on tax issues and represent the views and interests of its members. On the international stage, the organisation participates in the work of the UN Committee on Tax, the Inclusive Framework Committee on Fiscal Affairs and Working Parties, the Global Forum and the Network of Tax Organisations, amongst others.

On the African continent, ATAF has built good relationships with a range of organisations who operate in the tax policy and administration field. It has actively sought to work in collaboration with regional and global platforms such as the African Union Economic Commission, the pan-African Parliament, the African Development Bank, the United Nations Economic Commission for Africa; the High-Level Panel on Illicit Financial Flows, the Addis Tax Initiative, Trust Africa and Tax Justice Network Africa.

ATAF provided inputs into the work of the High-Level Panel on Illicit Financial Flows and is an active member of the Consortium to Stem IFFs in Africa and its IFF Working Group, working to promote the recommendations made in the High-Level Panel Report. It provides expertise and support on tax matters, especially in the areas of EoI, transfer pricing and tax treaties.

In July 2018, ATAF was recognised by the African Union as the leading organisation on tax matters on the continent. In October 2018 ATAF and the pan-African Parliament formalised cooperation between their respective institutions on tax policy and tax administration reforms on the continent by signing an accord in Kigali, Rwanda.

“ATAF has become the legitimate voice of tax on the continent in the African Union, the United Nations, and the pan-African Parliament (PAP). The PAP is an organisation of elected representatives who are held to account for the people and ATAF’s engagement brings it closer to democratic accountability. ATAF is recognised by the key anti-corruption organisations on illicit financial flows as an important element in developing solutions,” said Lincoln Marais.

On the global stage, ATAF has been proactive...
in engaging multilateral organisations to promote African perspectives on tax issues. It has built solid relationships with the OECD and the World Bank Group and has signed Memorandums of Understanding with both. It also has ties with the International Monetary Fund, Inter-American Center of Tax Administrations, Commonwealth Association of Tax Administrators, Centre de Rencontre des Administrations Fiscales, the International Tax Compact and G20 International Tax Symposium among others. ATAF is also a founding member of the Network of Tax Organisations.

A key plank of ATAF’s advocacy work has been to enhance the cooperation between policymakers and tax administrators to ensure better alignment between the twin imperatives of economic development and domestic resource mobilisation. In 2017, ATAF held the inaugural High-Level Tax Policy Dialogue in Uganda to discuss building a stronger nexus in Africa between tax policy and tax administration. The 2018 and 2019 edition were held in Rwanda and Zimbabwe.

Another aspect of creating awareness amongst policymakers on tax issues has been the training ATAF has offered to African parliamentarians on illicit financial flows (IFFs). The first session was held in October 2017, followed up by sessions in 2018 and 2019. In collaboration with Tax Justice Network Africa, ATAF has to date trained more than 100 parliamentarians on the risks of illicit financial flows in Africa and the challenges in addressing these risks.

“Building effective tax administrations was at the core of ATAF’s mandate but from the start the question also arose as to how to engage policymakers, and other stakeholders in government, politicians etc. One of ATAF’s biggest achievements has been to put tax on the African map beyond revenue authorities and even policymakers,” Mr Marais commented.

“Building effective tax administrations was at the core of ATAF’s mandate but from the start the question also arose as to how to engage policymakers, and other stakeholders in government, politicians etc. One of ATAF’s biggest achievements has been to put tax on the African map beyond revenue authorities and even policymakers,” Mr Marais commented.

“In a decade, ATAF has become both the point of reference and a home-grown resource on taxation for countries on the African continent. It is called upon by member countries to represent them on the global stage and it is doing so with good effect,” said Mr Raphael Kamoto, ATAF’s Director for Strategic Planning, Partnerships, Monitoring and Evaluation (SPPME). Or as Ms Faith Mazani, Commissioner-General of the Zimbabwe Revenue Authority, expressed it at the High-Level Dialogue Tax Policy Conference in Victoria Falls in July 2019: “Instead of having just a small voice as individual African countries, by joining together in ATAF our voice is amplified, ATAF acts as Africa’s loudhailer.”
Participants, Revenue analysis and Forecasting Workshop, Johannesburg, November 2019.

Mr Abdallah Ali-Nakyea delivers a talk on illicit financial flows, Tax and Development Course, Nairobi, 2018

Transfer Pricing workshop, Cairo, 2010

VAT Technical Committee, Gaborone 2018

6th Country Correspondents Meeting, Durban 2017

2nd Media Engagement and Training conference, Kigali, April 2019
2012

**February** - ATAF publishes its first research report. The report on good tax governance in Africa identifies the key trends in tax governance on the continent. The report was part of a bigger research project on good financial governance in Africa which was published in March 2011. This research was jointly undertaken with the African Organisation of Supreme Audit Institutions (AFROSAI) and the Collaborative Africa Budget Reform Initiative (CABRI).

**March** - The pilot desktop study on Francophone West and Central Africa, part of ATAF’s Reform Priorities of African Tax Administrations study, is completed. Thereafter, ATAF rolls out the research to five more regions on the continent.

2013

**January** - ATAF completes the study on Reform Priorities of African Tax Administrations. The research comprises six regional studies identifying the major issues, challenges, current needs, and main priorities of tax administrations. The main findings of the six regional reports are consolidated into an Africa-wide report which provides an overview of the common characteristics, challenges and reform priorities of member countries.

**August** - Academics and tax officials from around the African continent gather in Nairobi, Kenya, at the African Academics Forum to create a network of African expertise in order to provide a platform for researchers, tax officials and policymakers to explore research needs. A steering group is tasked with developing proposals which will result in the establishment of the African Tax Research Network.

**September** - ATAF initiates its first study on one of the key priorities defined in the Reform Priorities of African Tax Administrations report. The study, on the taxation of small and medium enterprises, covers six countries and focuses on the reforms implemented by these countries to tackle the informal sector, such as the tax-stamp in Ghana and the bloc management system in Tanzania.

2014

**May** - The ATRN steering committee meets in Pretoria, South Africa, to discuss proposals on the establishment of a governing structure for the ATRN and operationalising the network. An interim 10-member board is appointed, chaired by Dr Nara Monkam, ATAF Director of Research.

**September** - ATAF unveils the Executive Master’s in Taxation programme. The programme for ATAF’s Anglophone member countries is run in collaboration with the Berlin School of Economics and Law and the University of the Witwatersrand in South Africa. The first batch of students (27 from 13 African countries) commence their 15-month study programme to complete their studies at the end of 2015. To date a total of 50 tax officials in Africa have graduated from the Anglophone programme.

**October** - Senior executives responsible for research and planning, tax policy, tax statistics and revenue forecasting of more than 10 ATAF member countries meet to develop a framework document on the proposed structure and content of the African Tax Outlook, which aims to become the flagship publication on taxation in Africa, serving as a reference manual for African tax administrations, policymakers and businesses on the continent.

2015

**January** - ATAF, in partnership with the International Centre for Tax and Development (ICTD) in the United Kingdom, launches a Tax and Development Short Course. An African edition of the course is held in Addis Ababa, Ethiopia, in February 2016 with 20 participants, half of whom are from tax administrations. Subsequent editions are held in collaboration
with training institutes such as Tanzania’s Institute of Tax Administration and the Kenya School of Revenue Administration. To date, 123 participants have completed the course.

**July** - The Executive Master’s in Taxation programme for Francophone countries is launched in collaboration with the University Alioune Diop of Bambey and the Ecole Nationale Administration, both in Senegal, and the Mauritius Revenue Authority. A Memorandum of Understanding is signed by the four partners in Dakar, Senegal. To date, a total of 33 tax officials have graduated from this programme.

