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TADAT Mid-Term Evaluation

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International

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B. Acronyms

ADB	Asian Development Bank	MTRS	Medium-Term Revenue Strategy
AFD	French Development Agency	NBR	National Board of Revenue (Bangladesh)
AfDB	African Development Bank	NTCA	Netherlands Tax and Customs Administration
AFRITAC	Regional Technical Assistance Center for Africa	OECD	Public Financial Management
AG	Auditor General	ORG	Office of the Registrar General
ATAF	African Tax Administration Forum	PAR	Performance Assessment Report
CAPTAC-DR	Regional Technical Assistance Center for Central America, Panama and the Dominican Republic	PAYE	Pay As You Earn
CG	Commissioner General	PEFA	Public Expenditure and Financial Accountability
CIAT	Inter-American Center of Tax Administrations	PFTAC	Pacific Technical Assistance Center
CIP	Compliance Improvement Plan	PI	Performance Indicator
CIT	Corporate Income Tax	PIT	Personal Income Tax
CMU	Compliance Monitoring Unit	POA	Performance Outcome Area
DAC	Development Assistance Committee	PSF	Private Sector Federation
DFID	Department for International Development	RA-FIT	Revenue Administration's Fiscal Information Tool
DGII	General Directorate of Internal Taxes (Dominican Republic)	RDB	Rwanda Development Board
DPSC	Development Partner Steering Committee	RRA	Rwanda Revenue Authority
DRM	Domestic Resource Mobilisation	SC	Steering Committee
EAC	East Africa Community	SECO	Swiss Agency for Development and Cooperation
EC	European Commission	SMT	Senior Management Team
FAD	Fiscal Affairs Department	SPIU	Special Project Implementation Unit
GIZ	German Development Agency	SPOC	Single Point of Contact
HMRC	Her Majesty's Revenue and Customs	SRC	State Revenue Committee (Armenia)
ICD	Institute of Capacity Development	TADAT	Tax Administration Diagnostic Assessment Tool
IMF	International Monetary Fund	TADAT-TF	Tax Administration Diagnostic Assessment Tool - Trust Fund
IOTA	Inter-European Organisation of Tax Administrations	TAG	Technical Advisory Group
ISIC	International Standard Industrial Classification	TAMP	World Bank's Tax Administration Modernisation Program
ISORA	International Survey on Revenue Administration	TF	Trust Fund
JICA	Japan International Cooperation Agency	TIN	Taxpayer Identification Number
MD	Measurement Dimensions	TOR	Terms of Reference
METAC	Middle East Regional Technical Assistance Center	TRP	USAID's Tax Reform Project
MOFA	Ministry of Foreign Affairs	USAID	United States Agency for International Development
MOU	Memorandum of Understanding	VAT	Value Added Tax

TADAT Mid-Term Evaluation

C. Executive Summary

Background and context

In December 2013, the International Monetary Fund (IMF) and other development partners launched the Tax Administration Diagnostic Assessment Tool-Trust Fund (TADAT-TF). The TADAT is part of a wider agenda of the international community to help countries strengthen their tax systems to better mobilise the domestic revenue they need to provide essential goods and services to their citizens in a sustainable and economically sound way[1]. It is closely modelled on the Public Expenditure and Financial Accountability (PEFA) design.

The Program Document[2] for the TADAT-TF states that an independent evaluation will be undertaken three years into the TADAT-TF's current five-year cycle. The focus of the evaluation[3] is on the extent to which the objectives of the TADAT-TF are being achieved and the continued relevance of the TADAT-TF, with the aim of improving TADAT-TF operations through the end of the current cycle. The evaluation is also to identify lessons learnt and make recommendations for refining and improving the TADAT-TF for a future cycle.

Our evaluation covered the first three years of operations of the TADAT-TF from January 2014 to April 2017. Forty-two TADAT assessments were completed up to April 2017[4] between the four sub-phases of the current cycle (Phase I), including four during proof of concept (2013-2014), thirteen during the technical pilot (2015), twenty during steady state (2016) and five during steady state (2017). The scope of our evaluation covered these assessments and the result of these assessments. It also covered other TADAT-TF operations like the design of the TADAT product, training, research, awareness/outreach, quality assurance and governance.

Evaluation activities

Our evaluation was undertaken in two main stages. Firstly, a desk-based review. Secondly, field visits to:

- Washington DC – for discussions with the IMF's Institute of Capacity Development (ICD), Secretariat, the IMF and Steering Committee (SC) and Technical Advisory Group (TAG) representatives.
- Four-selected TADAT assessed countries (Armenia, Bangladesh, Dominican Republic and Rwanda) – for discussions with the tax administration or revenue authority and other stakeholders.

During the field visit stage, we also spoke with representatives from development partners who are not SC members (TADAT Partners), regional tax administration bodies and TADAT team leaders and assessors.

An inception note was sent to the ICD in October 2017 following the desk-based review. This set out our methodology for data collection and selecting countries to visit, our proposed plans for the visits, meetings and potential interviewees and some initial comments and observations from our desk-based review.

A questionnaire was developed during the desk-based review for each of the main stakeholders we were proposing to meet during our field visits. During these visits, we asked the questions in the questionnaire and used the responses and the field visit interviews, along with other information collected during the evaluation, to address the key evaluation questions set out in the Terms of Reference (TOR).

Adam Smith International would like to thank everyone for meeting with us and contributing to this evaluation, along with ICD for their support in arranging meetings and initiating contact for the field visits.

Overall conclusion

The overall conclusion of this mid-term evaluation is that the TADAT product is robust and is "fit for purpose".

From the countries visited, our conclusion is that the TADAT product is very relevant for tax administrations and the development partners that are supporting and/or looking to support the tax administrations. We heard numerous examples of the TADAT product having the desired impact – resulting in the reform efforts by tax administrations and technical assistance efforts of development partners being refocused or focusing on areas of tax administration weaknesses identified by the Performance Assessment Report (PAR).

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[1] Page 3, Attachment A – TADAT_Mid-Program_Evaluation_TOR-March_7_2017_(Approved)
[2] Page 12, Program Document, December 2013
[3] Page 4, Attachment A – TADAT_Mid-Program_Evaluation_TOR-March_7_2017_(Approved)
[4] The TADAT assessment for Norway has only been counted once as the mission in December 2014 was a follow-up pilot to the initial pilot in December 2013

We also received considerable feedback from recipient countries, TADAT Partners, other development partners and stakeholders and assessors on the role and performance of the Secretariat. The energy, responsiveness and support of the Secretariat has been highlighted time and time again. In addition, we discussed the plans for the TADAT product and TADAT-TF operations through to the end of the current cycle and for the next cycle with the Secretariat and other stakeholders and are supportive of these plans.

We do believe that the TADAT product and the TADAT-TF operations could benefit from some "fine-tuning" as it moves into the next two years of the current cycle and achieves a greater level of maturity, particularly to:

- Further enhance awareness and the scope and process of the TADAT product.
- Improve the efficiency of the process for all stakeholders involved in a TADAT assessment.
- Achieve greater post-TADAT assessment impact and actions by the tax administrations.
- Capture the lessons learnt from the first three years of operations into the TADAT product.
- Achieve more dissemination on lessons learnt and contribution to good practice in tax administration.

Main recommendations

We believe that the TADAT product should largely continue "as is" with only limited changes or additions within the current nine Performance Outcome Area's (POA) structure (e.g. adding Performance Indicator's (PI) to cover human capital and investigations and prosecutions capabilities). We also believe that areas (such as customs revenues and business processes and other tax business processes and corporate areas) not currently included within the TADAT product should not be focused on during the next two years. In addition, we believe that the current pilot and roll-out plans for TADAT at a sub-national level should continue. Like PEFA, we support the TADAT-TF operations having a Secretariat.

Other main recommendations for the remainder of the current cycle include:

- Further awareness material and communication activity.
- Producing case studies promoting successful TADAT experiences to promote TADAT and highlight good practice approaches from implementing reform to deal with weaknesses identified by TADAT.
- Enhancing the assessor qualification criteria and assessment team selection process.
- Developing a three-stage process to help prepare a country for a TADAT, including the online video on the process, time commitments, steps they may want to undertake, etc.
- Capturing lessons learnt from first three years of operations as additional guidance for key TADAT stakeholders (e.g. lead agencies, recipient countries, team leaders and assessors).
- Tailoring the PAR for repeat TADAT's that highlights' changes in scores between assessments and what might be required as amendments are made to POA's and PI's.
- Adoption of a clearer and more structured approach to quality assurance of the PAR's.
- Expanding the online assessor training to cover consulting skills, connections between the different POA's and an exercise to simulate a TADAT assessment.
- Prioritising the development and rollout of the "assessor" dashboard section of the TADAT Portal.
- Expanding the use of the PAR's to help disseminate good practice.
- Breathing a "new lease of life" into the TAG.
- Continued expansion of the collaboration with regional tax administration bodies.
- Producing costings covering the total cost of mobilising an assessment team, along with costs associated with the in-country assessment and quality assuring the PAR.
- Improving the mechanism for measuring the impact of the TADAT product.

D. Introduction

1. Evaluation overview

1.1. Background

In December 2013, the IMF and other development partners launched the TADAT-TF. The TADAT product is part of a wider agenda of the international community to help countries strengthen their tax systems to better mobilise the domestic revenue they need to provide essential goods and services to their citizens in a sustainable and economically sound way[5]. It is closely modelled on the PEFA design.

The Program Document[6] for TADAT-TF states that an independent evaluation will be undertaken three years into the TADAT-TF's current five-year cycle. Accordingly, the IMF contracted Adam Smith International in August 2017 to undertake the mid-term evaluation of the TADAT-TF. The TOR's are set out in Appendix K.

The focus of the evaluation[7] is on the extent to which the objectives of the TADAT-TF are being achieved and the continued relevance of the TADAT-TF, with the aim of improving TADAT-TF operations through the end of the current cycle. The evaluation is also to identify lessons learnt and make recommendations for refining and improving the TADAT-TF for a future cycle. Our evaluation covered the first three years of operations of the TADAT-TF from January 2014 to April 2017. The scope of our evaluation covered forty-two assessments completed in this period (and the result of these). It also covered other TADAT-TF operations like the design of the TADAT product, training, research, awareness/outreach, quality assurance and governance.

1.1.1. Evaluation activities

In accordance with the TOR, the evaluation has been undertaken in three stages:

- First stage – Desk-based review.
- Second stage – Field visits to:
  - Washington DC – for discussions with the ICD, Secretariat, IMF and SC and TAG representatives.
  - Four-selected TADAT assessed countries (Armenia, Bangladesh, Dominican Republic and Rwanda) – for discussions with the tax administration or revenue authority and other stakeholders.
- Third stage – Report drafting.

During the field visit stage, we also spoke with representatives from development partners who are not TADAT Partners, regional tax administration bodies and TADAT assessment team leaders and assessors.

A full list of all people spoken to during the field visit stage can be found in Appendix L.

Field visits took place to:

- Washington DC: 16th – 20th October.
- Four-selected TADAT assessed countries: 6th November – 1st December.

A case study has been written up for each visit to a TADAT assessed countries (see Appendices B to E).

1.1.2. Desk-based review

As noted above, we initially undertook a desk-based review of the information provided by the Secretariat. This primarily included a high-level review of the PAR's for forty completed TADAT assessments between November 2013 and April 2017 (Cote d'Ivoire and the Philippines were not included in this review).

Table 12 in Appendix I sets out a summary of the forty-two completed TADAT assessments. This summary formed the basis for selecting the four countries to be visited during the second stage.

In accordance with the TOR, an inception note was sent to ICD in October 2017 following the desk-based review. This was shared with the SC. The inception note set out our methodology for data collection and

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[5] Page 3, Attachment A – TADAT_Mid-Program_Evaluation_TOR-March_7_2017_(Approved)
[6] Page 12, Program Document, December 2013
[7] Page 4, Attachment A – TADAT_Mid-Program_Evaluation_TOR-March_7_2017_(Approved)

selecting countries to visit, our proposed plans for the visits, meetings and potential interviewees and some initial comments and observations from our desk-based review.

1.2. Methodology

A questionnaire was developed for each of the main stakeholders we were proposing to meet during the second stage. We designed this along the lines of the:

- Structure of the latest Field Guide (November 2015).
- Key evaluation questions in the TOR.

The questionnaire was sent to the tax administration prior to our country visit and used by them to prepare for our visit. We did not receive (or expect) completed questionnaires back. During our visits, we asked questions in the questionnaire and used the responses and the field interviews, along with other information collected during the evaluation, to address the key evaluation questions set out in the TOR and ensure that the evaluation is carried out in accordance with standards and addresses the five evaluation criteria of relevance, efficiency, effectiveness, impact and sustainability set out by the Development Assistance Committee (DAC)[8].

To determine selection criteria for the four TADAT assessed countries to visit, we categorized the forty-one countries[9] that had concluded a TADAT assessment at the end of April 2017 according to phase, lead agency, income classification, region and reference to TADAT in staff reports from the IMF Article IV consultation. Some countries[10] were excluded from selection. Table 12 in Appendix I sets out a summary of the forty-two completed TADAT assessments. Tables 5 to 9 (also in Appendix I) provide further support used to select the countries. Using the criteria set out in Appendix I, we selected four countries to visit during the second stage – Armenia, Dominican Republic, Mozambique and Rwanda. We believed these four countries provided a good representation of PI scores and strengths and weaknesses, as well as across the sub-phases and the lead agencies, income classifications[11] and regions for the completed TADAT assessments. Following consultation with the SC, we were asked by ICD to visit Bangladesh instead of Mozambique. This was to ensure that a country from South Asia was captured in our evaluation.

In addition to meeting representatives from the tax administration (and other stakeholders (e.g. development partners)), we identified areas of focus for each country in our inception note. Each area had been identified as a weakness in the countries PAR and also as emerging lessons[12] from the completed TADAT assessments. Where possible, we met with the individuals responsible for the areas of focus to understand what work, if any, had been undertaken since the TADAT assessment to strengthen these areas.

As noted above, findings from our four country visits are set out as case studies in Appendices B to E and a full list of all people spoken to during the field visit stage can be found in Appendix L. Table 4 also summarises the findings from our four country visits by the five evaluation criteria set out by DAC.

Adam Smith International would like to thank everyone for meeting with us and contributing to this evaluation, along with ICD for their support in arranging meetings and initiating contact for our field visits.

1.3. Report structure

The main body of this report has been structured in two sections:

1. Findings and Conclusions, which consists of:

   - Knowledge, information and communication.
   - Phase 1: assessment initiation process.
   - Phase 2: Pre-assessment process.
   - Phase 3: In-country assessment process.
   - Phase 4: Post-assessment process.

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[8] Per page 4 of the TOR: The OECD's Development Assistance Committee (DAC) is a grouping of the world's main donors, which defines and monitors global standards in the key areas of development
[9] Two PAR's were reviewed for Zambia
[10] The Philippines declined to share their PAR. Liberia was excluded because Adam Smith International was involved in the assessment. Sierra Leone was also excluded because Adam Smith International provide technical assistance there
[11] World Bank classifications of low income, lower middle income, upper middle income and high income
[12] Figure 4, The TADAT Framework: A Pocket Reference Guide, September 2016

- Training.
- TADAT tools.
- Impact and sustainability.
- Secretariat and governance.
  2. Recommendations
- Current cycle (remainder of Phase I).
- Future cycle (Phase II).

This report also contains a number of Appendices, providing additional supporting material for the evaluation:

- Our recommendations.
- Case Study 1: Armenia.
- Case Study 2: Bangladesh.
- Case Study 3: Dominican Republic.
- Case Study 4: Rwanda.
- Lessons learnt to be captured.
- Scope of TADAT.
- Suggested quality assurance template.
- Criteria for selecting the four TADAT assessed countries.
- Nordic benchmarking experience.
- Project Terms of Reference.
- People interviewed as part of the evaluation.