**September** - A total of 159 participants from 21 countries attend the inaugural congress of the African Tax Research Network in Cape Town, South Africa. The conference, the first of its kind in Africa, is a platform for thought leadership, dialogue, research and collaboration among African researchers, tax officials and policy makers on issues that have an impact on the African and global tax landscape. More than 40 academic and policy papers and case studies are discussed. Subsequent congresses are held in Seychelles (2016), Madagascar (2017) and Morocco (2018).

**2016**

**April** - The first edition of the Revenue Statistics in Africa publication featuring eight countries is launched. The publication, a joint venture between ATAF, the Africa Union Commission and the OECD Centre for Tax Policy and Administration, brings Africa in line with similar publications for Latin America, the Caribbean, Asia and the Pacific islands. The 2017 edition features data from 16 African countries and the 2018 edition features 21 countries.

**June** - The launch of the first edition of the African Tax Outlook, recognised as the leading source of tax data for countries on the African continent. The inaugural edition featured tax data from 15 participating countries. An increasing number of African countries have participated in the subsequent edition of the annual publication.

**2017**

**July** - The second edition of the African Tax Outlook is released at the inaugural High-Level Tax Policy Dialogue conference held in Kampala, Uganda. It features data from 21 tax administrations in Africa.

**September** - The 3rd annual ATRN congress is held in Antananarivo, Madagascar. The congress focuses on the role of information technology and the exchange of information in building modern and effective taxation systems to advance domestic resource mobilisation in Africa.

**November** - An online data platform for the African Tax Outlook is launched. The cross-country platform enables members to collect a harmonized set of national-level information and data on tax and Customs administration. The aim is to improve the comparability, analysis, consistency, quality and accessibility of revenue data for participating countries in Africa.

**2018**


**September** - The 4th ATRN Annual Congress is held in Ifrane, Morocco. Nearly 120 participants from 27 African countries attend the congress to discuss the role of the social and political environment in strengthening tax systems in Africa to boost tax collection.
2019

**July** – ATAF publishes the Compilation of Abstracts on Tax Systems in Africa, a handy summary for policymakers and tax administrations on tax research and issues of relevance to African countries. It provides summaries of research published as part of the ATRN working paper series, the best dissertations and transfer projects emanating from the Executive Master’s in Taxation programme and the best essays from ATAF’s annual Tax Essay competition.

**November** – The 2019 edition of the African Tax Outlook is published. It features data from 34 African countries, more than double the number of countries who participated in the inaugural edition in 2016. For the first time, four thematic research papers accompany the main ATO publication1. 

**November** – The 5th Annual Congress of the ATRN is scheduled to take place in Dakar, Senegal at the end of the month. Participants will consider the hot topic of digitalisation and the challenges and opportunities this poses for the tax landscape in Africa.

---

1 The papers are on i) The assessment of the VAT efficiency, ii) an in-depth analysis of the West African tax systems, iii) a compendium of good practices and success stories from tax administration and policy reforms around the continent and iv) the taxation of specific sectors. The main objective of these accompanying publications is to strengthen the relevance and the dissemination strategy of the ATO database and other products.
ATAF has made notable contributions to fostering research, promoting the production and dissemination of tax knowledge on and about the African continent in the relatively short period of its existence. The organisation has established a network for African researchers on tax matters and has hosted an annual congress since 2015, the biggest of its kind in Africa.

ATAF has also been central to the launch of two seminal publications, the African Tax Outlook and Revenue Statistics in Africa, which for the first time provide researchers and policymakers with accurate data on tax, revenue and other macro-economic indicators for participating countries on the African continent.

It has commissioned and carried out research on a range of topical tax issues and disseminated the studies to inform tax policy and tax administration on the continent. It has collaborated with a number of other entities to conduct joint research on topics identified by member tax administrations. This included research on the taxation of small and medium businesses, compliance, governance and ICT systems, amongst others.

Most notably, it conducted research on tax compliance and the drivers that have an impact on taxpayer behaviour in Rwanda in a joint study with the Rwanda Revenue Authority and the ICTD. ATAF has also put in place a post-graduate degree, the Executive Master’s in Taxation, the first degree of its kind on the African continent, that explicitly addresses as part of the curriculum specific tax problems encountered by the students’ tax administrations and proposes implementable solutions.

---

2 The following papers were published: Unlocking the potential of administrative data in Africa: tax compliance and progressivity in Rwanda; The carrot and the stick: evidence on voluntary tax compliance from a pilot field experiment in Rwanda and A Field Experiment on the Drivers of Tax Compliance and Delivery Methods in Rwanda.
GETTING THE AFRICAN TAX RESEARCH BALL ROLLING

The lack of research on African tax matters and credible and accessible data was apparent from the beginning of ATAF’s existence. It was clear that this vacuum would have to be filled quickly in the interest of developing relevant strategies for effective tax administration on the African continent. To this end, gathering data and undertaking research was necessary to guide ATAF’s capacity building and technical assistance work.

“There were very few studies dealing specifically with the issues African tax administrations were grappling with. What was available existed in isolated pockets and was not easily accessible. It was clear that there was a need to promote research on tax in Africa as part of ATAF’s overall goal of building effective and efficient tax administrations on the continent,” said Dr Nara Monkam, ATAF’s Director of Research.

Shortly after its formation, ATAF commissioned research as part of a joint research project on good financial governance in Africa. The joint work was undertaken with the African Organisation of Supreme Audit Institutions (AFROSAI) and the Collaborative Africa Budget Reform Initiative (CABRI). The partners agreed on a research methodology and framework at a technical workshop in March 2010 and held a second technical workshop in July 2010 to assess and validate the research results. The Status Report on Good Financial Governance in Africa was published in March 2011.

While the main outcomes of the research on the tax aspects were contained in the report, ATAF also separately published in February 2012 the full research on good tax governance in a separate report titled Good Tax Governance in Africa. Crucially, the report identified future areas of research.

Dr Monkam, then the deputy director of the African Tax Institute and a senior lecturer in the Department of Economics at the University of Pretoria, South Africa, was excited when approached by ATAF in 2012 to lead a project to ascertain the reform priorities of tax administrations throughout the continent, identified as one of the areas for further research by the Good Governance report.

For the next 18 months, research was carried out into the major challenges, needs and reform priorities of ATAF’s 34 member countries, who
were divided into the six regional blocs. Each regional study comprised a first phase of desktop research on countries in the region from which a preliminary report was drafted. This was followed by a diagnostic workshop with representatives from the respective tax administrations of every country in the region.

“These workshops were very hands-on and participatory. They were valuable because they brought together officials from different tax administrations who got to know about the tax systems of other member countries and the problems they were grappling with. It also enabled them to compare notes, learn from the experience of other countries, share best practices and agree on the five key priorities for tax reform on the continent,” Dr Monkam said.

The six regional reports were consolidated into an Africa-wide report that provided an overview of the common characteristics and the needs and priorities regarding the reforms needed to build effective tax administrations on the continent. The conclusions reached in the report have served to inform ATAF’s capacity development programmes and other initiatives in the subsequent years.

**BUILDING A BRIDGE BETWEEN RESEARCHERS AND TAX ADMINISTRATIONS**

The kernel for what was to become the African Tax Research Network (ATRN) was laid at the 2nd ATAF General Assembly held in Dakar, Senegal, in 2012. The idea was first mooted by three academics, Dr Monkam, Professor Estian Calitz of the University of Stellenbosch in South Africa, and Professor Attiya Waris, of the University of Nairobi in Kenya. They believed it would be to the benefit of both tax administrations and African researchers to build a bridge between them to promote research on tax matters. This was then discussed with the ATAF Executive Secretary.

The idea was given further impetus in August 2013 when ATAF, in conjunction with the Kenya Revenue Authority, hosted the African Academics Forum in Nairobi, Kenya. Academics and tax officials from around the African continent enthusiastically supported the creation of a network of African expertise in order to provide a platform for researchers, tax officials and policymakers to explore research needs. A steering group was tasked with developing proposals which subsequently resulted in the establishment of the African Tax Research Network.

Dr Monkam joined ATAF as the Director of Research in January 2014 and one of her key tasks was to establish the ATRN. To this end, the steering committee met in May 2014 to discuss proposals on how to further shape the network and an interim 10-member board, chaired by Dr Monkam, was appointed.

The ATRN was established as a distinct body within ATAF, comprising of an interim board and a scientific committee, to serve as a platform for African-inspired dialogue, academically independent research and collaboration mainly among researchers, policy makers and tax administrators. Full ATRN membership is open to all African researchers and institutions who deal with African tax matters and have paid the annual membership fee. These members have voting rights at the annual general meeting which coincides with the annual ATRN congress. Currently

---

3 The regional blocks were: East Africa (Burundi, Eritrea, Kenya, Rwanda, Tanzania, Uganda); Northern Africa (Egypt, Mauritania, Morocco, Sudan); Southern Africa I (Botswana, Malawi, Namibia, South Africa, Zambia, Zimbabwe); Southern Africa II (Lesotho, Madagascar, Mauritius, Mozambique, Seychelles, Swaziland (Eswatini)); West and Central Africa (Benin, Cameroon, Chad, Côte de Ivoire, Gabon, Niger and Senegal); West Africa II (Gambia, Ghana, Liberia, Nigeria and Sierra Leone).
there are 85 full members of the ATRN. Non-African researchers and institutions working on African tax issues can become associate members of the ATRN but are not accorded voting rights.

The ATRN’s main showcase is the hosting of an annual congress to stimulate discussion and debate on relevant issues and present African tax-related research. The Scientific Committee is tasked with undertaking a double-blind peer review of the abstracts and/or papers submitted by researchers for presentation to the congress to ensure the work is of a high quality.

The inaugural ATRN congress was held in Cape Town, South Africa, in September 2015 under the theme Contemporary Tax Challenges for African Countries. A total of 159 participants from 21 countries attended the successful conference at which a total of 47 full papers were presented. "It was the first time that we managed to bring together experts from a multidisciplinary background, discussing real time information on tax matters," Professor Waris said of the launch.

The ATRN has in subsequent years held its annual congress in Seychelles (2016), Madagascar (2017) and Morocco (2018). The 2019 congress is scheduled to take place in Dakar, Senegal from 27-29 November under the theme Digitalisation: Challenges and opportunities – Discussing the African Tax Landscape.

A total of nearly 500 participants from 52 countries have participated in the congresses, discussing different aspects relating to national, regional and international tax matters relevant to the continent. As at end of 2018, out of a total of 302 papers that were received, 162 academic and policy papers in the areas of tax policy, tax legislation, tax administration as well as tax and development on the African continent have been presented at the ATRN congresses.

"It filled a necessary gap and helped remove the silos between researchers and practitioners on tax matters," commented Ms Feyron Dean, a tax consultant from Ghana.

Consultant economist Coulibaly Seydou presented a paper at the 2016 and 2017 ATRN Congress and described his experience as very good. "What I found most valuable was the bringing together of tax administration officials and researchers on taxation to interact and discuss each year around the current issues of taxation in the continent," he said.

His participation helped improve his knowledge of the practical challenges faced by tax administration and how they deal with these issues like transfer pricing, BEPS and the taxation of informal sector.

An important by-product of the annual congress is the ATRN Working Paper Series and Policy Briefs. The series comprises research papers which have been selected for publication on the dedicated ATRN website after having undergone a double-blind peer-review process by the ATRN Scientific Committee. To date, 90 peer-reviewed research papers on a variety of topics dealing with tax in Africa from the 2016, 2017, 2018 con-

4 The themes for the annual ATRN congresses were: 2nd – Financing Sustainable Development in Africa: Identifying Untapped and Underutilised Sources of Revenue; 3rd – A Modern and Effective Taxation System to advance Domestic Resource Mobilisation in Africa: The Role of Information Technology and Tax Information Exchange and 4th The Role of the Social and Political Environment in Strengthening Tax Systems in Africa: Solutions to Tax Collection.
A TAX FRATERNITY THAT CHANGED THE LANDSCAPE

Professor Fanie Van Zyl has been involved with ATAF’s African Tax Research Network since its inception in 2015 and is a member of the ATRN Scientific Committee. “I presented a paper at the ATRN in 2015. It was the first time that scholars all over Africa collaborated to form a tax fraternity that changed the landscape of tax administration, tax research, and tax policy for the better,” he remembered.

He also presented papers and the 2016, 2017 and 2018 ATRN congresses and chaired policy panels. “The congress is an amazing opportunity for revenue authorities to collaborate, exchange ideas, and listen to leading researchers on tax issues in Africa. It is here where solutions by Africans for Africa are developed, argued, shaped, and later implemented by member countries,” he said.

He felt that the 2017 and 2018 Congress were marked by a vast improvement in the quality of research papers and presenters. “The 2018 event will be known for the quality of the research and the contribution towards the improvement of tax administration in Africa,” he added.

Prof Van Zyl said that the feedback from Congress participants assisted in improving his final paper in 2017 which was published in a prestige journal. “The collaborative feedback in 2018 also enabled me to improve my own research, and broaden my thinking to shape better recommendations. It was an excellent opportunity to test my most recent and provocative research,” he said. It also provided him with ideas for further research, some of which research has led to legislative changes and tax policy changes.

“For UNISA, my membership, and the work that I do for ATAF raises the prestige of my academic ranking. Since my work in ATAF has become more prominent, I have managed to attract a substantial number of international students who enrolled for post-graduate studies at UNISA. The prestige and international exposure of being a part of the ATAF team secured me a good ranking as an NRF-rated researcher,” Prof Van Zyl said.

Another hat that Prof Van Zyl wears is as an expert advisor to the ATAF VAT Technical Committee. “This committee deals with issues in VAT that causes revenue losses or creates an administrative burden. The committee provides a platform for excellence in research. In addition, the recommendations brought forward by the committee are changing the landscape of VAT in Africa. This will modernise VAT systems in Africa to compare with the leading VAT systems in the world,” he said.

He said the key lesson he has taken away from his participation in ATAF is that African states must collaborate in the economic, political, social and tax spheres to improve the living standards of every African.

“Together, through effective tax systems, poverty, hunger, climate change, and corruption can be eliminated in Africa. It feels amazing being a small part of a large group of influential persons changing the tax landscape for the benefit of all,” he added.
gresses have been published online.

In 2019, to create more awareness about the research on tax in Africa that is available to policymakers, tax administrations and other interested stakeholders, ATAF published the Compilation of African Research Abstracts on Taxation. This booklet provides a summary of available research aimed at providing readily available and accessible practical solutions, good practices and recommendations to challenges facing tax systems in Africa.

Also in the pipeline in the near future is a multidisciplinary African Tax Journal, with an editor in chief and an editorial board, which will provide a platform for high level multidisciplinary research in the areas of tax policy, tax legislation, tax administration as well as tax and development on the African continent.

Mr Savior Mwambwa, who has been involved with the ATRN as a member of the steering group, the interim board and the scientific committee, said the ATRN has played an important role in promoting a link between tax researchers, policymakers and other stakeholders.