2. Origins and background of TADAT

2.1. Evolution of the PEFA tool in relation to TADAT

The PEFA program was established in 2001 with the twin objectives of the development of a more strategic, comprehensive and collaborative approach to assessing and reforming countries public expenditure and financial accountability systems, and the identification of PI's and benchmarks that could be used to address both developmental and fiduciary objectives. Those objectives continue to provide the basis for the program. The latest phase (Phase IV) builds on the previous phases and attempts to make a substantial contribution to the reform of Public Financial Management (PFM) systems by using the pool of PEFA assessments conducted so far. Specifically, it addresses the challenges of:

- The transition from a PEFA assessment to the elaboration of a PFM reform plan.
- Keeping the PEFA framework relevant to users, both in relation to the evolution of international standards and good practices in PFM and in relation to the progress made by and increasing aspirations of recipient countries.
- The need for more analysis of global trends in PFM systems performance, including learning on that type of reforms work and which do not and why this is the case.

The origins of the TADAT product can be traced back to thoughts around a "Tax PEFA" – the need, when looking at the revenue flows into PFM, to examine a much broader range of tax administration areas than the PEFA process examined. The general structure of the PEFA framework is analogous to the TADAT framework and comprises a total of thirty-one PI's, twenty-eight of which relate to the performance of government and three to development partner performance with an impact on government's budget systems. The evidence based (and scoring) methodologies are also similar.

The experiences of PEFA should be continually reflected in the evolution of the TADAT product and TADAT-TF operations and specifically should focus on how the TADAT assessment can transition into a targeted reform plan produced by government and responded to by development partners.

2.2. About TADAT

The Program Document[13] for the TADAT-TF sets out an overview of TADAT, its design, governance arrangements and the financing and administrative arrangements. The document, along with the Field Guide, introduces a number of terms that are summarised in Table 1 for the benefit of readers of this report.

Table 1: TADAT terms from Product Document and Field Guide

Terms	Definition
TADAT Partners	The development partners contributing to the TADAT initiative: ▪ European Commission (EC). ▪ Federal Ministry for Economic Cooperation and Development (Germany). ▪ IMF. ▪ Ministry of Finance (Japan). ▪ Ministry of Foreign Affairs (MOFA) - Netherlands. ▪ Ministry of Foreign Affairs (Norway). ▪ Swiss Agency for Development and Cooperation (SECO). ▪ Department for International Development (DFID) – United Kingdom. ▪ World Bank.
Steering Committee	▪ Directs and monitors the TADAT program. ▪ It includes representatives from each of the TADAT Partners. It may also include observers. ▪ The position of Chair is rotated annually among all of the TADAT Partners. ▪ Head of the Secretariat is also the secretary to the SC. ▪ SC meetings should take place annually, although additional meetings may take place as needed.
Technical Advisory Group	▪ Provides technical advice and guidance to the Secretariat. ▪ Comprise technical representatives from TADAT Partners (typically the country's tax administration and IMF and World Bank staff) and regional tax administration bodies.
Secretariat	▪ Plans, implements and monitors the TADAT program. ▪ Managed by the Head of Secretariat. ▪ Hosted by the IMF. ▪ All personnel are staff or contractual employees of the IMF. ▪ Must comply fully with the IMF's policies and procedures.
TADAT subaccount	▪ Financial contributions to the TADAT-TF are paid into a multi-donor subaccount of the IMF. ▪ Funds can only be used for financing activities of the Secretariat under the TADAT-TF. ▪ Contributions must be managed in accordance with applicable IMF practices and procedures. ▪ Subaccount expenditures and commitments must be reported on and audited annually.
TADAT methodology	▪ Nine POA's that cover tax administration systems, processes and institutions. ▪ Assessment of these POA's is (currently) based on twenty-eight PI's. ▪ Forty-seven (currently) Measurement Dimensions (MD's) are taken into account

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[13] Program Document, December 2013

Terms	Definition
	in arriving at scores for the twenty-eight PI's. A four-point 'ABCD' scale is used to score each MD and PI. ▪ "Trained TADAT Assessors" (certified by Secretariat) apply the TADAT methodology. ▪ The Field Guide (version 6, November 2015) guides assessors. ▪ The PAR provides the assessment of the tax administration.
Lead agency	Provide funding of a TADAT assessment in a particular country.

Table 2 shows a breakdown of the forty-two assessments completed up to April 2017[14] between the four sub-phases of current cycle (Phase I), illustrating the three different sets of PI's that have been used.

Table 2: TADAT assessments by sub-phase and PI

Phase	No. of assessments	No. of PI's		
		26	27	28
Proof of concept (2013-2014)	4	2	2	-
Technical pilot (2015)	13	13	-	-
Steady state (2016)	20	-	-	20
Steady state (to April 2017)	5	-	-	5
Total	**42**	**15**	**2**	**25**

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[14] The TADAT assessment for Norway has only been counted once as the mission in December 2014 was a follow-up pilot to the initial pilot in December 2013

E. Findings and Conclusions

3. Knowledge, information and communication

3.1. Steering committee and development partners

Overall, the representatives of the SC and other development partners (headquarters) spoke very highly of the information available on the TADAT product and the communications from the Secretariat.

From the four countries we visited during field visits, some development partners indicated they would like:

- More marketing material to help promote TADAT.

- Educational material to help staff to better understands TADAT (i.e. benefits, process, etc.).

- Case studies promoting successful TADAT experiences to help promote TADAT.

The latter would be the most useful.

In addition, in the four countries we visited, we also came across a range of people who had no knowledge of TADAT and that a PAR had been produced in their country to those with extensive knowledge of TADAT and brought a copy of the PAR to the meeting. Whilst some of this can be explained by the recent arrival of staff in country, it does highlight that communication needs to improve between either the Secretariat or the headquartered development partner and the in-county development partner delegation.

There also appeared to be little awareness that TADAT Partners could obtain copies of PAR's via their headquarters, rather than having to rely on the recipient country or other development partners to share it. We believe that greater communication of the fact that development partners can obtain copies of PAR's via their headquarters is necessary to improve the timely use of the PAR's in the development of possible support.

Another area we believe needs to be addressed by the Secretariat in awareness material and communication going forward is to ensure that the purpose of TADAT is clear to policy makers (i.e. the Ministry of Finance (MOF)). There is a risk that countries will be discouraged from doing a TADAT if it is not seen as a development tool – to identify weaknesses – and is instead used as a tool to use against staff within the tax administration. Unlike PEFA, TADAT's focus is on one agency and, as a result, bad scores could result in people losing their job and, ultimately, not wanting to undertake a TADAT. Accordingly, we believe that greater awareness is still required to ensure that all stakeholders better understand the purpose of a TADAT. The PAR may also need altering to highlight scores of 'D' where evidence could not be provided or relied upon by the assessment team – like PEFA, this could be done by use of an asterisk (i.e. D*) at the MD level[15].

3.2. Recipient countries

Three main themes came from the four countries visited during our field visits, namely:

- Timely communication between the Secretariat and the lead agency is needed to help reduce uncertainty around the scheduling of the assessment and provided more time to arrange assessment logistics and plans.

- Material to assist the recipient country with internal communication around the upcoming TADAT.

- More information is needed from countries on their experiences of TADAT, highlighting good practice approaches from implementing reforms to deal with weaknesses identified by TADAT.

The former is discussed further in Section 3.6 below. The latter was seen as in addition to work undertaken by, say, research bodies to analyse findings and/or could be done through the engagement of the likes of regional tax administration bodies, IMF's Regional Technical Assistance Centers or a development partner.

In addition to the further targeting of the MOF to increase their understanding of good tax administration and the benefits that brings to the country's fiscal position, the Auditor General (AG) was also seen as another

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[15] Page 15, PEFA 2016 Handbook, Volume II: PEFA Assessment Field guide (Section 2.1.1 states that *" … A score of D due to insufficient information is distinguished from D scores for low-level performance by the use of an asterisk—that is, D*. The aggregation of multidimensional indicators containing D* scores is no different from aggregation with other D scores. Aggregate indicator scores will not include an asterisk, and thus the insufficiency of information is only noted at the dimension level"*)

government agency to educate on TADAT. As the AG is looking at many areas covered by TADAT in their audit of the tax administration, we feel that the awareness of TADAT could be strengthened so that auditors understand the TADAT process and PAR, the work done by the tax administration to reduce the gap identified in the PAR and to ensure that audits are conducted efficiently by the AG and for the tax administration.

3.3. TAG

Whilst the TADAT Technical Advisory Group (TAG) was very active during the initial development of TADAT and the Field Guide, this involvement has diminished since this development stage. Based on feedback, we believe that the TAG has a valuable contribution to make to TADAT and that it would benefit from a "new lease of life" by the Secretariat and SC members as TADAT-TF operations moves forward.

Some areas where improvements could be made include:

- Awareness of future assessments and possible future peer reviews for the TAG members. This could involve circulation of an 'indicative' workplan prior to the beginning of the year, along with regular (i.e. quarterly) updates to the workplan as assessment plans and dates are confirmed.

- Six monthly meetings between the Secretariat and TAG to brief TAG members on developments, plans, issues identified, lessons learnt, and so on. There are issues that can be discussed with the TAG and meetings should be held to reengage the TAG and improve participation in other work.

- Circulation of SC meeting minutes to TAG members by the Secretariat. We appreciate that some matters in the minutes may be confidential. However, confidential areas can be removed from the version circulated to the TAG. Minutes do not appear to being circulated by SC members to the TAG.

With plans to revise the Field Guide in November 2018 and developments in Human Resources (HR), we believe that it is important for the TAG to be reengaged early during 2018 and then involved in regular discussions going forward. It is critical that the technical knowledge of the TAG is harnessed (especially those undertaking TADAT assessments) and that the TAG has a greater awareness of issues for assessments and peer reviews they undertake in the future. Requests from the Secretariat also need to be sent to all TAG members so reliance is not only on the same few. To assist the Secretariat (and ensure reliance is not on the same few), we would also suggest that SC members review representatives put forward to the TAG to ensure that they are available and committed to the TAG and to participating in TADAT assessments.

3.4. Assessors

The main source of information for assessors is the TADAT website (tadat.org) and, as noted below in Section 3.6, it is acknowledged by the Secretariat that the website is not updated as frequently as they would like. The TADAT newsletter[16] (a page snapshot) is the main source of information for assessors on TADAT plans and developments. In general, assessors, like others, would like to know more about TADAT plans and developments, particularly about plans for upcoming assessments and the lessons learnt and emerging themes (strengths and weaknesses) from completed TADAT assessments. On the latter point, we discuss expanding the guidance available for assessors throughout this report. Whilst it is not clear how widely assessors view the TADAT newsletter, we believe a more prominent location on the home page of the TADAT website would help to ensure more assessors read the publication. Another reoccurring comment from assessors related to how assessors were appointed for TADAT assessments. We believe information on this should be developed by the Secretariat and captured in the most appropriate area of the TADAT website.

3.5. Regional tax administration bodies

Regional tax administration bodies are important stakeholders for TADAT and the Secretariat and all are very supportive of the tool and the work of the Secretariat. They are keen to play a role with TADAT in the future.

Like many other stakeholders, regional tax administration bodies would also like:

- More information on plans and activities (i.e. completed TADAT's, pilots at sub-national level, etc.).

- Feedback on findings and lessons learnt from completed TADAT's (e.g. to be able to tailor training or discussions at technical conferences to weaknesses identified in PAR's).

- Case studies setting out what countries have done and impact from undertaking the TADAT (primarily to help them convince other countries of the benefits undertaking a TADAT).

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[16] Five TADAT Newsletters published since September 2016

We believe that the development of a memorandum of understanding[17] with ATAF[18] is a positive development and, where not already in place, such an arrangement should also be pursued with other regional tax administration bodies[19] in the future to cement the relationship and sharing of information. Gaining access to countries PAR's for member countries may be one such area in the future that could improve collaboration between the Secretariat and the regional tax administration bodies. It is also important that the Secretariat recognise the budget that is often required to participate in some TADAT events. The Secretariat and/or TADAT Partners may also need to consider reimbursing/funding some of these costs (e.g. flights, accommodation, etc.) to ensure that the engagement of regional tax administration bodies can be maximised.

3.6. Website and other communication mediums

One of the main tools currently used by the Secretariat to communicate with the TADAT network and the wider public is the TADAT website (tadat.org). The website contains details about TADAT, training, news and documents (i.e. Field Guide) for download. It is acknowledged by the Secretariat that the website is not kept up to date as frequently as they would like and areas have been identified for improvement (and the latest revamp to pefa.org has been identified by the Secretariat as a benchmark for future development).

We agree that work is required to provide up to date information to the TADAT network and wider public on activity, plans, impact, lessons learnt and research on the TADAT website. Information also needs to be easier to locate. We understand that PEFA are planning an upgrade in 2018 and believe that the Secretariat should consult with the PEFA Secretariat to incorporate any further lessons learnt into their website revamp.

We note that there has been limited use of Facebook, Twitter or LinkedIn to promote TADAT by the Secretariat. There was some use around the time of the launch by the IMF. In addition, there was some use by IMF's East AFRITAC (to promote TADAT activities in Ethiopia, Rwanda and Tanzania) and Uganda Revenue Authority and Rwanda Revenue Authority (RRA) on Facebook and Twitter. The majority of this activity is older than 18 months. There was also social media activity during the leadership training in Slovenia in January 2016 by the host and @imfcapdev did announce the launch of the Peru PAR on Twitter earlier in 2017. We believe that the Secretariat should explore the expanded (and more consistent) use of such tools. Group, rather than personal, accounts could be created and used by the Secretariat.

Section 9.2 has further discussions on technology developments by the Secretariat.

4. Phase 1: Assessment initiation process

4.1. The 'right time' to undertake a TADAT

From the viewpoint of the tax administration, the timing for undertaking a TADAT assessment must be "right". This goes beyond the time in the year (e.g. avoiding the pre-budget period or the end of the revenue year), but considering when is the best time so that the assessment can help establish a benchmark and guide subsequent reform activities. Whilst we acknowledge that TADAT assessments are demand driven, we believe some further guidance to help a country learn from the lessons to date would be beneficial.

From discussions, some good examples on the timing for an assessment include:

- Recent appointment of the head of the tax administration and a desire to learn administration weaknesses and reform priorities.
- Political drive from the top (i.e. President, Minister of Finance, etc.) to reform.
- Major reform program and/or strategic plan coming to an end for the tax administration.

In addition, some bad examples on the timing for an assessment include:

- Development partner needs to undertake an assessment for their program.
- Development partner must spend budget prior to the end of the financial year.
- Government and/or tax administration in turmoil – corruption, sackings, etc.

One other consideration may be the timing of the PEFA assessment. Given the time commitment involved in undertaking both assessments, it may be advisable to make sure that they do not happen at the same time.

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[17] It is understood this will be signed in early 2018
[18] African Tax Administration Forum
[19] Other regional tax administration bodies spoken to during this evaluation included the Inter-American Center of Tax Administrations (CIAT) and Inter-European Organisation of Tax Administrations (IOTA)

However, as both will help guide subsequent reform activities, if they are undertaken close by (i.e. one after the other) then this may also assist wider government reform initiatives and cross-cutting reform programs.

4.1.1. Request for an assessment

At the outset, we believe that there needs to be a formal request from the country's government (i.e. MOF) or tax administration for a TADAT assessment. We do not believe development partners should make requests to the Secretariat or force a country to undertake a TADAT assessment. As soon as the request is received by the Secretariat, we believe the Secretariat should notify all TADAT Partners concurrently of this request. Unless the country notifies or copies a development partner on the request, we do not believe a TADAT Partner should receive advance warning of the request for a TADAT assessment. A TADAT Partner should not keep the knowledge to them self – it must be shared with all TADAT Partners.