“There is now a forum for discussion and a network of peers that one can have access to and that is valuable. Moreover, it adds to putting tax matters in Africa on the map and making the African voice more prominent on the international stage,” he added.

“The establishment of the African Tax Research Network has provided a formalised and structured exchange between academia, tax administrators, tax practitioners, civil society and consultants and representatives of the business community on fiscal and tax policy in Africa. It has facilitated the development of African capacity for credible research in tax policy, administration, law and leadership,” Dr Monkam said.

PROVIDING A HELPING HAND TO YOUNG RESEARCHERS

To strengthen the research capacity of young mid-career researchers working in the area of taxation and development and improve the quality of papers presented during the ATRN, ATAF introduced an annual capacity building workshop in 2016. The ATRN Research Methods and Dissemination Workshop aims to strengthen the capacity of researchers who are already working in the area of taxation but whose work could be improved with more rigorous and internationally accepted research methods.

Researchers receive practical feedback from experts on how to improve their research, articulate the significance of their research, translate it into real-world implications, and disseminate the results to broader policy audiences.

The first workshop was held in 2016 in Addis Ababa, Ethiopia. A second workshop, with parallel sessions in English and French, was held in May 2017 in Luanda, Angola. To accommodate ATAF’s growing Lusaphone membership the 2018 workshop, held in Dar es Salaam, Tanzania, also added a session in Portuguese, as did the 2019 workshops. The French and English workshop was held in Nairobi, Kenya, and the Portuguese workshop was hosted by the Mozambique Revenue Authority in Maputo, Mozambique.

A total of 84 researchers have been trained from 20 countries: Angola, Benin, Burkina Faso, Burundi, Cameroon, Ethiopia, Guinea Bissau, Kenya, Ivory Coast, Lesotho, Malawi, Mozambique, Namibia, Nigeria, Senegal, South Africa, Togo, Uganda, Tanzania, Zimbabwe.

An annual Africa-wide tax essay competition is an initiative by ATAF to encourage Africans to grapple with issues relevant to tax and propose feasible and implementable solutions on how African countries can improve their overall tax systems. The competition, launched in 2018, is open to African researchers: tax officials, academics and tax practitioners aged 40 and below.
HARNESSING DATA TO ENHANCE TAX POLICY AND ADMINISTRATION

ATAF’s annual African Tax Outlook publication arose from the necessity to make available reliable and comparable tax statistics and analyses pertaining to African tax administrations, with a view to improving their efficiency and effectiveness. The flagship publication provides valuable, practical and relevant descriptive and analytical work on tax issues to improve tax administrations and inform tax policy formulation and implementation on the continent.

“It was clear in my talks with tax administrations across the continent that data was being collected but it was not systemised or being used to its full potential. What was important and necessary was to consolidate that data and take ownership of it. This would allow African countries to benefit from data collected and take charge of their own narrative,” Dr Monkam said.

It was also important to ensure that participating countries had a common understanding of the data that was required and agreed on the indicators and definitions that were to be used. Heads of research from 15 African tax administrations met at the end of 2014 in Pretoria to deliberate and agree on the framework for the publication. A guidebook was produced of the indicators and definitions according to various categories: tax rates, tax bases, tax structure, revenue performance, tax administration, taxpayer service and compliance.

The inaugural publication was successfully launched in June 2016 and featured data from 15 member countries: Burundi, Cameroon, Kenya, Lesotho, Mauritius, Rwanda, Senegal, Seychelles, South Africa, Swaziland, Tanzania, The Gambia, Togo, Uganda and Zimbabwe. Countries participating in the publication have increased in each subsequent year, with the 2020 edition featuring data from 37 countries.5

The fact that participation in the publication has more than doubled in just four years attests to the fact that the ATO has become a valuable source of data on African tax and other economic indicators. Participation is also not confined to ATAF member countries – non-member countries on the African continent are also participating in the publication.

Frankie Mbuyamba, the programme specialist for tax statistics at the ATAF Secretariat, leads the team that compiles the ATO. He said it was gratifying that interest in the publication was growing continually. “There are always challenges when new countries join, and we have to be alert to the fact that data from the new additions can affect the overall picture, so we always revisit our conclusions and look at the trends and so on. But the more countries who join us the better because the more comprehensive the data, the more accurate the picture that can be painted of tax administration and the economy on the African continent.”

A booklet comprising a concise summary of the main highlights of the annual publication and a compendium of good practices and success stories from tax administrations and policy reforms around the continent are published to complement the main publication. The 2019 edition was accompanied, for the first time, with four thematic research papers on: i) The assessment of the VAT efficiency, ii) An in-depth analysis of the west African tax systems, iii) A

---

5 In addition to the 2015 participants the 2020 edition will feature the following countries: Angola, Benin, Botswana, Burkina Faso, Chad, Cape Verde, Cote d’Ivoire, Democratic Republic of Congo, Ghana, Guinea, Guinea Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Morocco, Mozambique, Namibia, Niger, Nigeria, Seychelles, Sierra Leone and Zambia.
compendium of good practices and success stories from tax administration and policy reforms around the continent and iv) the taxation of specific sectors. The main objective of these accompanying publications is to strengthen the relevance and the dissemination strategy of the ATO database and other products.

To make the data collection, submission and analysis process easier and more efficient, in 2017 ATAF established an online data portal. This has made it less cumbersome for participating tax administrations to submit and quality assure their data. The portal makes it possible to compile country profiles and tax administrations’ good practices and makes it easier to manipulate and compare data as well as allowing a quicker response to requests for data. The next step is to make the portal interactive so that researchers can “slice and dice” the data as they need. This is in the final stages of testing and should become live in 2020.

A key element in the ATO process are the consultative and validation, and capacity building workshops with data collectors, analysts and other research officials from the tax administrations of the participating countries. They play a crucial role in promoting peer learning through the sharing of knowledge and skills, highlighting best practices and exposing participants to the tax systems and information of other countries.

“The consultative and capacity building workshops are very important steps in the process of compiling the ATO. They aim to ensure that contributors have a common understanding of data collection processes; they also assist the officials in understanding the relevant data that needs to be provided in accordance with the agreed data portal indicators and definitions. It is a training opportunity for all new data collectors in the efficient use of the online ATO data portal,” Mr Mbuyamba explained.

Furthermore, to guarantee the long-term sustainability of this seminal publication in Africa, participating countries agreed to be involved in the drafting of the publication, utilising skills within their tax administrations, leveraging on peer-learning, and using this project as an opportunity to bring visibility to their institution. On a rotational basis, member tax administrations second one or two tax officials to the ATAF Secretariat to draft the ATO publication in collaboration with the ATAF Secretariat.

ATAF also provided valuable input into the Revenue Statistics in Africa publication, a joint venture between ATAF, the Africa Union Commission and the OECD Centre for Tax Policy and Administration. The publication focuses more on macroeconomic indicators and as such complements the ATO.

Dr Monkam said ATAF participated in the joint technical committee meetings and helped to ensure that the revenue indicators chosen were appropriate and standardised for African countries. ATAF also motivated for the inclusion of non-revenue indicators. A key objective of the collaboration was to ensure that there was, and continues to be, a transfer of skills to participating African officials.

The inaugural publication was released in April 2016 and featured data from eight countries in Africa. The 2017 edition featured data from 16 African countries and the 2018 edition features 21 countries. The publication brings Africa in line with similar publications for Latin America, the Caribbean, Asia and the Pacific Islands.
“Over 80% of countries could not provide statistics on tax administration, especially in the area of the tax register, audits, arrears, customs clearances and enforcement. This was because of lack of processes and systems to collect reliable tax data and missing common definitions across the participating countries. Data on tax administration and human resources was a problem during the first (2016) and second edition (2017),” she explained.