Once the assessment has been agreed to by all relevant parties, considerable forward planning is needed for it to be undertaken successfully. Given the importance of this planning and based on feedback collected from our field visits, we suggest a three-stage process to help better prepare a country for a TADAT, namely:

- A "brochure" (one-two pages) aimed at explaining to tax administration staff, in the POA areas being assessed, a little about the TADAT purpose and the process and what to expect afterwards. This "brochure" could be included in the Field Guide.

- An online video (supplementing the "brochure") for recipient countries to view to understand the process, time commitments, steps they may want to undertake, etc.

- A Skype call between the Secretariat and/or the team leader and the recipient country "core team" to address any residual questions.

By making these additions to the process, we believe that it will help:

- The recipient country to make a more informed decision prior to undertaking a TADAT (and ensure the timing is right to undertake the TADAT).

- Enable the recipient country to be better prepared for TADAT assessment team, ultimately improving the efficiency and effectiveness of TADAT assessments.

- The recipient country down the line with implementation of reform and change management.

- Enhance the efficiency of the Secretariat by capturing standard messages and reducing the need to repeat the same message to each recipient country. This will be particularly important as more countries request an assessment (as is already forecast for the first six months of 2018).

4.2. Assessment teams

We note the following from the PAR's completed during the evaluation period:

- The average size of the assessment team is five members and that:
  - Ghana had nine members.
  - Kenya, Liberia, Rwanda and Zambia had seven members.

- Assessors from the IMF[20] account for 42.9% of the assessors on TADAT assessments. By adding staff from the Secretariat, this percentage increases to 59.1%. In addition, team leaders from the IMF account for 56.1% of team leaders on TADAT assessments. By adding staff from the Secretariat, this percentage increases to 78.0%.

- A total of two hundred and three assessors have been involved across the forty assessments[21]. This figure includes a number of assessors who have undertaken multiple assessments so total number of "Trained TADAT Assessors" who have actually participated in an assessment is considerably fewer[22].

- According to the TADAT-TF SC Report[23], 14.3%, 12.4% and 4.6% of the "Trained TADAT Assessors" came from Africa, Asia and Pacific and the Middle East respectively as at May 2017.

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[20] Includes CAPTAC-DC, East AFRITAC, FAD, METAC, PFTAC, WARTAC II, IMF Resident Representative and IMF external experts
[21] Figures do not include Cote d'Ivoire and the Philippines
[22] 29% according to Annex 1, Page 35, TADAT-TF SC Report, 22 June 2017
[23] 22 June 2017

4.2.1. Assessment team size

We believe that assessment teams need at least four assessors, but no more than six assessors. The situation that arose in Ghana and to a lesser extent, Kenya, Liberia, Rwanda and Zambia, should not be permitted to happen in the future and the Secretariat needs to have the mandate to restrict the size of assessment teams. Greater consideration to the effectiveness and efficiency of TADAT assessments needs to be given by TADAT Partners to the recipient country and team leader if they insist on including extras.

We acknowledge that some flexibility up or down is required depending on the size of the tax administration and geography. The important point is that all the assessors must bring knowledge to the team on one or more of the nine POA's. To ensure the costs of the TADAT processes are managed (recipient country and assessment team), larger teams should only be required in the largest economies/tax administrations and smaller teams might also be justified in the smallest economies/tax administrations (e.g. in Pacific nations).

4.2.2. IMF and Secretariat involvement in assessment teams

A concern that has been raised by some stakeholders is that they consider TADAT to be an IMF tool (rather than as a public tool). Given the statistics above, one solution to this could be to have fewer IMF assessors and team leaders involved on TADAT missions. We are not suggesting this. In many ways, the statistics in Section 4.2 only highlight the struggle faced by lead agencies and the Secretariat to find available assessors and team leaders and the role that the Secretariat and the IMF often play to make up teams at short notice.

Table 3 below sets out the involvement of the Secretariat in TADAT assessments over the past four years. Whilst this shows a decline in involvement by the Secretariat, it also highlights the struggle faced to find available assessors and team leaders and the conflict this involvement creates with other the duties of the Secretariat. We expand on this topic in Section 11.2.

Table 3: Involvement of the Secretariat in TADAT assessments

	Assessor	Team Leader	Total	Assessor	Team Leader	Total
	No.	No.	No.	%	%	%
2014	7	1	8	29.2%	11.1%	24.2%
2015	11	4	15	45.8%	44.4%	45.5%
2016	5	3	8	20.8%	33.3%	24.2%
2017[24]	1	1	2	4.2%	11.1%	6.1%
	24	9	33			

4.2.3. Assessment team key themes

We have discussed this area with a large number of people both in Washington and during our four country visits and a number of key themes have emerged, including:

- The team leader should have substantial tax administration knowledge, but also have the skills necessary to lead the team and the process.

- The team members should all have had recent and relevant (senior) experience of working in a tax administration.

- All team members should have the required consultancy skills.

- Ideally, most of the team members should have regional experience (most notably, an understanding of the legal framework), but no one in the team should have recent country experience.

- More assessors with Arabic, French, Portuguese, Russian and Spanish language skills are required. Ideally, assessment teams should contain assessors with the relevant language skills.

- Some assessments included assessors who were "passengers" and did not contribute adequately.

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[24] Up to April 2017 only

- With some exceptions, staff from the Secretariat should not be involved in TADAT assessments – exceptions to this rule may include sub-national pilots or when rolling out of a revised Field Guide (although this may be as an "observer").

These points are expanded on further below.

4.2.4. Separation of assessment team roles

For an assessment team of five members, we believe the separation of roles below should be considered and developed as 'guidance' for those pulling together a team (i.e. lead agency) for an assessment:

- Team leader - It is acknowledged that the team leader has the additional roles of team management, leadership and drawing together the PAR. Whilst they need tax administration expertise, we would expect this person to look at some of the more general POA's and indicators (namely, POA's 7 and 9, plus POA 2 (indicator PI2-6) and POA 8 (indicators PI8-22 and P18-23)).

- One team member (potentially a person with some tax administration and more general PFM experience) should assist the team leader on the more general indicators and also (with the team leader) field many of the meetings with development partners and others outside of the tax administration (e.g. business representatives). We would expect this person to have an understanding of the challenges faced by taxpayers.

- The other three team members should each have detailed and recent tax administration experience in the following three areas:
  - Basic tax business processes: POA 1, 4, 5 and 8 (only P8-24).
  - Taxpayer service and voluntary compliance: POA 3.
  - Tax compliance and risk: POA 2 (not P2-6) and POA 6.

We believe there will need to be some flexibility on how these POA's are split between these three team members but that they should not, in general, participate in the external meetings (but of course the person undertaking the taxpayer service areas should be present at any meetings with business representatives). We also believe that the whole assessment team should continue to participate in all other meetings.

4.2.5. Team leaders

The choice of the team leader is a crucial component in a successful TADAT. Building on what people have said to us during the evaluation, we consider that the team leader must have reasonably current and detailed tax administration knowledge. They must also have the ability to bring to the team additional skills – team organisation and management, the report writing skills to be used in bringing together the PAR and be both firm and diplomatic when findings are evolving. The practice hitherto of asking a TADAT Partner to put a team leader forward is not desirable. Instead, we recommend that a panel of team leaders be identified by the Secretariat and that each person on that panel be utilised several times each year. This panel should ideally consist of assessors who have undertaken at least two assessments and attended the team leader training.

4.2.6. Assessors selection

The list of "Trained TADAT Assessors" on the TADAT website is out of date in some cases (e.g. some assessors have changed jobs or have retired). The Secretariat needs to have a mechanism to keep the list current with, at the very least, names on the list (or in the database) need to be reviewed periodically (every two years) and details (i.e. CVs) updated. We also believe that the numbers of assessors who intend to undertake an assessment (only 29%[25] of three hundred and seven (as at May 2017) had been used) should be reduced to a number that matches the number of assessors (including an "unavailability buffer") likely to be required for the anticipated number of assessments over the remainder of the current cycle.

We acknowledge that a number of people have trained and qualified as assessors and have no intention of undertaking an assessment[26]. In addition to those people who are "TADAT Trained", these people should be easily identifiable to those pulling together a team for the assessment. The planned TADAT Portal (a development we support) can assist in the application, approval and training of assessors and should also be able to capture this information[27]. A third level of trainee may be required for registrants of the online course.

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[25] Annex 1, Page 35, TADAT-TF SC Report, 22 June 2017
[26] People using the TADAT product in their own tax administration work (i.e. tax administrator, individual consultant, etc.)
[27] Additional fields may be required to be added to this area of the TADAT Portal

There is also a need to have an assessor pool that is more representative of the (developing) countries that form the bulk of the assessments. There is currently an imbalance and insufficient assessors drawn from these countries (e.g. African tax administrations). Regional tax administration bodies can play a key role in identifying, encouraging and recommending suitable assessors in tax administrations in their region.

The tax administrations we visited and others we have spoken to want members of the assessment teams to be primarily serving tax administration managers and be people who have considerable relevant practical experience of the workings of the tax administration business processes. Assessors drawn from development partners (and without detailed and recent tax administration knowledge) are not desired. This essential tax administration background is to reduce the burden on tax administration staff when they explain how things are done and also to provide an opportunity for the staff at working level to be able to exchange ideas and thoughts with the assessor and maybe to get pointers to good practice elsewhere. Thus, the ideal profile is for a team who (between them) have the detailed tax administration knowledge across all of the nine POA's (and selection of assessors should be based on who will cover each POA). Regional experience or experience of a similar administration would be an advantage. This implies the collection (and testing) of information gained from assessor CV's so that a team can be brought together who can conduct the assessment.

The language skills of the assessment team should be a key aspect of selection, with ideally the whole team comprised of persons who are competent in the local language (and can write the PAR in that language – see Section 6.3). This is particularly important in order to maximise interactions on the ground in the tax administration (especially when looking at the detailed POA areas).

Assessors should also be screened to avoid possible conflicts of interests (real or imagined). Using non-official persons (i.e. persons not from tax administration) carries that risk (e.g. there is one listed trained assessor who is from a revenue IT system supplier). Using IMF staff or staff from the World Bank or other development partners also carries a similar risk. Furthermore, we consider it desirable not to choose a team leader or assessor who has been involved in recent years on tax reform in the country of the assessment. The TADAT Portal may be able to be used to capture some possible conflict of interest information.

Beyond having tax administration knowledge, an assessor also needs to have "consultancy skills" including the ability to work with tax administration staff, as well as proven experience of talking to people to obtain information, expertise in analysing data, in managing expectations and resolving conflicts and report writing.

Finally, feedback has indicated that some TADAT's have included assessors who were "passengers" and did not contribute adequately to the assessment. These assessors typically fell into two main categories. Firstly, those that did not have the relevant tax administration background and experience to adequately contribute to discussions with tax administration staff, writing up sections of the PAR, etc. Secondly, assessors not adequately contributing to the team environment (e.g. employment terms meant they worked 9-5 and not at weekends, resulting in other team members shouldering an additional burden to complete work within timescale). On the latter, the Secretariat needs to address this with TADAT Partners and make it clear that persons put forward must be prepared to work in accordance with directions of the team leader.

In addition to the Secretariat considering the points set out above, we believe that the Secretariat should develop a "checklist" to assist development partners to nominate assessors. The TADAT Partner nominating the person for an assessment should complete this checklist, indicating how the person meets the relevant criteria. These should be reviewed by the Secretariat and/or lead agency and, where necessary, an interview undertaken over Skype. A timeframe of no longer than four weeks should be given TADAT Partners to nominate assessors. It should also be made clear that nomination does not mean nominees are on the team and the Secretariat should be given the mandate to ultimately decide who makes up the assessment team.

By setting out the separation of roles in Section 4.2.4 and other points above, we are not suggesting an over-bureaucratic or prescriptive process. Instead, we believe that by providing more guidance to lead agencies and TADAT Partners that the efficiency and effectiveness of the assessor selection process can be improved and the experience of the team leaders and recipient countries can be enhanced. Whilst we agree that team members should bring complementary skills, we also believe that a team (between them) should have the detailed tax administration knowledge across all of the nine POA's (and selection of assessors should be based on who will cover each POA) and all should have the required consultancy skills. An overreliance on two team members (as has often been suggested during the evaluation) during the assessment is not desirable. Much emphasis is placed on the quality of the PAR by the Secretariat to protect the TADAT brand. Whilst we do not dispute this, we do believe that improving the assessment team selection process is just as important to the TADAT brand and will lead to a better quality PAR's from the assessment teams.

4.3. Sourcing of TADAT assessors

We recognise that sourcing the assessors has been a challenge and that our suggestions above in Section 4.2 of ensuring recent tax administration experience and generally not using development partner personnel or independent consultants (unless they meet basic criterion) will make sourcing assessors more difficult.

There are various options available including two extreme ones of sourcing all assessors from within the IMF (including FAD, Regional Assistance Centers and the Secretariat) and the outsourcing of the TADAT entirely to a contractor. If neither is possible, the alternative will be something not too different from the current challenges of trying to get a combination of assessors from within the IMF and tax officials released by their tax administration.

We considered the idea of having a full time group of assessors (as Secretariat employees), but believe that the language requirements would make this quite difficult. Adding research and lessons learned responsibilities might make full time resources a more practical proposition and the costs could be lowered by permitting those in the group to be based in (IMF offices) in their home countries. We do not recommend this.

One issue that needs to be addressed by the Secretariat and/or lead agency is when a combination of assessors are sourced from different TADAT Partners/organisations, with different employment terms and duty of care requirements, and the impact that this may have on team dynamics (i.e. whether the team can stay in the same hotel, whether special travel arrangements are needed, what hours assessors work, etc.). These issues could potentially place an extra burden on the team leader (either pre-assessment or during the assessment) and may make the role unattractive. The two options of extremes above do not have this issue.

4.3.1. Lesson learnt from sourcing a contractor to assemble an assessment team

We note that a development partner recently sourced a contractor to assemble an assessment team and:

- They defined the required expertise and background with two PFM experts and three tax administration persons and required degree level qualifications in particular subjects.
- The TOR's requested for additional work outside the scope of TADAT.
- Assessors were only paid for work between Monday and Friday.
- To our knowledge, the contractor played no quality assurance role in the process.

We do not think that this is the right approach and urge the Secretariat to try to define the roles of the assessors and to ensure that the skills required match the split of work envisaged on a team basis. We also do not think that work outside the TADAT assessments should be incorporated within the TOR's for the contractor. The Secretariat should have a greater mandate to insist on what is undertaken by the assessment team. Finally, the Secretariat should recommend the number of days needed for an assessment to the development partner to ensure that sufficient days are available to the assessment team.

4.4. Project administrator in Secretariat

One possible solution to help manage the assessment process would be to have a resource within the Secretariat dedicated as a project administrator (or manager) to oversee and manage each assessment.

5. Phase 2: Pre-assessment process

5.1. Planning the TADAT process

From the viewpoint of the tax administration, the assessment needs considerable forward planning for it to be undertaken successfully. Given the importance of this and based on feedback collected from our field visits, we suggested a three-stage process in Section 4.1.1 to help prepare a recipient country for a TADAT.

5.2. Tax administration "core team"

Once agreed by the Secretariat, we believe the first step for the tax administration should be the identification of a "TADAT champion" in the tax administration (and obviously, ownership within the tax administration of the TADAT should be at the most senior level – Director General (DG), Commissioner General (CG), etc.). Ideally, that champion should be the person who will coordinate the visit and will be leading the follow up work. They should be in the first group of people (a "core team") who receive TADAT awareness training, ideally some weeks before the TADAT assessment date. From what we have seen in the four countries visited, we believe it is important for the tax administration to also identify a team who will both work with the assessors, but crucially will also be responsible for the follow-up work. One country selected two persons for

each of the nine POA's and recommended that they, and also all the tax administration Senior Management Team (SMT), were TADAT trained before the TADAT commenced. We agree with this approach.

5.3. Pre-assessment questionnaire

All four countries visited during our field visits highlighted difficulties with completing the pre-assessment questionnaire. The feelings expressed from these tax administrations was that:

- Insufficient time was provided for the information to be assembled.
- Early engagement of IT and Research departments was required to gather the necessary information.
- IT systems were not configured to produce the required information.
- Consolidation of necessary information was required due to manual nature of systems and processes.

There was general acknowledgement that a number of these reasons underlined a fundamental weakness in their tax administration. The obvious danger is that countries will be deterred from undertaking a TADAT if multiple 'D's' will be scored when there is a lack of evidence.

One approach might be to ensure that the team leader either visits, say two months before the assessment visit (or at least conducts one or more Skype meetings) in order to ensure that the needs are fully understood and that the pre-assessment questionnaires are completed in good time. This requires earlier appointment of team leaders. Assessment teams should not be receiving pre-assessment questionnaires on the day of arrival, on the last day or be seeking clarification/getting information five months after the assessment.

Linked to this, is the need to ensure sufficient time from the decision by the recipient country to undertake a TADAT to the arrival of the assessment team. Guidance on this should be covered in the material suggested in Section 4.1 and the Secretariat must insist on lead agencies complying with this timeframe.

We understand that many approaches have been tried by the Secretariat to deal with this difficulty and that guidance in the Field Guide around timings has been largely observed. Like other areas identified in our evaluation, we believe these lessons learnt should be captured for the benefit of others in the future.

5.4. Training of tax administration staff

We consider that training of key staff in the tax administration on the TADAT methodology and process ("TADAT awareness training") prior to the commencement of the assessment to be critical to a successful TADAT. Whilst this can be done online, we believe that it is preferable to do this at an in-country event using a "professional" TADAT trainer provided by the Secretariat (this could be members of the assessment team). Ideally, this awareness training should be done a few weeks before the in-country assessment begins. Whilst the provision of in-country training before the assessment visit will carry a cost, overall there are many benefits (and, potentially, less time needed to be spent during the assessment itself).

We believe this training should be given to the "core team" within the tax administration who will work with the assessors, and in some cases also extend to all relevant members of the SMT. As is typically the case, we also believe that the training of the core and wider team within the tax administration should not include a test (or certification). If the Secretariat provides a training pack to recipient countries, then the core team should be able to cascade parts of this training to the rest of the tax administration (alternatively, a representative from the Training department could attend the training and have responsibility for cascading parts of this training). If not part of the core team, we also believe that it is important that representatives from outside of the tax administration headquarters are involved in the TADAT awareness training. This will help ensure that the impact from undertaking the TADAT assessment is not just confined to headquarters.

In addition to raising awareness of the TADAT methodology and processes, everyone we spoke to agreed that the training helped to improve the recipient country's understanding and acknowledgement of their gaps and weaknesses early on – enabling the tax administration to do an "honest" self-assessment.

Subject to availability of the SMT, we would suggest separate training be provided to the SMT and core team, where the SMT training focuses on an overview of TADAT, what to do next and the importance of leadership. To demonstrate the commitment and ownership of the SMT to the TADAT assessment, we also suggest that members of the SMT attend the training to the "core team".

5.4.1. Involvement of the assessment team in the training

We believe that it is important that the assessment team play a lead role in the TADAT awareness training. It represents an ideal opportunity to get to know the tax administrations SMT and "core team", the country context and the rest of the assessment team. We like the approach adopted by some assessment teams of

each team member presenting on the POA's that they are responsible for – describing the POA and TADAT good practice. Given the evidence-based nature of the TADAT product, we do not believe that the involvement by the assessment team in the training will impact the objectivity of the assessment itself.

By being involved in this training, the assessors also get a refresher on TADAT (which is valuable for assessors who have not been involved in an assessment before or for some time).

5.5. Clarity on role of the team leader and lead agency

5.5.1. Team leader

Whilst guidance[28] is provided on the key tasks and responsibilities of the team leader, we believe this needs to be expanded to provide more clarity on role and material to assist them to perform the role efficiently and effectively. It also needed to ensure assessors are not put off being team leaders due to the time commitment required for performing the role.

We believe the Secretariat should consider producing the following to assist team leaders:

- A letter template(s) for the team leader to send to the recipient country. This template(s) would set out such matters as confirmation of assessment date, request for nomination of a counterpart, assessment logistics and arrangements for sending the pre-assessment questionnaire to the counterpart. This template(s) should be made available to all team leaders (i.e. not just on request).

- A "briefing pack"[29] for the assessors outlining what to do to prepare for the assessment and what to expect in country. The former could include a checklist covering areas like arranging a visa, making necessary medical arrangements, booking flights, arrangements being made for accommodation, what to bring (e.g. laptop, phone, etc.), getting travel insurance, registering travel plans with Embassy, and so on. For the latter, this may include background information on culture, dress, safety and security, how to navigate the airport, transport arrangements, relevant websites, and so on.

We understand that some team leaders[30] have pulled together some of this material and believe this should provide a good starting point to finalise templates and checklists. The background information should also be able to be provided by one of the development partners in the recipient country and not require the Secretariat to produce it separately. We are not suggesting that the existing role of the Secretariat be expanded to cover areas such as arranging a visa or booking flights, but believe that some of the pre-assessment time currently being spent by the team leader (and Secretariat) will reduce and it will be clearer to the team members what they need to do to prepare themselves for an assessment if this sort material is made available.

5.5.2. Lead agency

From discussions during our field visits, we also believe that lead agencies would benefit from some (one-to-two pages) guidance to clarify the role they need to play and role that others (i.e. Secretariat, team leader and tax administration) will play in the pre-assessment and in-country assessment process.

This guidance may cover:

- Meeting with the tax administration to agree logistical support during in-country assessment.

- Provision of logistic support such as transport arrangements, hotel bookings, invitation letters and visas.

- Provision of background information (as set out above).

- Arranging a meeting on arrival for the assessment team with all relevant development partners, including briefings on country context, current tax reform programs and background information.

- Arranging a debriefing meeting for the assessment team and all relevant development partners.

- Arranging interpreters and translators who are familiar with the tax arena and terminologies.

In addition, when assessors are travelling there is a need for a clear line of sight on the duty of care for them (and different organisations may have different expectations on this).

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[28] TADAT Application Note No. 2-09/2016
[29] Referred to as "pre-mission to-do checklist" within FAD
[30] For instance, Muyangwa Muyangwa (Technical Assistance Advisor, FAD, Revenue Division 2)

If a resource within the Secretariat acted as a project administrator (or manager) to oversee each assessment, then this resource could work with the team leader and lead agency to ensure that they understand their roles and get the support they needed to make the TADAT a success.

6. Phase 3: In-country assessment process

6.1. Future revisions to the TADAT Field Guide

Three versions of the Field Guide have been used for assessments, with the current Field Guide being issued in November 2015. The next revision is planned for release in November 2018. The POA's remained broadly the same when the process was revised in November 2015, but the indicators have changed both in number (twenty-six/twenty-seven/twenty-eight) and coverage since the first TADAT assessment in November 2013 – with new areas being added and others omitted, and only about half of the PI's have remained constant throughout. This raises some issues of continuity (e.g. in monitoring PI's and in the training of assessors and those using the methodology in tax administrations) and in the PAR for repeat TADAT's (see Section 6.4 for comments on how changes in methodology and scores between assessments are captured in PEFA reports).

6.1.1. "Conversion" and "refresher" training

If the 2018 Field Guide update goes beyond minor alterations and improvements, we believe there will be a need for assessors to have some "conversion" training to migrate to the latest version. The way that training will be undertaken will need to be planned for. In addition to the "Trained TADAT Assessors", some tax administrations who have had a TADAT assessment, have also (self) trained many of their staff and managers in the methodology and these managers may also need "conversion" training.

Likewise, assessors or users of the methodology may need "refresher" training periodically – this will include those assessors who have not yet done an assessment, but remain likely to do so. Hosting the training online will reduce the burden on the Secretariat, but part of the challenge in selecting assessors is the need that we perceive of ensuring that they have the consultancy skills to be an assessor so it may be necessary to provide some additional training in these areas (particularly those drawn from tax administrations).

6.1.2. Communication of Field Guide changes

Whenever the Field Guide is revised, we believe a summary of the changes should be produced by the Secretariat and disseminated widely and beyond just announcements and inclusions on the website and TADAT Portal. Use should be made of announcements at events organised by regional tax administration bodies (i.e. ATAF, CATA, CIAT and IOTA), OECD tax meetings, and so on. IMF Regional Technical Assistance Centers also should also be engaged to assist with this communication.

6.2. Process additions

To ensure a fully representative assessment, we would expect that (members of) the assessment team make two or more visits to field offices (especially to an office handling small or medium taxpayers) outside the capital city. We believe that it is important to assess the standardisation of POA's across the country, and not just headquarter offices and/or in the capital city.

In addition, seeking the taxpayer perspective on the performance of the tax administration is also suggested – this can be the country accountants association, a chamber of commerce or some other representative group that can give an external perspective on interactions between the tax administrations and taxpayers.

6.3. Language used for PAR

One issue is the language used for the PAR (predominately English). Although we recognise that English is likely to be the most convenient language for those that review the PAR, obviously a recipient country that undergoes a TADAT wants to have the PAR in their own language. To do otherwise risks a loss of ownership in the receiving tax administration and makes it a lot harder for them to progress implementation thereafter. Thus, we recommend that PAR's are produced initially in the language of the recipient country and then translated (subsequently) into English; rather than the other way around.

6.4. Additions to the PAR

The visited countries were complimentary on the format of the PAR, but some additions are suggested below:

- The preface might include who requested the assessment and how the assessment was funded and make it clear which version of the Field Guide the assessment team used.

- Include a section on the "current status of tax administration reform and development partner assistance" (within Country Background Information) to provide greater context for the PAR reader.

- Expand the description of the main taxes to summarise their structures and also highlight recent tax policy reforms or tax policy changes that are due to be implemented.

- Capture in an appendix a full list of meetings held and persons met and mention the tax administration offices visited (including any field offices) in the preface.

- Whether the assessment team briefed donors on the outcome of the assessment.

- Provide a table of where there was incomplete or inaccurate information (qualification of scores).

- Highlight where there are disagreements between the recipient country and assessment team on a PI score (i.e. summary table or wording in a text box or consistent use of italics in the PAR's).

- Expand the wording in the preface and introduction to cover more information on what TADAT is for and, more specifically, what TADAT is not for (see reasons for this suggestion in Section 3.1).

- Highlight the changes between previous and current scores for repeat assessments. A more tailored PAR for repeat TADAT assessments may be required so a consistent format is adopted. See below.

A number of these came from inconsistencies in presentation/capture between reviewed PAR's. The majority could be dealt with by adopting a more consistent approach in the PAR's preface and are important to provide contextual information to the reader (particularly important with the push to get more PAR's published).

Furthermore, we believe the PAR could be expanded to contain a short (1-2 page) section on "other observations" – a write up on fundamental reasons behind scores (e.g. low staff capacity, funding, etc.). A number of those spoken to have felt that the PAR did not give a complete picture on the current status of reform in the recipient country and the difficulties faced by the recipient country in implementing reform. Whilst we acknowledge that this could possibly be subjective, we believe the PAR would be better for its inclusion.

In addition, we recommend that the PAR emphasis that any subsequent reform plan may also need to address other important areas that the TADAT assessment did not cover. This could be captured in an appendix (within Attachment I of the current PAR) and would be no longer than 1 page (see Appendix G).

For repeat assessments, we suggest that the table in the PEFA Handbook that shows the scores and a brief explanation for the scoring for each indicator and dimension between the current and previous assessment[31] be consulted in developing this addition to the PAR, along with the guidance note for undertaking repeat PEFA assessments[32]. We also suggest that the guidance for assessors on how to track progress on PFM performance between successive assessments[33] (where the previous and current assessment used the PEFA 2011 and 2016 frameworks respectively), particularly "Attachment 1: PEFA 2016 vs. 2011 at a glance", be consulted as amendments to the revised Field Guide are finalised during 2018. Depending on approach adopted and Field Guide changes, similar guidance and/or tables may need to be prepared by the Secretariat.

7. Phase 4: Post-assessment process

7.1. "What next?" guidance in the Field Guide

At the conclusion of the in-country assessment, we have been reassured that there is certainly presentation and discussion of the findings. However, in addition we have detected a need for tax administrations to be assisted in thinking through "what next?". We are not suggesting that the assessors (or the Secretariat) should help devise an action plan (as that might reduce ownership), but rather that the Field Guide could be enhanced with some suggested good practice on the process to be followed after the PAR is finalised.

At present the post-assessment process material in Chapter 1 of the Field Guide[34] and Appendix 7 is focused on the finalisation of the PAR. We think that tax administration needs additional guidance on how to draw up a reform or action plan to implement steps that address weaknesses identified during the assessment process. This might also include emphasising that any subsequent modernisation plan may also need to address other

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[31] Annex 4: Tracking change in performance based on previous versions of PEFA; PEFA Handbook' Volume III: Preparing the PEFA Report; Final Version March 2016 (see pefa.org – User Guidance: PEFA Assessment Handbook)

[32] Good Practice when Undertaking a Repeat Assessment: Guidance for Assessment Planners and Assessors; Final; February 2010 (see pefa.org - User Guidance: Tracking Change in Performance Based on Previous Versions of PEFA)

[33] Guidance on reporting performance changes in PEFA 2016 from previous assessments that applied PEFA 2005 or PEFA 2011 (see pefa.org – User Guidance: Tracking Change in Performance Based on Previous Versions of PEFA)

[34] Page 10, Phase 4. Post Assessment:, TADAT Field Guide, November 2015

important areas that the TADAT assessment did not cover (e.g. customs or excise operations) and what the tax administration might to do start engaging with development partners. It may also be where other related instruments like the Medium-Term Revenue Strategy (MTRS), Revenue Administration's Fiscal Information Tool (RA-FIT) and International Survey on Revenue Administration (ISORA) can be introduced.

Once the TADAT assessment has been concluded and the PAR released to development partners, it (along with any subsequent action plans) can usefully form the basis of discussions with development partners to ensure that future assistance is "demand driven" by the tax administration and focused on the areas of greatest need. As such, TADAT can provide a vehicle for the tax administration and development partners to work together to secure improvements in tax administration and Domestic Resource Mobilisation (DRM).

"What next?" could also be set out in a letter from the tax administration or government in response to the PAR (and maybe form a covering letter to the finalised PAR) that sets out what it has done/intends to do in response to the TADAT. An example template could be provided in the Field Guide. This would help assess impact and assist development partners in understanding what will be done and how they can help.

7.2. Quality assurance

Whilst the completed PAR's reviewed follow the format set out in the Field Guide and the quality of the PAR's is as expected, we do believe (based on feedback) that more structured guidance should be provided to those tasked outside the Secretariat with quality assuring the PAR's. This guidance should provide clear instructions on the process, review criteria, roles and responsibilities and whose judgement prevails. It should also ensure that lessons learnt from previous assessments are captured and a process introduced for sharing them with those involved in future PAR reviews.

In addition, we believe that the quality assurance form[35] should be expanded (only by one or two points) to cover a review of the scores given for each MD and PI to ensure that the scores are consistent with the evidence obtained and the paragraph explaining the reason(s) for the scores. We understand this happens in practice. The current focus of the quality assurance form appears to be very much on consistency with the Field Guide and looking for omissions. The technical quality of the work by the team also needs to be checked during the review. Introductions, such as e-TADAT (see Section 9.2), which can capture 'live' scores, will support continuous monitoring of the assessment process. To aid this review (and for data storage reasons), we agree that all evidence collected by the assessment team during the TADAT should be stored within the Secretariat (although we acknowledge that the lead agency may also want to store the data as well).

To provide more structure and greater transparency to the review process, we believe that a "quality assurance matrix" (as opposed to using track changes) should be complied to capture all comments and concerns raised by the review team. We suggest that each reviewer complete the matrix and that the Secretariat pull together one merged matrix for the review, prior to sending it to the team leader. The team leader can still decide whether to engage their team, but an updated PAR and completed matrix would then be sent back to the Secretariat once everything has been addressed. Once agreement has been reached on the PAR and the matrix is complete, the team leader would then send the finalised PAR to the country.