In doing the spadework for the inaugural publication which featured 15 ATAF member countries, the lack of data from African sources was very apparent and further underlined the need for a publication like the African Tax Outlook.

Ensuring that the correct indicators were chosen and that all the member countries had a common understanding of them and were providing comparable data was absolutely critical. Ms Nakato said under the guidance of ATAF Research Director Dr Monkam, the Ms. Milly Nalukwago, Assistant Commissioner (Research Planning and Development,) and Prof Dr Michael Bräuninger (Senior Economist), the indicators were developed and agreed upon and an ATAF guidebook was produced. “This provided common definitions across countries, thus enabling the comparison of data collected from the participating countries.”

Ms Nakato said the hard work the team put in has been rewarded, especially when she comes across people using the publication as a point of reference. “It makes me feel proud that there is now an African source of tax statistics that is being used and the indicators I helped to develop are still being used,” she said.

She believes that the publication’s impact goes beyond just the production of data and analyses. “By enabling peer learning and good practice, countries have been empowered not only to provide these statistics but to use the statistics, trends, country or regional comparisons and benchmarking to implement reforms in their countries,” she added.
South African Revenue Service (SARS) economists **Ms Dinah Sekhuthe, Ms Eva Muwanga-Zake and Ms Winile Ngobeni** (“the SARS team”) have participated in the African Tax Outlook (ATO) publication since its inception in 2015. They have taken part in the annual ATO validation and capacity building workshops and shared their experiences.

The SARS team indicated that their participation in the programme and attendance at workshops has helped them to keep abreast of developments in tax administration on the African continent and helped them to establish research networks and create research opportunities with colleagues.

“The SARS team regard the ATO processes as extremely valuable for the fact that they are able to provide quality control measures by verifying SARS’s data that is submitted for the compilation of the ATO publication every year, as well as ensuring accuracy and reliability of the publication.

From a personal point of view, the SARS team said that the programme has allowed an opportunity to open new networks of expertise and support in carrying out research projects. Furthermore, the programme has jointly contributed to their professional growth and that of the organisation through lessons learnt and best practices.

“The ATO publication processes have increased our awareness of our own organisation, through the data we collect outside our division. It has helped us identify dependencies between divisions and what informs the data that is collected by the various divisions,” they explained.

The SARS team further highlighted that in the earlier publications, the definitions of the indicators weren’t always clear, but over time they have been modified and this has helped improve the quality of the data.

“Other challenges stem from the fact that country representatives have varying degrees of technical knowledge and as officials from Anglophone, Francophone and Portuguese speaking countries are represented in the programme, communication is not always easy due to the language barrier,” they added.

However, with the help of colleagues who speak multiple languages and translations these challenges are overcome.

“The fact that participants are on different levels technically sometimes makes it difficult to follow discussions. At the same time, this also provides an opportunity to learn and gain insights in new areas of work,” they agreed.

“We love the most about this publication is that, as African tax authorities, we are writing our own stories. As a result, we strive to maintain the integrity of the publication by ensuring that we provide accurate and reliable data,” they said.

The SARS team indicated that their participation in the programme and attendance at workshops has helped them to keep abreast of developments in tax administration on the African continent and helped them to establish research networks and create research opportunities with colleagues.
MASTERLY INITIATIVE IN THE ACADEMIC SPHERE

In its engagement with members it became clear to ATAF that there was a need for a post-graduate academic programme on tax which was specially tailored to meet the needs of African tax officials and administrations.

The vision was to offer a programme with a strong developmental impact that had the long-term goal of strengthening the technical competencies and capacities of prospective students. A unique and important element in the course was a “transfer project”; this required students to tackle a problem experienced by their home tax administration as their master’s thesis and recommend a proposed solution that could be implemented upon their return.

They would therefore act as “agents of change” who are able to implement and steer reform processes in the fields of public finance, tax legislation, applied tax policy, and tax administration in their countries.

ATAF introduced its Executive Master’s in Taxation programme (EMT) in October 2014 in partnership with GIZ, the Berlin School of Economics and Law in Germany, and the University of Witwatersrand in Johannesburg. The programme for Francophone students was launched in July 2015 and implemented in partnership with Senegalese academic institutions, the Ecole Nationale d’Administration and the Université Alioune Diop de Bambey, and the Mauritius Revenue Authority.

Between 2014 and 2017, 83 students from 26 African countries graduated from the EMT programme. In addition, a total of 86 transfer projects have been made available to tax administrations.

Following the successful implementation of two Anglophone and Francophone cohorts, an evaluation of the impact and relevance of the EMT programme to African tax administrations was carried out. The key recommendation from this review was to harmonise the English and French EMT programme and a shift in approach from curriculum development to the development of a competency framework for the EMT. This has resulted in a change to the business model for the EMT.

Dr Monkam explained: “The new vision for the EMT is to partner with academic institutions to create “centres of excellence” that are built on the competency framework in Africa and around the globe. These centres will be recognised as
Mr Frank Kalizinje, a Business Intelligence Analyst and Researcher at the Malawi Revenue Authority, was part of the first cohort of the Executive Master's in Taxation students. He credits the programme with helping him discovering his niche in tax research.

“The EMT allowed me to acquire a deeper knowledge in tax research. I have now published a lot of papers and have been to numerous research conferences. It has also given me the ability and confidence in helping to solve practical problems in my tax administration”, he said.

But that was not always the case. “Upon my return to work after the course, acceptance at work was hard. It was frustrating to be side-lined even though I was enthusiastic to contribute. I took the initiative in tax research and won tax research awards. This made management realise that I am an asset and they involve me a lot more now," he explained.

“Even though I am still relatively young, I am now recognised and involved in many strategic tasks at the MRA. I was appointed as Malawi’s research lead at the World Customs Organisation in East and Southern Africa. I have acquired excellent presentation skills and was asked to present at MRA strategy development exercise,” Mr Kalizinje said.

He also presented a paper at the inaugural ATRN Congress in 2015 and had his paper published. He participated in the 2018 ATRN Congress as a presenter and rapporteur.

Based on his personal experience, Mr Kalinje felt ATAF should consider a workable mechanism to encourage member tax administrations to actively support its researchers in participating in research. “I feel that support is mostly lacking from the tax administrations. They have to own the research space and this will help create think tanks in taxation in Africa," he said.
Mamadou Lawan Boukar is the head of the Taxation Centre at the Niger's Direction Générale des Impôts. He was part of the first cohort of the Francophone Executive Master's in Taxation course. He graduated in 2017 and reflects on the positive impact that participation in the EMT had on his personal and professional life.

“As an experienced Central Inspector of Taxes I was hoping to increase my qualifications and open myself to other taxation horizons. I was fortunate to be awarded a GIZ scholarship to do the EMT,” Lawan said.

Participating in the EMT allowed Lawan to discover his strengths and limits in the management of tax administrations. “Thanks to this training I have been repositioned as Chief Inspector of Taxes in the Public Service and appointed Head of the Tax Center in order to be able to make my contribution to the mobilisation of tax revenues in my country,” he said.

“Today, thanks to the Executive Master’s in Taxation, we are tackling all sorts of tax issues in the context of globalisation. We also do not hesitate for a moment to ask other fellow EMT graduates their points of view and call on their experiences in the various fields,” he added.

The most difficult part of the course for him was when he had to be away from his family. “Fortunately, I was able to overcome this difficulty thanks to the support of the other graduates and thanks to new technologies which allowed me to remain in contact in real time with my family through video calls,” he remembered.

On a more personal note, another benefit was that, as a sickle cell anaemia sufferer, he was able to get the treatment he needed in the best conditions in Dakar and Mauritius because of health insurance. This resulted in a reduction of attacks caused by the condition. “I would like to take this opportunity to extend my gratitude to ATAF and especially to Nara Monkam for all their support following my crisis in South Africa during the thesis presentation and graduation trip,” Lawan added.
SETTING THE RESEARCH AGENDA FOR THE FUTURE

Looking forward to the next 10 years, ATAF’s Research Directorate will focus on applied research that will contribute to the reform processes and broader tax reform agendas of member countries and the continent, thus playing a crucial role in the fulfilment of ATAF’s overall mandate.

The objective of the Research Directorate is to build an African repository of high quality, relevant scientific knowledge on tax whose aim is to change and/or influence the discourse, the narrative and thought leadership around taxation on the continent but also balance the existing body of scientific knowledge with the perspective from Africa.

“The research must be relevant, empirically backed, policy and application-oriented. It must be aligned to and inform ATAF’s technical assistance, country programmes, and overall policy advice and debate. It should strive to provide research evidence that will help make tax reforms more conducive to optimizing tax collections while minimizing the burden of taxpayers to comply with tax laws,” Dr Monkam said.

ATAF will also strive to consolidate and enhance the role it plays as a key resource for data on tax, revenue and customs information on the African continent through the African Tax Outlook and by developing other banks of data that would be useful for African tax administrations and researchers.

Another key approach the Research Directorate is using to increase ATAF’s legitimacy and legacy is by ensuring that ATAF becomes the centre of excellence for the comparability, analysis, consistency, quality and accessibility of harmonised national data on tax and customs administration revenue.
EMT workshop, April 2017

Participants in the reform priorities workshop, West African region, March 2012

African Tax Outlook concept workshop participants, April 2015

ATRN pioneer Professor Estian Calitz

Partners and experts in the Executive Master's in Taxation programme, April 2017.
Inaugural ATRN Congress, Cape Town, September 2015

Executive Master’s in Taxation graduates, Johannesburg, April 2017
CHAPTER FOUR

POSTSCRIPT:
The road already travelled and planning a path for the future
A key theme that has emerged in pinpointing the factors that have contributed to ATAF’s success in its first decade has been the organisation’s activism, agility and ability to mobilise its members, development partners and other stakeholders. There is concurrence that the key ingredients in ATAF’s achievements are the organisation’s ability to get things done, its proactive approach and responsiveness, and success in building strong relationships.

So, it was no surprise that ATAF Executive Secretary Logan Wort, when faced with the daunting task of breaking new ground in establishing a pan-African tax organisation, admitted to drawing on the lessons he learnt while mobilising communities against apartheid as a teenage political activist in the turbulent 1980s.

These were precisely the attributes he acquired when, at the age of 17, Mr Wort was actively involved in launching civic organisations in two local communities in Cape Town. “It required a tremendous amount of organising and working with people and we did so successfully. In just two weeks we launched these organisations. They grew into formidable youth structures, producing a number of leaders who are still active today,” Mr Wort said.

“The prospect of being involved in setting up an organisation that could make a big contribution to Africa was very exciting. I didn’t have an A to Z plan, but my political training helped me get to grips with the task,” he added.

Mr Wort recalled the meeting he had with then SARS Commissioner Pravin Gordhan to discuss the establishment of an African Tax Centre for the OECD. “I felt that SARS could not do so without a mandate from other African countries.” Mr Gordhan also had activist credentials and used his influence as chair of the Council of the World Customs Organisation to reach out to those African revenue authorities that were WCO members.

Conscious of the fact that many African institutions have a history of starting with a fanfare and folding a short while later, Mr Wort was determined that ATAF would buck the trend. Appointed to coordinate the technical committee and the Steering Group of Commissioners-General and tasked with devising a roadmap for the establishment of ATAF, he said it was clear that the way organisations are usually formed would have to be turned on its head.

“Instead of launching and then getting to work, we had activities for almost a year before launching. We were driven by the need to create value immediately so that potential member countries could feel the benefit and impact. By the time we launched the organisation we had already trained about 300 officials from more than 20 countries.”

This had a positive impact too in focusing minds on what ATAF could deliver and the potential benefits for African countries. “It made members care and nurture the organisation. At the launch we already had 25 members. Everyone was so scared that this baby could break that there were no fights over issues such as leadership, regional and language dominance and such factors that can erode the effectiveness of organisations.”

As the Group Executive for the Reputation Management division at SARS, Mr Wort was able to call on the knowledge and skills of officials in the International Relations and Communications units of SARS, both of which reported to him, to get the project off the ground. “I had experienced staff to call on. Varsha Singh and Lincoln Marais had been dealing with the WCO and OECD and had some exposure to global tax issues as
well. Varsha especially was also very good at operationalising things.”

From the outset, there was a culture of respect and an emphasis on professionalism and high-quality outputs, garnering the respect of all stakeholders. The meeting documents, branding, training events and engagements conveyed the sense of an organisation that set high standards and meant business. This went a long way in instilling a belief in ATAF and underlined the message that it was a serious organisation.

Fortuitous too was the fact that in 2009 there were changes at the executive level in SARS. This provided Mr Wort with the room to devote more time to ATAF. In the months that followed the work intensified. In addition to continuing with the training events, the work necessary for the establishment of ATAF, such as drafting the constitution and determining the membership criteria, was carried out.

Working with a consultant sponsored by the OECD and GIZ, Ms Singh led the work of developing a financing strategy and Mr Marais was tasked with securing funds from donors. With the help of SARS and the OECD, funding was obtained from five donors who, in a departure from normal practice, agreed to pool their funds. These funds and the contribution from SARS provided the resources required to establish ATAF and plan for its launch.

“I must acknowledge the exceptional support given to me and to ATAF in those initial years by SARS Commissioner Oupa Magashula. SARS helped us with resources, including staff members. I was also able to call on assistance from my peers at SARS who were very willing to help wherever they could,” Mr Wort said.

In 2010 SARS agreed to second Mr Wort to ATAF on a full-time basis as the acting Interim Executive Secretary. Moreover, SARS also seconded a number of officials to the ATAF Interim Secretariat. “The interesting thing about the team is that it comprised officials with mainly administrative and other skills. Hardly anyone, including me, had any knowledge about tax so that was a constraint and we all had to learn quickly.”

From the outset there were a set of fundamental principles that were important in the establishment of ATAF and guided the organisation as it developed, Mr Wort explained.

“The first was that ATAF would strongly assert its identity as an independent African entity; we sought to inculcate a belief in our own ability to do things for ourselves among members. We wanted to move away from the mindset that for anything to be good it must come from abroad.”

The second was the principle of inclusivity; ATAF was open to all the countries of Africa, regardless of regional, language or political factors, or membership of other entities. And all members, large and small, were on an equal footing. The third was that ATAF existed to serve its members; their interests were paramount. Both the ATAF Council and Secretariat existed to provide value and further the interest of members.

During this early period, Mr Wort was conscious of the need to assert ATAF’s pan-African identity and its independence, especially as ATAF had not yet attained its status as an independent legal entity and was still heavily reliant on South Africa.

“The Secretariat was based in South Africa and our staff was mainly seconded from SARS. As we were not a legal entity, we could not have a bank account or recruit staff from other African countries. We had one staff member each from
Botswana and Nigeria\textsuperscript{1} as ‘virtual secondees’; they were based in their home countries but worked for the ATAF Secretariat. Even when staff travelled, we did so using our South African documents so this mitigated in some degree the pan-African image we were trying to build.”