A possible template for this matrix is set out below in Appendix H. The PEFA Secretariat has recently introduced a similar matrix for the quality assurance of PEFA reports, and whilst we have not seen it, we believe that the Secretariat should also look to review this when developing their own.

As part of a renewed engagement of the TAG, the Secretariat should also produce and circulate an annual "indicative" assessment workplan to the TAG to assist with resource planning and work allocation between members. As plans develop throughout the year, this should be updated and circulated to the TAG and others reviewing PAR's. We believe this would help reduce reliance on the same TAG members and enable better management of other work commitments and early identification of the need for backup reviewers.

A template could also be considered to collect feedback on the draft PAR from the recipient country. Whilst we understand that comments have been provided within the twenty-one day timeframe, a template may help standardise and streamline the process for the recipient countries, assessment teams and the Secretariat.

7.3. Dissemination of the PAR

It is clear that there are many reasons why countries are not publishing PAR's – ranging from:

- Being embarrassed by scores.

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[35] TS-QC01: Secretariat's ex post quality control assurance of PAR's

- Language issues.
- Concerns the media will misinterpret the scores.
- Not wanting to give taxpayers details about weaknesses (as it is already hard enough to collect tax).
- Being busy getting on with the day-to-day tasks of administering taxes.

There seems to be different approaches to publication adopted by the different lead agencies (e.g. the United States Agency for International Development (USAID) have insisted that the recipient country publish their PAR). What is clearly needed is a policy on publication that is agreed when the TADAT is commissioned by a country and applied in all cases. One approach discussed with Secretariat could be to set a timeframe for comments on the PAR from the recipient country and the quality assurance by the Secretariat with automatic publication on the website when the PAR is finalised and the (pre-agreed) time period has elapsed. The recipient country would have the option to indicate whether, at the time of request for the TADAT, it wanted to treat the PAR as confidential information. This approach is consistent with the IMF's "Staff Operational Guidelines on Dissemination of Technical Assistance Information". We agree with this approach. However, we are not convinced it will result in a huge increase in the publication of PAR's – maybe for repeat TADAT's if scores have improved – hence, this is why we have suggested some additions to the PAR in Section 6.4 in an attempt to address some of the reasons given for not publishing.

An area that also requires some careful thought is the dissemination of the PAR (in advance of publication several months downstream). Not unnaturally in country development partners and IMF teams all will be keen to see the report. We believe that PAR's should not be circulated by development partners prior to finalisation of the quality assurance by the Secretariat. The mechanisms for circulation of the finalised PAR (to ensure that copies go to all relevant parties) should form part of the discussion with tax administration so that confidentialities and trust is maintained. This will need particular careful handing when an in-country development partner funds the TADAT. In addition, and as noted in Section 3.1, there appears to be little awareness that in-country development partners could obtain copies of PAR's via their headquarters, rather than having to rely on others in-country to share. We believe that greater awareness of this is necessary.

7.4. External verification without a repeat TADAT (peer-to-peer review)

For recipient countries that have embraced TADAT and are working towards improving a weakness, there may be a need to obtain verification that improvements have been made without undertaking a repeat assessment. Like the Nordic benchmarking exercise[36], this is likely to only focus on a specific POA(s). Whilst self-assessments could be undertaken by the tax administrations, external verification will provide the most comfort to tax administrations and/or development partners that reforms are having the desired impact.

We believe the Secretariat should look to incorporate some information about this possible approach in the Field Guide (or appropriate document such as an application note). Development partners may insist on it as part of their program evaluations and be willing to fund the work, perhaps with the support of assessors within the region and/or regional tax administration bodies. This process would be similar to a peer-to-peer review.

8. Training

8.1. Online assessor training

Whilst the online training for assessors has been well received by everyone we have spoken to, we believe the training needs to be reviewed as part of a continuous improvement cycle. At present anyone can (at least in theory) take and pass the test and there is a very wide mismatch between the (large) number of persons trained in the methodology and those certified and the relatively small number of assessors used. We believe steps should be taken to get the number trained more in line with the numbers likely to be required (and taking into account the likely suitability of those who seek to be trained to be assessors).

In addition, we believe the training should:

- Capture the connections between the different POA's (a gap identified for some assessors).
- Ensure that the trainee has the required softer consultancy skills (in addition to knowledge of the TADAT process), including questioning and interviewing techniques (not to be tested).

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[36] This exercise chose only four out of nine POA's in their pilot - "Effective risk management", "Timely payment of taxes", "Accurate reporting in declarations" and "Effective tax dispute resolution". See report: Nordic Benchmarking/2016, Use of TADAT as a tool for benchmarking between Nordic Tax Administrations

The inclusion in the training of an exercise to simulate a TADAT assessment was also suggested by those we spoke to (and in the Paul Martens report[37]). We support this inclusion.

Training of assessors needs to be current and not last in perpetuity. Thus, as noted in Section 6.1, if the Field Guide revision in November 2018 go beyond minor alterations and improvements, then we believe there will be a need for assessors to have some "conversion" training to migrate to the latest version. The way that training will be undertaken will need to be planned for. In addition to the "Trained TADAT Assessors", some tax administrations who have had a TADAT assessment, have also (self) trained many of their staff and managers in the methodology and these managers may also need "conversion" training. As suggested by the Paul Martens report, training manuals on TADAT for tax administration staff may be the solution for this.

Likewise assessors or users of the TADAT product may need "refresher" training periodically – this will include those assessors who have not yet done an assessment, but remain likely to do so. We believe this needs to be considered and suggest "refresher" training be required to be undertaken every three years unless the assessor has undertaken a TADAT assessment within the agreed (i.e. three years) refresher period.

8.2. Team leader training

The team leader training has received favourable comments from everyone that we have spoken to during our field visits. We understand that a number of the points set out in Section 8.1 above are currently covered by the team leader training and should be, therefore, easily transferable to the assessor training. It should be noted that a number of team leaders spoken to had either not attended the team leader training or attended the team leader training after leading an assessment. Whilst some of this may have been due to the team leader course having not been developed at the time of the assessment, we do not believe that assessors should lead a TADAT without having attended the team leader training. Many of the benefits from the team leader course stem from running the course face-to-face (rather than online) and this may become an option for the assessor course in the future.

9. TADAT tools

9.1. Field Guide and TADAT framework

We have interacted with a number of assessors who have made comments on the detail of specific indicators and/or the guidance that is contained in the Field Guide. One area of concern raised is how this feedback is captured and harnessed. This is at a much lower level of detail than where members of the TAG can be expected to assist the Secretariat. We suggest that a mechanism is instituted to harness feedback from individual assessors (and indeed anyone trained in the methodology) on both the detailed workings of the indicators and the adequacy of the material contained in the Field Guide. A review of the Field Guide should also include the areas highlighted on specific POA's in the Paul Martens report[38] and should also embrace:

- Concerns of a conceptual nature – for example:
    - The equality of indicators and dimensions (some are basic and easy to undertake, but other practices are more advanced and difficult to achieve).
    - Is the indicator on tax refunds broad enough (e.g. it does not compare the levels of refund verification to the extent to which claims are invalid or overstated).
    - Are the debt management indicators the right ones?
- The wording in the Field Guide that is not immediately clear to the reader.
- Points of detail (on definitions and terminology, cross references, etc.).

We are sure that the Secretariat does harness the feedback that it receives, but we believe a more structured and transparent approach may assist them further in updating and improving both the Field Guide and the TADAT process itself. In addition, when the Field Guide is being revised it might be wise, for some POA's and PI's, to bring together (in Skype calls) experts in the specific tax administration area or business process to consider whether the detailed measurement criteria of a specific POA or PI are the "right ones", etc.

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[37] Page 13, TADAT: Survey Outcome Report, Paul Martens (FAD Panel Expert), January 2017
[38] TADAT: Survey Outcome Report, Paul Martens (FAD Panel Expert), January 2017

9.1.1. Scoring methodology

Everyone spoken to during our field visits seemed to point to broad agreement that the basic scale 'A' to 'D' was the appropriate scoring methodology, but there was concern expressed by the four countries visited that the classification of a POA as 'D' when there is a lack of evidence could give a misleading impression of the effectiveness of the business process concerned. Of course, a lack of evidence is, in itself, a failing in a business process, but we tend to agree that it would be better to have a further classification (i.e. D*) for use when there is insufficient evidence to score an indicator (see Section 3.1). This may help to overcome nervousness about undertaking a TADAT if a lack of evidence will simply produce a raft of 'D' scores.

In addition, the current 'A' to 'D' scoring system does not (and we are not suggesting it should) give recognition to areas of a tax administration where changes (e.g. implementing good practices) have been introduced. We agree that these good practices should only be referred to in the commentary in the PAR.

9.1.2. Scope of TADAT framework

The POA's remained broadly the same when the process was altered in November 2015 Field Guide, but the indicators have changed both in number (twenty-six/twenty-seven/twenty-eight) and coverage since the first TADAT assessment in November 2013 – with new areas being added and others omitted, and only about half of the indicators have remained constant throughout.

The TADAT framework with its nine POA's and its twenty-eight PI's certainly covers most of the key tax administration business areas; however (and understandably) it does not cover all such areas. There are "gaps" and these can be classified as several types: (i) revenue coverage; (ii) sub-national taxes; (iii) corporate functions; and (iv) business processes. Each of these is separately discussed further below.

The TADAT assessment process is certainly an intensive one and occupies a considerable resource both for assessors and for the staff in the tax administrations working with the assessment team. So a balance has to be drawn between those demands and the utopia of a fuller coverage. The current structure looks about right to us and to the case study countries and perhaps should continue largely "as is" for now with only limited changes or additions within the current nine POA structure (e.g. adding a human capital indicator and an indicator covering investigations and prosecutions capability). The vast majority of people spoken to during our field visits supported this "as is" for now view – wanting to see the TADAT framework consolidated (i.e. more TADAT assessments, repeat TADAT assessments, etc.) before expanding it..

What might be needed at the end of an in country TADAT assessment is an additional page in the PAR to highlight that there are other important areas that are not covered by the TADAT assessment and that any post TADAT assessment work may also need to address these areas (e.g. the revenues, business processes and corporate functions). Appendix G illustrates this. We do not believe this approach will weaken the PAR – it is merely pointing out that the TADAT assessment does not cover all areas and that other areas may need to be considered in any post TADAT assessment work (i.e. producing an action plan or reform program).

9.1.2.1. Revenue coverage

TADAT assessments are based on administration of what are referred to as "core taxes" throughout the Field Guide and serve as proxies for all national taxes. Core taxes are: Corporate Income Tax, (CIT), Personal Income Tax (PIT), Value Added Tax (VAT), and Pay As You Earn (PAYE) – amounts withheld by employers (i.e. PIT and, where applicable, social security contributions). The TADAT assessment does not cover:

- Customs import revenues.
- Excise revenues.
- Non-tax revenue collected nationally (e.g. property taxes in some countries).
- Mining and natural resource revenues (e.g. mineral royalties, etc.).
- Social security deductions and payments.

Customs revenues and business processes are separately catered for under a well-established World Customs Organisation (WCO) diagnostic. Whilst we do not recommend the extension of TADAT to cover customs areas, some cross cutting aspects of which are already examined tangentially (e.g. import VAT and risk) nonetheless in a combined revenue administration, and in the context of producing a reform program, the notion of having the two diagnostic assessments completed within a reasonably short time period must be desirable. We support the dialogue between the Secretariat and WCO to increase cooperation and uniformity.

Beyond customs revenues, we would like to see the administration of (domestic) excise taxes overtly included in the assessment when they represent a substantial proportion of government revenues. In OECD countries, excise tax revenues may be quite small, but in developing countries the proportion may be 10% or greater. Likewise, we believe the other revenue areas mentioned above should also be looked at (as regards the business processes of registration, filing, payment, appeals, etc.) when they represent a significant component in the revenue base of the recipient country.

Revenues from minerals and other natural resources can be a large revenue contributor in some jurisdictions and be collected by either bespoke taxes or through mineral and other royalties (and be in addition to income taxes on corporate profits). In economies where these represent a large percentage of revenue collection, we support the expansion of the TADAT framework to cover them via the inclusion of new POA (i.e. POA 10). Much will depend on the degree of standardisation of the revenue raising methodologies – and how far they depart from a simple royalty percentage – and who is responsible for collecting these revenues.

The idea of the TADAT framework being expanded to cover the deduction of social security payments and the administration of social security and similar benefits was also mooted and is supported for those (tax) administrations that devote considerable resources to administering these statutory functions (i.e. New Zealand). We do not believe this expansion should be prioritised over other areas in the current cycle.

9.1.2.2. Sub-national taxes

In some countries (individual) income tax and/or VAT is collected at the sub-national level rather than by the tax administration nationally. In such cases the possibility of sub-national assessments is supported, although where a country has a large number of "states" the mechanisms and modalities will need careful thinking through (e.g. Nigeria has thirty-six States and the Federal Capital Territory). We support the current pilots and expansion of TADAT to the sub-national level, as did the majority of those spoken to during our field visits. We acknowledge the work of the Secretariat to adapt the Field Guide (and other tools) to the sub-national level.

9.1.2.3. Business processes

One key compliance business process is not overtly included with TADAT – investigation and prosecutions capabilities (including the collection of investigation intelligence). This could usefully be added (e.g. to POA 6 Accurate Reporting in Declarations).

Whilst not suggesting these are added now, other possible additions within the current POA structures are:

- The accuracy of taxpayer accounts (i.e. updating, adjusting, suspense accounts, etc.).
- Replacing tax clearance procedures.
- International tax information exchange (e.g. double tax agreements, tax information exchange agreements and automatic data exchanges under Global Forum on Transparency and Exchange of Information).
- Other international tax issues (e.g. transfer pricing, base erosion and profit shifting and the fight against aggressive tax planning).
- The extent to which customs import and export information is automatically utilised and cross checked against VAT import and export information (and available for income tax use, including for withholding tax payments at importation).

We praise what the Secretariat is doing in the relation to suspense accounts (on POA 8) – namely producing a discussion paper[39] and convening POA experts on a potential change to one of the indicators. We recommend that type of approach. On this particular issue (i.e. suspense accounts (on POA 8)), however, we do believe the proposal about updating all accounts in one, two or three days is far too simplistic. In reality, there are quite a few payments that end up in a suspense account because they cannot be immediately reconciled against a recorded tax debt (i.e. where the taxpayer quotes the wrong Taxpayer Identification Number (TIN) – quite common when a person has several TIN's – or the wrong tax type or tax period (or fails to identify what the payment is for)). So the issue is not how fast the taxpayer accounts are updated, but what happens when automatic updating is not possible and manual intervention is required. The POA text refers to "all" payments being updated – however, we believe there will always be quite a lot of noise and a proportion of payments that take quite some time to sort out – hence, our comment that the proposal is far too simplistic.

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[39] TADAT Application Note and Next Steps – Performance Outcome Area (POA) 8 – Efficient Revenue Management – Reconciliation of Taxpayer Ledgers and Management of Suspense Accounts, Draft for Discussion December 2017

9.1.2.4. Corporate functions

There is a proposal[40] to consider including addressing human capital risks in the next iteration (envisaged for November 2018) of the Field Guide. We support such a change in the future. Leadership (and understanding leadership weaknesses within the tax administration) so that capacity could be strengthened was seen as the critical area impacting the ability of a tax administration to implement reforms identified by the TADAT.

Whilst not suggesting these are added now, there are many other "corporate areas" that need to be in place to provide the environment in a tax administration that is conducive to improving business processes, including:

- Structure and organisation.
- Finance – securing resources and controlling expenditures.
- Project and change management skills and processes.
- Transparent and effective procurement procedures.
- Office IT and communications.
- IT security and disaster recovery plans.
- Communications – press, public and internal.
- Accommodation and facilities.
- Document and records management.

9.2. Other tools and technology

We have discussed the website and other communication mediums in Section 3.6. Whilst it has been acknowledged by the Secretariat that the website is not kept up to date as frequently as they would like, other tools have been developed and we understand that work is in the final stages of development for a new tool to enhance the TADAT experience for assessors, assessment teams, new trainees and enable the Secretariat to improve communication timeliness and operate more efficiently in the future. We support these developments.

9.2.1. TADAT portal

Anticipated for launch during 2018, the TADAT portal is currently undergoing final security testing. We understand that the portal will have a dashboard containing five areas: Connect, Secretariat, Training, Survey and e-TADAT. Although we have not seen the portal, we see many benefits from the development of the TADAT portal – primarily with the e-TADAT. The ability for roles/POA's to be assigned to assessors and for assessment teams to populate and produce the PAR as they undertake the assessment should greatly reduce the opportunity for error and cut down processing time of the PAR.

Connect will provide assessors, tax administrators and other stakeholders (i.e. development partners) with the opportunity to ask questions and the Secretariat to share information (such as updates and good practice). Users will be able to create groups and pages. Like any similar tool, the Secretariat will need to be monitor the time (and corresponding benefit) it takes to update and maintain communications using Connect. The tool has the potential to consume considerable time for the Secretariat, but the downside of not updating and maintaining the tool will be that users will stop using it and the investment to date will have been wasted. Processes will also need to be developed to capture and harness comments on Connect to ensure they are shared in other forums and reflected in, for example, any revisions to the Field Guide in the future.

Other areas will improve the process for trainees applying to be "TADAT Trained" and "Trained TADAT Assessors" and the Secretariat approving these applications (both currently very manual), development partners and the Secretariats ability to view assessors (e.g. CVs, qualifications, etc.) to assemble assessment teams and enable feedback to be collected online more readily by the Secretariat. We support these developments, but note that the exercise required to populate assessor details into the portal should be done following the review of the assessor criteria suggested in Section 4.2 and that assessors should be required to populate their details themselves (rather than the Secretariat doing this resource intensive exercise), unless it can be automated. Processes will then need to be agreed to ensure this information is updated regularly. As noted in Section 4.2.6, the TADAT Portal should be able to capture the different types of assessors.

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[40] TADAT Discussion Paper and Next Steps: Addressing Human Resource (Human Capital Management) Issues in the TADAT Framework: Draft for Discussion October 2017

9.2.2. TADAT pocket guide

In addition, the TADAT Pocket Guide is now available in English, French, Portuguese and Russian. It is also available as an app in English on Google Play (Android) – and planned for the App Store (Apple) – so the glossary can be searched for terms, a survey can be completed to collect data, a quiz can be undertaken to determine future training needs and TADAT updates and background information can be viewed. It can be accessed of offline. We support these developments and the use of new technologies by the Secretariat. These will need to be updated following any revisions to the Field Guide.

10. Impact and sustainability

10.1. Case studies

From the countries visited, our conclusion is that the TADAT product is very relevant for tax administrations and the development partners that are supporting and/or looking to support the tax administrations. We heard numerous examples of the TADAT product having the desired impact.

The case studies in Appendices B to E provide a snapshot of our four country visits split by the five evaluation criteria of relevance, efficiency, effectiveness, impact and sustainability set out by DAC. Table 4 summarises these (note that the following abbreviations have been used in Table 4: State Revenue Committee (SRC), National Board of Revenue (NBR) and General Directorate of Internal Taxes (DGII)).

10.2. Who is the TADAT tool for?

A fundamental question is who the TADAT tool is for? Although a global tool (and we very much see it as such a tool), TADAT seems to have been used predominately by the tax administrations of developing and emerging economies to help them identify areas of weakness so that they can then (perhaps with development partner support) formulate reform plans to address these areas. That seems to us to be a good approach, but an obvious danger is that development partners will wish to use changes in TADAT scores over time as a means of measuring the success or otherwise of their support.

Experience in the first three years of operations does not point to the tax administrations of many developed economies undergoing the TADAT assessment process. Thus, despite Canada recently undertaking an assessment[41], we believe that any expansion of the TADAT framework over the remaining two years of the current cycle (and the TADAT-TF operations) should focus on more pressing areas to developing and emerging economies (e.g. administration of (domestic) excise taxes, human capital risk and investigation and prosecution capabilities). When TADAT is more mature, then we would support a gradual shift to other areas more relevant for developed economies (e.g. administration of social security benefits for New Zealand).

10.3. Why are countries not undertaking a TADAT?

Another important question is why are countries not undertaking a TADAT? In addressing this, it is important to remember that the TADAT product is still in its first cycle and only a little over half way through the cycle at the time of undertaking this evaluation. Forty-two TADAT (including one repeat) assessments had been completed. More assessments, including two sub-national pilots[42], have been undertaken since May 2017.

From feedback collected during our field visits, the "fear of the result" seems to the main reason for not undertaking a TADAT. As set out in Section 5.1, there is a need to make sure that the purpose of TADAT is clear to policy makers (i.e. MOF). There is a risk that countries will be discouraged from doing a TADAT if it is not seen as a development tool (to identify weaknesses) and is instead used as a tool to use against staff in the tax administration. Unlike PEFA, TADAT's focus is on one agency and, as a result, bad scores could result in people losing their job and, ultimately, not wanting to undertake a TADAT. There is also a nervousness about undertaking a TADAT if a lack of evidence will simply produce a raft of 'D' scores and the PAR may need altering to highlight scores of 'D' where evidence could not be provided or relied upon by the assessors – like PEFA, this could be done by use of an asterisk (i.e. D*) at the MD level (see Section 3.1).

As discussed in Section 9.1, some people spoken to believe the inclusion of customs revenues and business processes in the TADAT framework would result in more countries (particularly developing countries with combined tax and customs administrations) undertaking a TADAT assessment. Others thought that countries were waiting to see more on the impact from the completed TADAT assessments (i.e. case studies on experience and good practice implemented to strengthen weaknesses, research, etc.). The Secretariat is

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[41] Advised by the Secretariat in January 2018
[42] Zanzibar (Tanzania) and Alagoas (Brazil)

getting into this area and we see this, along with increased cooperation with regional tax administration bodies, as critical over the rest of the current cycle to encourage more countries into undertaking a TADAT.

In addition, countries in (for instance) East Asia and Pacific, Middle East and North Africa and South Asia could benefit from increased awareness/outreach by the Secretariat with TADAT Partners and non-TADAT Partners working in these regions to ensure that more TADAT's are undertaken outside of Africa, Europe and Central Asia and Latin America and Caribbean.

10.4. Using the PAR's to help disseminate good practice

Now more than fifty assessments have been undertaken (albeit with only ten published[43]), the Secretariat has accumulated a wealth of data on both good practices and on common challenges and problem areas. Work needs to be undertaken to harness this quarry of information so as to help countries as they seek to reform, modernise and improve performance – certainly in the nine POA areas.

We have been struggling on how best to achieve this objective. One possibility could be for the IMF to produce a series of working papers (i.e. one per POA) or as an aggregate publication (similar to the OECD's Tax Administration publications). As the Secretariat has already started to do, the results could also be passed onto academic institutions[44] for their research use – although it would be better if "good practice" notes were produced by tax administrators themselves (as happens in the OECD's Tax Administration Series). Our recommendation is simply that the information gleaned from TADAT assessments, on both good practice and common challenges, must be made available to tax administrations (both those who have had TADAT assessments and also to those who have not and perhaps on a regional basis) to assist with reform and modernisation efforts (albeit without breaching confidentiality agreements).

As an example, in one country we visited we were told that the on time filing weaknesses were largely as a result of flawed registration data. They described how they set up task forces to clean up the data and the changes they made to procedures and systems to ensure that the problems were solved for the longer term – and already they claim on time filing rates of well over 90% (a situation that is not found in many advanced tax administrations). Documenting what they did would certainly help other tax administrations address what must be a common issue. We encouraged the country to do this and also to present it at global/regional events.

As another example, in one region (within the East Africa Community (EAC)) we were told that TADAT experiences were shared at CG meetings every 6 months and this had encouraged other EAC countries to undertake a TADAT. In addition, managers and staff from the EAC revenue authorities also gather quarterly to swap good practice and reform ideas. These are now focused around TADAT POA's and, where relevant, the linkages between POA's. This has led to increased exchange of good practice and also resulted in an assessor from one EAC revenue authority participating on two TADAT assessments in the EAC (once as an observer and the other as an assessor). We encourage this sort of good practice to be highlighted to others.

10.5. Considered use of TADAT assessment

There is the obvious danger that tax administrations and development partners might focus only on reported areas of weakness and adopt a "league table" mentality when looking to raise scores upwards. Thus, there needs to be built into the awareness, the Field Guide, training and the PAR "health warnings" that:

- TADAT only covers part of the areas of a tax administration and that it is also important to address other areas (e.g. the lack of an effective organisation and structure or funding deficiencies may hamper the addressing of weaknesses identified in the PAR. See Appendix G for other areas).

- TADAT does not cover all revenue areas (again, see Appendix G for other areas).

- As TADAT is evidence based, a low score may simply be the result of a lack of evidence rather than a weakness in the process (although the absence of evidence is also a weakness of course).

Development partners also should not use the TADAT assessment as a "league table" and simplistically tie their assistance to changes in scores (as, for example, the evolution of the methodology may well lead to changes in the POA's and PI's over time) – rather that the TADAT simply points to areas of weakness around which assistance can be focussed with separate outcome indicators devised.

In addition, we believe more awareness is required to educate recipient country's undertaking a TADAT that they need to be more realistic on the time it will take implement reforms and improve scores from 'C's' and

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[43] As at 21 February 2018 (tadat.org)
[44] Dublin City University (Ireland), University of Exeter (United Kingdom) and Duke University (United States)

'D's' to 'A's' and 'B's'. Many reforms also need to be implemented gradually to ensure that they do not have undesired outcomes. For example, improvements to the VAT refund process to meet the good practice of "90% of VAT refund claims (by number of cases and value) are paid, offset or declined within 30 calendar days" to score an 'A' under P8-24 should not mean that refund claims are not investigated and the possibility of fraud goes undetected. Capacity of people, processes and systems, along with risk management, need to be developed internally (and often with the support of others) and this will take time.

Repeat assessments should also not only be undertaken when the recipient country believes they will achieve an 'A' score. More awareness is required by the Secretariat to explain the benefits of undertaking a repeat TADAT to gauge progress on implementing good practice and reassess reform priorities going forward. In addition, more help could be provided in the Field Guide to ensure scores are put in the "right" perspective (i.e. if a developed country goes from a 'D' to a 'C+' between assessments then this might be "poor", whereas as if a developing country achieved this between assessments then this might be considered "very good").

10.6. Use of TADAT as a tool to assist reform

As mentioned in Section 2.1, the PEFA process has specifically addressed the challenge of how to transition from a PEFA assessment to the elaboration of a PFM reform plan. We have observed that the same challenge of a reform plan is evident after a TADAT assessment. To be worthwhile, the TADAT assessment must result in responses to the findings and a plan for follow up action by the tax administration (perhaps with considerable development partner support). In order to achieve this, we think that it is important for the Secretariat and assessors to engage effectively before the in-country assessment is carried out – we see this as, inter alia, highlighting to the recipient country that the staff who are likely to be required to implement the assessment findings should be included in the pre-assessment training and to be involved in the assessment process itself. Likewise, the potential downstream development partners should also be involved before, during and after the assessment. Thus, we recommend that the Field Guide includes short sections on how best to prepare for a TADAT and how best to follow up the conclusion of the TADAT and receipt of the PAR. As noted in Section 7.1, we are not suggesting the expansion of the scope of the Secretariat, the assessment team or the TADAT framework, but rather that the Field Guide could be enhanced with a chapter that suggests good practice on the process to be followed after the PAR is finalised. It is also why we have suggested a three-stage process by the Secretariat to help prepare a country for an assessment.

Table 4: Summary of four country visits by the five evaluation criteria set out by DAC

Evaluation Criteria	Country's visited			
	Armenia	Bangladesh	Dominican Republic	Rwanda
Relevance	Timing right – reorganisation of MOF and appointment of new Chairman	NBR wanted to undertake a base-line survey – TADAT used for this purpose	Timing right – Presidential election, appointment of new DG and changes to the SMT	Timing right - new CG appointed
	SRC learnt from international good practice	NBR were concerned that PAR did not give a complete picture of current status of reform in the NBR and difficulties faced by the NBR to implement reforms		TADAT helped quantify the magnitude of the weaknesses
	TADAT identifies tax administration needs – providing a good starting point for next steps		DGII had not received technical assistance for some time and wanted to change this	TADAT awareness training now incorporated into good TADAT practice
	Scope fine for now, but customs would be nice for the future	Scope fine for now, but customs and HR would be nice for the future	Scope fine for now, but more coverage of processes in field offices would be nice in the future	Scope fine for now, but customs and HR would be nice for the future
Efficiency	Single Point Of Contact (SPOC) within the SRC helped with logistical arrangements and support for the assessment team	TADAT coordinator and core team assembled by NBR	Over forty staff participated in the TADAT awareness training	RRA set itself up for the assessment with the post-TADAT assessment work in mind – thinking ahead
	Invaluable TADAT awareness training workshop prior to assessment	Difficulties faced compiling pre-assessment questionnaire	Central TADAT coordinator appointed and core team assembled by the DGII	Wider project implementation setup across government in Rwanda brings even greater benefits
	Difficulties faced compiling pre-assessment questionnaire		Difficulties faced compiling pre-assessment questionnaire	"TADAT felt like an assisted assessment, not like a typical audit"
	Innovative approach adopted to translate evidence Benefits of TADAT outweighed opportunity cost for SRC	Took time to assemble an assessment team, but a strong one assembled	SMT engagement contagious – demonstrating renewed commitment to reform	Recognition of the importance of project management to implementation
Effectiveness	Regional knowledge is very important for a TADAT assessor – understanding the legal framework is crucial	Regional knowledge is very important for a TADAT assessor	DGII would have liked more time to plan for TADAT assessment	Background and experience of a TADAT assessor is critical
	Initial steps were undertaken by SRC after receipt of PAR to deal with weaknesses	In hindsight, maybe timing was not right to do TADAT (as a result of the continual delay to implementation of VAT laws and impact that implementation would have had)	DGII benefited from the knowledge and experience of the assessment team – "not a typical diagnostic assessment"	Other reforms areas not covered by TADAT captured by RRA in their reform plans
	Improved ownership of tax administration reform agenda since TADAT			Registration improvements result from TADAT

Evaluation Criteria	Country's visited			
	Armenia	**Bangladesh**	**Dominican Republic**	**Rwanda**
	Improvements to VAT refund process made results from TADAT	Implementation of VAT laws and election mean many reforms are unlikely to progress until 2019	Regional knowledge is very important for a TADAT assessor – understanding the legal framework is crucial	Compliance improvement plan in place following TADAT
	Changes to deregistration process for inactive taxpayers flows from TADAT	"Observations" to be included in the PAR would give complete picture to reader		Improvements to institutional risk made since TADAT
	More structure around "next step" would be nice	More structure around "next step" would be nice	More Spanish speakers needed as TADAT assessors	Time taken to pay (or offset) VAT refunds shortened following TADAT
Impact	SRC is in the process of developing a reform roadmap with development partner assistance	PAR not widely circulated – concerned media will take it the wrong way	Immediate action taken following receipt of PAR	Deputy Commissioner participates on two TADAT assessments in region
	New development partners filling technical assistance gap left by shifting priorities	New development partner are looking to support the NBR	TADAT helped the DGII obtain more funding from MOF (for additional resources)	Revenue targets met since TADAT (not in the two years before the TADAT)
	Development partner program aide memoire refers to TADAT weaknesses, describing the measures being undertaken to address them within the scope of their technical assistance program	Undesired result – unless fundamental difficulties faced with implementing reform are also addressed, there is a danger that development partners will think that putting money into addressing weaknesses from TADAT will result in improvements to scores	DGII impresses new development partner and results in technical assistance program	Immediate ownership by RRA results in development of an action plan
			Loan under negotiation will help address many weaknesses identified by TADAT	Regional sharing of good practice within East Africa
			Two further development partners (both new) looking to assist DGII	Positive result - technical assistance now demand (and not supply) driven
			Immediate assistance with follow-up mission after TADAT to make recommendations	
Sustainability	Greater transparency and increased regional cooperation		Officers still talking about TADAT methodology	KPI's and personnel objectives now set using TADAT findings
	Development partner collaboration and coordination still needs improvements	Greater awareness of TADAT by development partners is still required	Development partner collaboration and coordination still needs strengthening	Goal for all staff to be trained in TADAT methodology
	Four-five years between TADAT's		Four years between TADAT's (planning to link it to the next PEFA)	Four years between TADAT's Likely to undertake a self-assessment or external evaluation of specific POA's

11. Secretariat and governance

11.1. Why have a Secretariat?

We have received considerable feedback from recipient countries, TADAT Partners, other development partners and stakeholders and assessors on the role and performance of the Secretariat. The energy, responsiveness and support of the Secretariat has been highlighted time and time again.