To counter this, a conscious effort was made to reach out to the other countries of Africa, including Francophone countries, many of whom were already members of CREDAF and CATA. As a member of the ATAF Council, the Director-General of Senegal’s Tax Authority, Mr Amadou Ba, participated in a side event organised by ATAF at the Fourth High-Level Forum on Aid Effectiveness in Busan, Korea. Thereafter he offered to host the 2\textsuperscript{nd} ATAF General Assembly in Senegal in 2012. This event, at which Mr Wort was appointed as ATAF’s Executive Secretary, proved to be a catalyst for Francophone countries joining ATAF.

Upon being established as a legal entity in October 2012, the ATAF Secretariat was faced with the challenge of setting up its own organisational structure and administrative and financial infrastructure. It was also able to recruit staff and appoint executives who could support the Executive Secretary. The Council was very supportive through this period and served on the interview panel to recruit the directors of the business units.

“A big challenge, however, was that the ATAF Secretariat was unable to permanently fill the positions on its organisational structure because by the time the approval processes were finalised the council’s two-year tenure had expired, and the process had to begin all over again with the incoming Council.

Incredibly, this meant that in the first seven years of its existence, except for the Executive Secretary and the secondees, all the Secretariat staff were employed on temporary short-term contracts. The issue was resolved only in 2017 when, under the chairmanship of Zimbabwe, the Council designed and approved ATAF’s final organisational structure, thus paving the way to appoint staff to permanent positions. That the organisation operated effectively for two thirds of its existence despite these challenges underlines the dedication and commitment of staff.

Reflecting on some of the other challenges the young organisation faced, Mr Wort pointed to an initial wariness from established organisations such as CREDAF, CATA and VADA. This, however, was overcome when they saw the value of the work ATAF was doing and the advantage of forging partnerships.

Mr Wort’s talent for building relationships was called upon to forge partnerships with ATAF’s development partners, and with established global organisations like the IMF and World Bank, who also had technical assistance and training programmes on the continent. “We were fortunate in that our development partners had years of experience in the field and had valuable insights and experiences...”

---

\textsuperscript{1} Itumeleng Kgosietsile from the Botswana Unified Revenue Service and Femi Edgal for the Federal Inland Revenue Service of Nigeria.
to share. ATAF must thank especially our first set of donors for their patience, guidance, understanding and generosity.”

Mr Wort’s negotiating skills also came to the fore when ATAF’s donors required the development of a logical framework in concert with the ATAF workplan. Explained Mr Wort: “The workplan for the first few years was supply driven. We decided on the training for members. This was to illustrate that we, as the African organisation for tax, could deliver and members need not only look to organisations like the World Bank and IMF for help. It was a political and strategic decision to supply, and over supply, until we created the demand.”

Thereafter, to determine whether the training offered was relevant, in 2012 ATAF commissioned a year-long study on the reform priorities of its members. The resulting six regional reports and consolidated Africa-wide report provided the basis for drawing up the organisation’s 2013 workplan.

“When the donors required a logical framework to accompany the workplan, I realised the administrative and reporting requirements would absorb about a third of our time and resources. A baby secretariat such as ours could not afford this. We pushed back and convinced the donors that the administrative requirements would kill the organisation. They then accepted more streamlined reporting arrangements.”

ATAF’s responsiveness to and its agility in responding to new demands as they arose has also been a hallmark of ATAF’s success. Wider developments in the global tax arena saw the organisation move away from training to a broader focus on domestic resource mobilisation and development and become increasingly involved in the global discussions on tax, taking on the mantle as Africa’s voice on tax.

“The role played by the OECD’s Task Force on Tax and Development, and particularly the assistance given by Jeffery Owens and his team in strengthening ATAF’s role in the global debate must be acknowledged. Their insistence in bringing in African countries, with ATAF taking the lead, helped give us a presence on the international stage.”

ATAF’s contribution to the work of the African Union’s High-Level Panel against Illicit Financial Flows, and its subsequent participation in the “Stop the Bleeding” campaign of the Consortium against IFFs and its working group, also raised the organisation’s profile and further broadened its focus.

This broader focus also made it apparent that ATAF needed to provide members with technical assistance on issues such as the exchange of information which brought with it requirements such as the establishment of competent authorities, appropriate tax treaties and ICT systems. This led the organisation into drafting its first model agreement, the ATAF Agreement on Mutual Assistance in Tax Matters and later the ATAF Model Double Taxation Agreement.

“With the increasing global scrutiny of the behaviour of multinational enterprises, the spotlight was shone on base erosion practices such as transfer pricing and we were required to provide more technical assistance. We then found ourselves sending our experts into member countries to set up transfer pricing and EoI and competent authority units.”

In delivering the technical assistance it became clear to ATAF that tax administration was the downstream implementation of tax policy and legislation. For effective domestic resource mobilisation attention must also be paid upstream, to both tax policy and legislation.

ATAF as a tax organisation has clearly moved, especially since 2015, from its mandate to
focus on tax administration issues to an organisation that is providing support and developing strategies on the broader issues of tax systems, including legislation and policy, addressing issues such as Africa’s reliance on single source income like oil and minerals, the appropriate mix between indirect versus direct taxes, the granting of incentives and weak legislation. The reason ATAF has had to move into this space is because there is no other platform on the African continent where these policy issues get discussed.

“In the next 10 years our work must look at this but not at the expense of optimising the effectiveness and efficiency of African tax administrations. Even with regard to tax administration, we have begun to broaden our focus to include elements such as human resource development, management and leadership.”

Ironically, for a political being, Mr Wort does not believe ATAF should take on the role as the premier pan-African platform for policy decisions on tax matters that essentially fall under the ambit of governments.

“This inter-continental platform I believe must be located at the African Union. It would be better for ATAF to remain as an independent organ serving as a secretariat or technical support, providing an advisory, consultative role to that platform. This will enable us to keep our agility and ability to make decisions quickly. ATAF’s work can feed into this platform that should be led by the African Union.”

Looking back over the past ten years, Mr Wort said it has been an honour to serve and lead ATAF. He was very appreciative of the support he has received from members and the ATAF Council throughout his tenure. “I have also been fortunate to have worked with wonderful teams at the Secretariat and have been able to call upon the support of very committed partners. Most importantly, we have opened up our own African path to domestic resources mobilisation within the globalised world of tax.”

ATAF Executive Secretary Mr Logan Wort
**ATAF ENVISAGED ROADMAP TO INAUGURATION**

**SCHEDULE AND DELIVERABLES**

The process that was followed to achieve the ATAF objectives is described below. Each of the activities has a logic which defines the sequence with which they will be executed. This is depicted in the diagram below.