Whilst having a Secretariat is unique for IMF Trust Funds (TF), TADAT is a global tool and (in our view) needs a dedicated resource to raise awareness, protect and grow the TADAT brand, train assessors and help recipient countries to do an assessment. Like PEFA, we support the TADAT-TF having a Secretariat.

11.2. Role of the Secretariat

11.2.1. Shift in focus for the Secretariat

To date the Secretariat have, understandably, played an active role in the TADAT assessments either as assessors (on twenty-four assessments) or as the team leader (on nine assessments). Table 3 supports this, but now that the TADAT tool is established we see the need for this level of involvement to diminish and for more time to be spent (in addition to organising and quality assuring assessments) on:

- The development of the tool.
- On advocacy around the tool and changes to it.
- In exploring the use of the tool at a sub-national level.
- In capturing the impact, lessons learned and common challenges.

11.2.2. Role of Secretariat on assessments

For each assessment, we believe a link person should be identified in the Secretariat who will oversee the entire process. This person will be the focal point for all communications with the lead agency, team leader and recipient country and should engage on Skype or by phone to address questions arising from the Field Guide or from the online video. This early engagement is vital (e.g. as illustrated above by the involvement of IT departments early in process to extract necessary data for the pre-assessment questionnaire).

We also see a role for the Secretariat to support the team leader in bringing together the team before the assessment (ideally on Skype) and both in this way and by a "briefing pack" (or "pre-mission to-do checklist") for both the team leader and the assessors, to help them prepare for the assessment visit. This "briefing pack" should also cover the engagement needs during the assessment (e.g. outside the tax administration (i.e. MOF, AG, etc.), lead agency, the IMF country offices and with the development partners in the country who are assisting (or are likely to assist) the tax administration). We believe this is important so that those meet by the assessment team understand the TADAT processes and do not duplicate work and that downstream they will utilise the findings. We believe the Secretariat should document as much as possible to make the bringing together of the team and understanding of the process as efficient as possible – and thus, result in a overall reduction in the Secretariat's time commitment required for each assessment.

A key role of the Secretariat must also be the importance of maintaining credibility and respect for the TADAT "brand". This will pervade all the stages of the TADAT process and include ensuring the right level of engagement and preparation before the assessment is carried out, careful selection of the team leader and assessors, a thorough quality assurance of the PAR itself and availability to assist with follow up questions and ideas on processes to address weaknesses. Anecdotal evidence is that the assessment process has not always been "evidence based" as some tax administrations are seeking development partner assistance in areas that have scored highly ('A') in a TADAT assessment. Continued strong quality assurance by the Secretariat can help to ensure that the TADAT assessments retain a high standard of credibility.

11.2.3. Commissioning others to assist

We cover in Section 7.3 the need for the Secretariat to use the TADAT PAR's to help disseminate good practice. Whilst they might take the lead in some areas, this might also be accomplished by commissioning others (e.g. TAG, regional tax administration bodies, team leaders or assessors) to write material on common issues or good practice (and in those cases adopt a quality assurance role). This is in addition to asking academia to undertake research using TADAT findings.

In addition, the report prepared by Paul Martens in January 2017 produced some useful findings and recommendations. We believe the Secretariat should undertake a further survey to better understand the impact and effectiveness of the TADAT product and TADAT-TF operations at beginning of the next cycle.

11.2.4. Resources in the Secretariat

Whatever is decided upon for they sourcing of assessors, we recommend that once the responsibilities of the Secretariat have been decided upon that the resources required within the team are reviewed with a view to ensuring no overlapping roles (e.g. one person looks after all TADAT training, another all quality assurance and research, another the tool development and Field Guide, etc.). Many of the organisational functions of the Secretariat can be undertaken by a generalist rather than a tax expert per se. As already mentioned, one possible solution to help manage the assessment process would also be to have a resource within the Secretariat dedicated as a project administrator (or manager) to oversee and manage each TADAT.

11.3. Governance arrangements

Governance arrangements are designed based on the Product Document. The IMF has oversight of the Secretariat, with the Secretariat reporting to Michael Keen (Deputy Director, Fiscal Affairs Department (FAD)).

11.3.1. Steering Committee meetings and minutes

From discussions with SC representatives and other stakeholders who attend SC meetings (as observers), the majority are content with the meetings and outputs (reports) from the SC meetings and communications from the Secretariat in between SC meetings. Compared to other IMF TF SC meetings, most IMF representatives also thought the TADAT-TF SC meetings were run more smoothly and inclusively than others. Some SC representatives would like to see more in depth discussions and output from SC meetings.

One of the challenges faced by the Secretariat is different TADAT Partners caring more about some issues than others (e.g. priority countries of TADAT Partners on specific countries (or low income economies and fragile states) or value for money from technology developments and expenditure). So a balance often has to be drawn between those demands and the wider purpose of the TADAT product (i.e. provide a standardised means of assessing the health of key components of a country's tax administration system and its level of maturity in the context of international good practice[45]). We struggled with how to deal with this challenge, except that there needed to be continued acknowledgement by all stakeholders of this balancing act.

Whilst the agenda and minutes from the SC meetings are as expected, some changes may include:

- Where discussion points (not decisions) indicate a follow-up action between SC meetings, they are captured on an "Action table and summary" and included as an agenda item at the next SC meeting.

- For presentations made or attendance at a global or regional outreach/awareness event relating to TADAT, an agenda item is added and bullet point summary is included in the minutes.

Face-to-face meetings usually happen in June. The December meetings are normally run virtually using video conference facilities and the SC may consider holding this meeting in Europe (like PEFA SC) in the future.

11.3.2. TADAT-TF reports

We reviewed the annual TADAT-TF reports produced in June 2016 and 2017. These provide an overview of key decisions, TADAT product developments, future priorities, TADAT Partner contributions, TADAT-TF cash flows, budget and expenses and other key statistics (such as completed TADAT assessments and training). The approved TADAT log frame is used to set out TADAT product developments against progress.

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[45] Page 5, TADAT Field Guide, November 2015

11.3.2.1. TADAT Partner contributions and TADAT-TF cash flows, budget and expenses

Funding and financial data presented in the annual reports shows a stable position for the TADAT-TF. For various reasons, expenses for the year end-April 2017[46] were US$750,000 less than budget and cash flow projection suggest that the net cash and cash position will be adequate for last two years of the current cycle. Based on experience of the PEFA Secretariat, the ICD and Secretariat need to continue to monitor expenditure and cash flows closely as the TADAT-TF moves towards the end of the current cycle to avoid a period at the end of the cycle with no cash.

TADAT Partners also need to be aware of the difficulties faced in managing TADAT-TF budgets and cash flows due to their varying disbursement plans. It is often not known when contributions will be provided, and foreign exchange fluctuations (particularly with Brexit) further compound this. Where possible, contributions should be obtained upfront to improve delivery of TADAT-TF operations and minimise foreign exchange risks.

To aid TADAT product development and planning of TAADT-TF operations, the ICD should start discussions with the TADAT Partners to secure commitment and funding for the next cycle (if it has not begun already). With others interested, discussions with other development partners (i.e. non-TADAT Partners) should also continue to see if furthers stakeholders may also look to commit and fund the next cycle of the TADAT-TF.

11.3.2.2. What does it cost to provide a TADAT assessment?

One fundamental question that is not clear to us is what does it cost to provide a TADAT assessment? We believe this is area worthy of some analysis (by the Secretariat and ICD) during the remainder of the current cycle. This should look at the total cost of mobilising an assessment team, along with any costs associated with the in-country assessment and finalising of the PAR (i.e. quality assurance by the Secretariat and TAG). Given the preference to date to use team leaders and assessors that do not require salaries to be paid by the lead agency to undertake the assessment, we believe that three costings should be prepared that assume:

- A whole team of salaried team leader/assessors.
- A combination of salaried team leader/assessors and independent consultants.
- Outsourcing of the TADAT entirely to a contractor (and a whole team of independent consultants).

An estimate of the salary costs for a salaried team leader/assessors should be made for these costings, along with those of the Secretariat, TAG and lead agency. We do not believe that the costs of the recipient country should be included in these costings. By having costings, the Secretariat may be able to:

- Set aside a dedicated fund for financing assessments that meet certain set criteria.
- Provide greater guidance to development partners sourcing a contractor to assemble an assessment team, including suggested budget and number of consultant days needed for an assessment.
- Encourage TADAT Partners to have a similar arrangement in place as USAID does with one of its contractors to enable quick mobilisation of an assessor when the "usual" nomination process fails.
- Encourage more development partners to fund a particular TADAT assessment.

11.3.2.3. TADAT log frame

We note that the approved TADAT log frame set out in Annex 1 of the annual TADAT-TF report produced in June 2017 has changed from the TADAT log frame in the Product Document[47]. We also note that in addition to summarising developments and progress against this in Annex 1, the report also includes key highlights in the main report and commentary on lessons learnt, findings and points for consideration by the SC.

Although the results of the Paul Martens report in January 2017 have been used to support progress, we believe the inclusion of the "what next?" in a letter in response to the PAR from the tax administration or government setting out what it has done/intends to do in response to the TADAT (see Section 7.1) would assist the Secretariat with measurement of the impact of the TADAT product. References to activities since the TADAT in staff reports for the IMF's Article IV consultation reports could also provide this. The reform project mission or evaluation reports from development partners could also be used for this purpose. This would enable external validation of the progress reported for Result 1.1 under Outcome 1 in the log frame.

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[46] The IMF's fiscal year runs from 1 May to 30 April
[47] Page 15, Appendix 1: TADAT – Strategic Logframe (2014-2018), Program Document, December 2013

F. Summary of our Recommendations

12. Main recommendations

We do believe that the TADAT product and the TADAT-TF operations could benefit from some "fine-tuning" as it moves into the next two years of the current cycle and achieves a greater level of maturity, particularly to:

- Further enhance awareness and the scope and process of the TADAT product.

- Improve the efficiency of the process for all stakeholders involved in a TADAT assessment.

- Achieve greater post-TADAT assessment impact and actions by the tax administrations.

- Capture the lessons learnt from the first three years of operations into the TADAT product.

- Achieve more dissemination on lessons learnt and contribution to good practice in tax administration.

Throughout Sections 3 to 11 (Findings and Conclusions), we have captured many recommendations (and suggestions) for the TADAT product and TADAT-TF operations to be enhanced following our evaluation. We have summarised our priority recommendations below. All recommendations (and suggestions) throughout Sections 3 to 11 are set out in Appendix A. As a number of these relate to capturing lessons learnt from the first three years of operations of the TADAT-TF, we have also set these out separately in Appendix F.

All our recommendations (and suggestions) in Appendix A have been captured under seven themes and split between those that should be undertaken within the current cycle (remainder of Phase I) and the next cycle (Phase II). Given the nature of our recommendations (and suggestions) and plans for the next revision of the Field Guide to be released in November 2018, they predominately fall within the current cycle. Depending on the status of the revisions, it may be prudent to push the release of this revision into 2019 to enable sufficient time to capture all revisions, make necessary plans and avoid further revisions shortly after the next release

Our main recommendations for the remainder of the current cycle are to:

- Produce case studies promoting successful TADAT experiences to promote TADAT and highlight good practice approaches from implementing reform to deal with weaknesses identified by TADAT.

- Further awareness material and communication activity to:
  - o Ensure that the purpose of TADAT is clear to policy makers.
  - o Improve the understanding on TADAT by non-headquartered development partner's staff.
  - o Secure more TADAT's in East Asia and Pacific, Middle East and North Africa and South Asia.

- Enhance the assessor qualification criteria and assessment team selection process by:
  - o Making changes to the assessor qualification criteria.
  - o Developing a checklist to assist TADAT Partners to nominate assessors.
  - o Considering the separation of roles for assembly of the assessment team.

- Enhance the TADAT methodology and Field Guide by:
  - o Continuing largely "as is" with only limited changes or additions within the current nine POA's (e.g. adding PI's to cover human capital and investigations and prosecutions capabilities).
  - o Continuing with current pilot and roll-out plans for TADAT at a sub-national level.
  - o Continuing to reflect the experiences of PEFA in the evolution of the TADAT product by:
    - Tailoring PAR for repeat TADAT's that highlights' changes in scores between assessment and consulting the PEFA Assessment Handbook and guidance on what might be required as amendments are made to POA's and PI's.
    - Incorporating lessons learnt in the TADAT website revamp.

- o Develop a three-stage process to help prepare a country for a TADAT, including the online video on the process, time commitments, steps they may want to undertake, etc.
- o Capturing lessons learnt set out in Appendix F, particularly:
  - To clarify the role lead agencies and others (i.e. Secretariat, tax administration and team leader) need to play/will play during the TADAT process.
  - On the "what next?" for tax administrations on how to draw up a reform or action plan to address weaknesses identified by TADAT and engage with development partners.
  - On possible approaches for a tax administration to get external verification (or do a self-assessment) that improvements have been made without doing a repeat TADAT.
  - Promoting successful TADAT experiences and highlighting approaches from implementing reform to deal with weaknesses identified by TADAT.
  - Outlining for an assessment team what to do to prepare for the assessment and what to expect in country (i.e. "briefing pack" or "pre-mission to-do checklist").
- o Adopting a clearer and more structured approach to the quality assurance of the PAR's.
- Enhance the assessor training by:
  - o Expanding the online training to cover consulting skills, connections between the different POA's and an exercise to simulate a TADAT assessment.
  - o Considering the likely need for "conversion" training to mitigate assessors and tax administration staff to the revised Field Guide.
  - o Considering the likely need for "refresher" training for assessors who have not yet done an assessment, but remain likely to do so.
- Prioritise the development and rollout of the "assessor" dashboard section of the TADAT Portal.
- Improve the effectiveness of key TADAT stakeholders by:
  - o Breathing a "new lease of life" into the TAG.
  - o Continuing the expansion of the collaboration with regional tax administration bodies.
- Expand the use of the PAR's to help disseminate good practice by:
  - o Passing of TADAT results onto academic institutions for their research use.
  - o Commissioning tax administrators to produce "good practice" notes.
  - o Producing a series of working papers (i.e. one per POA) or an aggregate publication.
  - o Analysing good practice and common challenges from PAR's on a regional basis.
  - o Adopting a consistent policy for the automatic publication of the PAR that is agreed to when the TADAT is commissioned by a country and applied in all cases.
- Produce costings covering the total cost of mobilising an assessment team, along with costs associated with the in-country assessment and quality assuring the PAR.
- Improve the mechanism for measuring the impact of the TADAT product (e.g. letter in response to the PAR from the recipient country setting out what it has done/intends to do with TADAT, reference to activities since the TADAT in the staff reports for the IMF's Article IV consultation or reform project mission or evaluation reports from development partners).
- ICD commence discussions with TADAT Partners to secure funding for the next cycle.