<table>
<thead>
<tr>
<th>Event Date</th>
<th>Event Details</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AFRICAN TAX CONFERENCE</strong>&lt;br&gt;SA, 28-29 AUG 08</td>
<td>Consideration of elements for establishing ATAF: Terms of Reference Elements of ATAF Agreement Timeframes Work programme Proposals for several regional events</td>
<td>Role of taxation in state building Positive impact of tax on governance &amp; development Changing environment of taxation in Africa Donor support to taxation reform New approach to significantly develop and support capacity in African TAs Mandate</td>
</tr>
<tr>
<td><strong>1ST ATAF TECHNICAL MEETING</strong>&lt;br&gt;GHANA, 27-28 OCT 08</td>
<td>Exposure to OECD products &amp; international development programme ATAF / OECD discussions on Africa-specific regional capacity development events e.g. Africa Model Tax Convention ATAF technical delegation (1 or 2 members) to present process.</td>
<td></td>
</tr>
<tr>
<td><strong>ATAF TECHNICAL EVENT &amp; 1ST STEERING GROUP MEETING</strong>&lt;br&gt;CAPE TOWN, 7-8 FEB 09</td>
<td>Share experience on taxation of SME sector within different African countries Explore way forward in taxation of SME sector &amp; consider any future risks Lay down foundation for African knowledge-sharing and maximize tax administration gains in SME sector 2nd ATAF technical meeting to further consider issues of ATAF establishment</td>
<td></td>
</tr>
<tr>
<td><strong>OECD ADVISORY GROUP MEETING</strong>&lt;br&gt;MOROCCO, 30-31 MAR 09</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ITD AFRICA CONF ON SMES &amp; 2ND ATAF MEETING</strong>&lt;br&gt;RWANDA, APRIL 09</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Issues considered:**
- Role of taxation in state building
- Positive impact of tax on governance & development
- Changing environment of taxation in Africa
- Donor support to taxation reform
- New approach to significantly develop and support capacity in African TAs
- Mandate
<table>
<thead>
<tr>
<th>Event</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ATAF TECHNICAL EVENT &amp; 3rd ATAF MEETING</strong>&lt;br&gt;RWANDA, AUGUST 09</td>
<td>✷ ATAF Technical Event / Conf e.g. Financial Markets&lt;br&gt;✦ Presentation of ATAF Technical Meeting proposals for Steering Group consideration / endorsement&lt;br&gt;✦ Discussion and preparation for ATAF Launch Conference (Oct/Nov)</td>
</tr>
<tr>
<td><strong>ATAF TECHNICAL EVENT &amp; MEETING</strong>&lt;br&gt;SEPT 09</td>
<td>✷ ATAF Technical Event / Conf e.g. Financial Markets&lt;br&gt;✦ Presentation of ATAF Technical Meeting proposals for Steering Group consideration / endorsement&lt;br&gt;✦ Discussion and preparation for ATAF Launch Conference (Oct/Nov)</td>
</tr>
<tr>
<td><strong>ATAF INAUGURAL CONF &amp; 3rd ATAF STEERING GROUP MEETING</strong>&lt;br&gt;OCT/NOV 09</td>
<td>✷ International Seminar on the mobilisation of domestic resources in Eastern Africa.</td>
</tr>
<tr>
<td><strong>Deliverables</strong></td>
<td>✷ ATAF Launch Conference</td>
</tr>
</tbody>
</table>
We, the Heads and senior officials of 31 African Tax Administrations, met in Kampala, Uganda from 18 to 20 November 2009. There, 25 African Tax Administrations signed an Agreement, formally establishing the African Tax Administration Forum. We set out on this journey with representatives of 9 development partner countries and 18 development partner organizations. This marks a crucial milestone in the realization of our dream of creating a platform to promote and facilitate mutual cooperation among tax administrations in Africa, and between Africa and the rest of the world.

The Forum was officially launched by the President of the Republic of Uganda, His Excellency President Yoweri Museveni, and was given further impetus by the support of the Ugandan Minister of Finance, Planning and Economic Development, the Honourable Mrs Syda Bumba, and the Ugandan State Minister for Finance (Investment), Mr Aston Kajara and the Ugandan State Minister for Finance (Micro Finance), Mrs Ruth Nankabirwa.

Our shared experiences over the three days once again demonstrated that efficient and effective tax administration is key to building capable states. The establishment of ATAF will directly contribute to economic development and good governance on the African continent.

ATAF is African led, managed and supported primarily through the expertise, resources and financial contributions of its Members. As an African initiative, it will work towards achieving increased financial independence for African countries.

To make ATAF a functioning entity, we elected South Africa as the Chair of the ATAF Council; and Botswana, Gabon, Ghana, Kenya, Nigeria, Rwanda, Senegal and Zimbabwe as Council members. The North African countries of Mauritania, Morocco and Sudan have recommended that Morocco joins the Council as their representative. The Council will submit this recommendation to the presiding electoral officer of PWC for endorsement and will inform the members of the North African region of the outcome. We also unanimously agreed that South Africa will host the ATAF Secretariat.

In order to enable the ATAF Council to discharge its functions, we passed necessary resolutions regarding the ATAF Agreement, procedures, transitional arrangements, staffing, and the budget and work programme for 2010.

As a result of our dialogue with development partners, we recognize the significance of their support as they accompany us on the road to turning our ATAF vision into a reality. In this regard, our proposal for cooperation establishes a strong relationship and we acknowledge their support through financial assistance and the sharing of technical expertise.

The establishment of ATAF is but the beginning. While our work programme is already underway, the journey in pursuit of our objectives will be a long one as we, together with our development partners, actively promote improvements in tax administration through sharing experiences, benchmarking, and peer reviewing best practices. Together we will develop our database of African tax systems.
and methodologies, and deliver capacity development events on international and domestic policy and administration issues. In order to facilitate our work programme in the longer term, we resolved to establish an African Tax Centre.

Above all, our mission is to mobilize domestic resources more effectively and increase the accountability of our states to our citizens. We resolved that the next meeting of the ATAF Council will be held in March 2010, where a date for the first General Assembly will be decided.

We take pride in ATAF’s achievements so far, particularly the foundation already developed which this conference is built on, as well as the technical events delivered with the assistance of development partners.

We wish to express our deep appreciation for the insight and leadership of the ATAF Steering Group, for the commitment by the members of the Technical Task Team and the skills and efforts of the Interim Secretariat based at the South African Revenue Service for having brought us this far. We are humbled by the commitment and enthusiasm shown by all delegates at the conference.

Finally, we wish to express our appreciation to the Commissioner General of the Ugandan Revenue Authority, her staff and the Ugandan Government for their gracious hospitality, excellent organization and hard work in ensuring the success of this conference.

Kampala, Uganda
20 November 2009

Appendix

ATAF MEMBER STATES:
Botswana, Chad, Egypt, Eritrea, Gabon, Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mauritania, Mauritius, Morocco, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Sudan, Uganda, Zambia and Zimbabwe.

PARTICIPATING AFRICAN TAX ADMINISTRATIONS:
Benin, Cameroon, Congo (Democratic Republic), Mozambique, Swaziland and Tanzania.

PARTICIPATING DEVELOPMENT PARTNER COUNTRIES:
France, Germany, Ireland, Japan, Netherlands, Norway, Sweden, Switzerland and the United Kingdom.

DEVELOPMENT PARTNER ORGANIZATIONS:
ADB, ATI, CERDI, CMI / ISS, DFID, EU - RT VAT, GTZ, IMF, IDS, IRISH AID, JICA, KFW, NORAD, OECD, SADC, SAICA, SDC and USAID.
Where will the road back from Kampala 2019 lead to in the next 10 years? What will the ATAF look like in 2029? Sketched out below is a potential, if ambitious, scenario:

African countries are members of ATAF because they recognise the benefits of belonging to an organisation that is ably serving the continent. ATAF has offices in all six sub regions of the continent, staffed by a skeleton staff who manage a network of home-grown experts on the continent to provide advice on tax policy and legislation and technical assistance on tax administration.

ATAF owns on behalf of its members a tax administration ICT infrastructure and statistical capability that is available to all members. It manages either a continental-wide training institute, or six sub-regional training institutes and an African tax university.

Member countries have aligned their tax policy, legislation and tax administration into a coherent tax system that effectively mobilises domestic resources, resulting in the average tax to GDP ratio for African countries increasing beyond 30%.