Report Appendices

A. Our Recommendations

Current cycle (remainder of Phase I)

Our recommended TADAT awareness areas include:

- Further awareness material and communication to ensure that the purpose of TADAT and TADAT process is clear to policy makers (i.e. MOF) and inclusion of AG in awareness exercises.

- Produce case studies promoting successful TADAT experiences to promote TADAT and highlight good practice approaches from implementing reform to deal with weaknesses identified by TADAT.

- Encourage more tax administrations or regions (such as the EAC) to share their TADAT experiences at regional/global events (with recordings separately made for inclusion on the TADAT website).

- Continued awareness with development partners to ensure that non-headquartered staff have a better understanding of TADAT (i.e. benefits, process, etc.).

- Awareness on how TADAT Partners can obtain copies of PAR's via their headquarters.

- Awareness to prevent tax administrations and development partners focusing only on weaknesses in PAR's, simplistically tying assistance to changes in scores and adopting a "league table" mentality.

- Information on the TADAT website on how assessors are appointed for TADAT assessments.

- Increased (and more consistent) use of social media tools by the Secretariat.

- Produce and disseminate a summary of the revisions to the Field Guide.

Our recommended engagement areas include:

- Breathe a "new lease of life" into the TAG by increasing their involvement and sharing more information on developments, plans, issued identified, lessons learnt, and so on with TAG members.

- Continued expansion of the collaboration with regional tax administration bodies via greater sharing of information on plans and activities and feedback on findings and lessons learnt from completed TADAT's (e.g. for tailoring of training or technical assistance to weaknesses identified in PAR's).

- Increased collaboration with development partners working in the East Asia and Pacific, Middle East and North Africa and South Asia regions to ensure that more TADAT's are undertaken outside of Africa, Europe and Central Asia and Latin America and Caribbean.

Future cycle (Phase II)

Our recommended TADAT awareness areas include:

- Material to assist the recipient country with internal communication around the upcoming assessment.

Current cycle (remainder of Phase I)

Our recommended change to the assessor criteria include:

- The team leader should have substantial tax administration knowledge, and also bring additional skills – team organisation and management, the report writing skills and be both firm and diplomatic.

- All team members should have recent and relevant (senior) experience of working in a tax administration.

- All team members should have the required consultancy skills.

Unless they meet this basic criterion, persons put forward from development partners and independent consultants should not be selected (this includes a TADAT Partner putting a team leader forward).

Our recommended changes to the assessment team selection process include:

- Develop a checklist to assist TADAT Partners to nominate assessors, requiring indication on how the person nominated meets the relevant criteria. Assessors put forward must be prepared to work in accordance with directions of the team leader (and not with their normal employment conditions).

- Consider a separation of roles for assembly of the assessment team (as set out in Section 4.2.4).

- Ideally, an assessor should have:
    - Regional experience (most notably, an understanding of the legal framework).
    - Not had recent country experience.
    - No possible conflicts of interest (real or imagined).

- With some exceptions, staff from the Secretariat should not be involved in TADAT assessments.

- Secretariat is given a greater mandate to restrict the size of assessment teams.

- TADAT Partners understand that nomination does not mean nominees are on the team.

- Nominations should be reviewed and, where necessary, a Skype interview undertaken.

Other related recommendations include:

- Encourage TADAT Partners to have a similar arrangement in place as USAID does with one of its contractors to enable quick mobilisation of an assessor when the "usual" nomination process fails.

- Identify more assessors with Arabic, French, Portuguese, Russian and Spanish language skills.

- Update the list of "Trained TADAT Assessors" on the TADAT website.

- Reduce the numbers of assessors who intend to undertake an assessment to a number that matches the number of assessors (including an "unavailability buffer") required for the anticipated number of assessments over the remainder of the current cycle.

- With the rollout of the TADAT Portal and its inclusion of assessor details, develop a mechanism to ensure this information is updated regularly. Once assessors are reviewed against the revised criteria, assessors should be required to populate their details themselves (unless it can be automated).

- Capture conflicts of interests and type of assessor (i.e. "TADAT Trained") in the TADAT Portal.

- Consider whether a third level of trainee may be required (i.e. for "Trained TADAT Assessor" who have no intention of undertaking a TADAT assessment).

- A panel of team leaders should be identified by the Secretariat and each person on that panel be utilised several times each year. This panel should consist of assessors who have undertaken at least two TADAT assessments and attended the team leader training.

Where the assessment is outsourced entirely to a contractor, we recommend that the Secretariat should:

- Define the roles of the assessors to ensure that the skills required match the split of work by the team.

- Have a greater mandate to insist on the scope of work undertaken by the assessment team.

Enhancements to TADAT methodology and Field Guide

Current cycle (remainder of Phase I)

Our overall recommendations regarding the TADAT methodology include:

- Continue largely "as is" with only limited changes or additions within the current nine POA structure (e.g. adding a human capital PI and a PI covering investigations and prosecutions capability).

- Continue with current pilot plans and other plans for rollout of TADAT at a sub-national level.

- Continue to reflect the experiences of PEFA in the evolution of the TADAT product.

Our recommendations for "Phase 1: Assessment initiation" process include:

- Develop good practice guidance on the "right time" for recipient countries to undertake a TADAT.

- Develop a three-stage process (set out in Section 4.1.1) to help prepare a country for a TADAT, including the online video on the process, time commitments, steps they may want to undertake, etc.

Our recommendations for "Phase 2: Pre-assessment process" include:

- Develop good practice guidance (capturing lessons learnt to date):
  - o To aid the setting up of a "core team" by the tax administration.
  - o To aid the efficient completion of the pre-assessment questionnaire, including ensuring there is sufficient time from the decision to undertake a TADAT to the start of the assessment.
  - o On the tax administration undertaking TADAT awareness training prior to the assessment, including the suggested timing and involvement of the SMT, representatives from outside headquarters and the assessment team in this training.
  - o To clarify the role lead agencies and others (i.e. Secretariat, tax administration and team leader) need to play/will play in the pre-assessment and in-country assessment process.
- Develop a letter template(s) for team leader to send to recipient country.
- Develop a "briefing pack" for an assessment team outlining what to do to prepare for the assessment and what to expect in country to assist the team leader to perform the role efficiently and effectively.

Our recommendations for "Phase 3: In-country assessment" process include:

- Members of the assessment team:
  - o Make two or more visits to field offices (especially offices handling small or medium taxpayers) outside the capital city to assess the standardisation of POA's across the country.
  - o Obtain the taxpayers perspective on the performance of the tax administration.
- PAR's are produced in both the language of the recipient country and in English.
- Consider the additions to the content of the PAR suggested in Section 6.4, most notably:
  - o A section on the "current status of tax administration reform and development partner assistance" (within Country Background Information) to provide greater context for the reader.
  - o Emphases that any subsequent reform or action plan may also need to address other important areas that the TADAT assessment did not cover (e.g. see draft in Appendix G).
  - o Draw out areas where changes (e.g. implementing international good practices) have been introduced by a tax administration in the commentary on each MD in the PAR.
  - o Expansion to contain a short (1-2 page) section on "other observations" – a write up on any fundamental reasons behind the scores (e.g. low staff capacity, funding, etc.).
  - o Tailored PAR for repeat TADAT's that highlights' changes in scores between assessments, and consultation of the PEFA Assessment Handbook and guidance on how PEFA reports highlight changes and what might be required as amendments are made to POA's and PI's.

Our recommendation for "Phase 4: Post-assessment process" include:

- Add good practice guidance in the Field Guide on the "what next?" for tax administrations on how to draw up a reform or action plan to implement steps that address weaknesses identified during the TADAT assessment, including what they might need to do start engaging with development partners.
- Consider if the "what next?" could also be set out in a letter in response to the PAR from the recipient country that sets out what it has done/intends to do in response to the TADAT. Reference to activities since the TADAT in the staff reports for the IMF's Article IV consultation may also provide this.
- Produce good practice guidance on the time it will take implement reforms and improve scores and that reforms should be implemented gradually to ensure that they do not have undesired outcomes.
- Adopt a more structured approach to quality assurance of the PAR's, including expanding on the quality assurance form and utilising a "quality assurance matrix" to capture all comments and concerns raised by the review team.
- Consider collecting feedback on the draft PAR from the recipient country using a similar matrix format.
- Produce an annual "indicative" TADAT assessment workplan (with regular updates) for the TAG.

- Produce good practice guidance on the possible approaches for a tax administration to undertake a self-assessment or obtain external verification that improvements have been made without undertaking a repeat TADAT (e.g. a peer-to-peer review).

- Adopt a consistent policy for the automatic publication of the PAR that is agreed to when the TADAT is commissioned by a country and applied in all cases.

Our other recommendations in this area include:

- Improve mechanism (and with greater transparency) to harness feedback from individual assessors and experts on both the detailed workings of the PI's and the material contained in the Field Guide.

- Capture areas highlighted on specific POA's from the Paul Martens review[48] and other areas set out in Section 9.1 in the revision of the Field Guide.

- Consider if it would be better to have a further classification (i.e. D* at the MD level like PEFA) for use where evidence could not be provided or relied upon by the assessment team.

- Repeat assessments are undertaken every four-five years (not two-three years per the Field Guide[49]).

- Produce good practice guidance on the benefits of (and when to) undertaking a repeat assessment.

Future cycle (Phase II)

Our recommendations include:

- Whilst discussions might continue with relevant stakeholders (e.g. WCO) during the current cycle (remainder of Phase I), any wider expansion of the TADAT methodology should not be considered in extensive detail until Phase II. This includes looking at areas such as:

  o Customs revenues and business processes (including cross cutting areas).

  o Excise revenues.

  o Mining and natural resource revenues.

  o Social security deductions and payments (administration of these and similar benefits).

  o Other business processes and corporate areas not currently included within TADAT.

Enhancements to training and the training material

Current cycle (remainder of Phase I)

Our recommended enhancements to training include:

- Online training for assessors should be enhanced to capture:

  o The connections between the different POA's.

  o The required softer consultancy skills (in addition to knowledge of the TADAT process), including questioning and interviewing techniques (not to be tested).

  o An exercise to simulate a TADAT assessment (also identified by the Paul Martens review[50]).

- Plan for and rollout of "conversion" training to migrate "Trained TADAT Assessors" to the revised Field Guide if revisions go beyond minor alterations and improvements.

- Plan for and rollout of "conversion" training to migrate tax administration staff to the revised Field Guide if revisions go beyond minor alterations and improvements (e.g. training manuals).

- Mechanism for assessors to undertake "refresher" training periodically – this will include those assessors who have not yet done an assessment, but remain likely to do so.

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[48] TADAT: Survey Outcome Report, Paul Martens (FAD Panel Expert), January 2017
[49] Page 5, TADAT Field Guide, November 2015
[50] Page 13, TADAT: Survey Outcome Report, Paul Martens (FAD Panel Expert), January 2017

Future cycle (Phase II)

Our recommended enhancements to training include:

- Whether the online training for assessors can be run face-to-face as the number of assessors trained is brought more in line with the number likely to be required.

Continued use of technology to support the TADAT product

Current cycle (remainder of Phase I)

Our recommendations include:

- An upgrade to the TADAT website to enhance the user experience and timely sharing of information.
- Update the TADAT Pocket Guide and app for revisions to the Field Guide.
- Continue with the development of the TADAT portal, but prioritise (over other areas) rollout of the part of the dashboard to be used for approving assessor applications and development partners and the Secretariat's ability to view assessors (e.g. CVs, qualifications, etc.) to assemble assessment teams.

Future cycle (Phase II)

Our recommendations include:

- Expand the rollout of the TADAT portal, particularly the e-TADAT and Connect. We assume further development work will be required to the e-TADAT to incorporate revisions to the Field Guide.
- Monitor the time (and corresponding benefit) it takes to update and maintain communications using Connect.

Expand the use of the PAR's to help disseminate good practice

Current cycle (remainder of Phase I)

Our recommendations include:

- Expand the passing of TADAT results onto academic institutions for their research use.
- Commission tax administrators to produce "good practice" notes.
- Produce a series of working papers (i.e. one per POA) or an aggregate publication.
- Analysis of good practice and common challenges from TADAT assessments on a regional basis.

Unless others (e.g. TAG, regional tax administration bodies, tax administrations, assessors and the IMF) can play a lead role in this activity, then aspects of this recommendation should be reprioritised and a focus for Phase II. If others can play a lead role in this, then the Secretariat should adopt a quality assurance role.

The Secretariat and governance arrangements

Current cycle (remainder of Phase I)

Our recommendations impacting the Secretariat include:

- With some exceptions, staff from the Secretariat should not be involved in TADAT assessments – exceptions to this rule may include sub-national pilots or roll out of the new Field Guide.
- Review of responsibilities of staff in the Secretariat to ensure no overlapping of roles and focus on:
  - o Link person (or project administrator) to oversee the entire process for each assessment.
  - o Quality assurance of the PAR.
  - o The development of the tool - on advocacy around the tool and changes to it.
  - o In exploring the use of the tool at a sub-national level.

- In capturing the impact, lessons learned and common challenges (including commissioning others to assist with this).
- TADAT training.

- Produce costings with ICD covering the total cost of mobilising an assessment team, along with costs associated with the in-country assessment and quality assuring the PAR.

- Improve the mechanism for measuring the impact of the TADAT product (for instance, letter in response to the PAR from the recipient country setting out what it has done/intends to do with the TADAT, reference to activities since the TADAT in the staff reports for the IMF's Article IV consultation or reform project mission or evaluation reports from development partners).

- Continue to reflect the experiences of PEFA in the evolution of the TADAT-TF operations.

Our recommendations to other areas impacting the Secretariat and governance arrangements include:

- Look at hosting the December SC meetings in Europe (i.e. a face-to-face meeting, and not virtual).

- Continue to monitor expenditure and cash flows closely as the TADAT-TF moves towards the end of the current cycle to avoid a period at the end of the cycle with no cash.

- Continue to discuss disbursement plans with TADAT Partners to maximise upfront contributions and minimise foreign exchange risks.

- ICD commence discussions with TADAT Partners to secure funding for the next cycle (Phase II).

Future cycle (Phase II)

Our recommendations include:

- SC members consider whether dedicated funds are set aside for financing TADAT assessments that meet certain set criteria.

- Commission a similar survey of TADAT users to that undertaken in October and November 2016 (and which Paul Martens produced a report on in January 2017) at beginning of Phase II.

B. Case Study 1: Armenia

Recipient agency: State Revenue Committee

Responsibility: Collection of direct taxes, indirect taxes and customs duties in Armenia

Lead agency: USAID

Date of assessment request: May 2016

TADAT awareness training workshop prior to assessment: Yes (2-4 November 2016)

Assessment period: 7-22 November 2016 (three weeks)

Version of Field Guide used by assessment team: Version 6 (November 2015)

Field visits: Four (two field offices, Large Taxpayer Inspectorate and State Registry Agency)

Donor briefing at TADAT's conclusion: Yes (IMF, World Bank, USAID, German Development Agency (GIZ), French Development Agency (AFD) and Asian Development Bank (ADB))

Date of PAR: January 2017

PAR publically available: Yes

Assessment team size: Four

Team composition:
- Senior Specialist, South African Revenue Service.
- Senior Public Finance Specialist, World Bank.
- Senior Tax and Public Finance Specialist, USAID short-term expert.
- Deputy Director, Netherlands Tax and Customs Administration (NTCA).

Donor funded tax reform projects around the timing of the TADAT:
- USAID's Tax Reform Project (TRP).
- World Bank's Tax Administration Modernisation Program (TAMP).
- Technical assistance from the IMF.

RELEVANCE

Why undertake the TADAT?

Whilst some diagnostic work was undertaken in the design of TAMP, this work was not as comprehensive as that completed using the TADAT. The SRC wanted to better understand their tax administration strengths and weaknesses – "to put their hand on the pulse[51]" – and identify reform priorities.

The timing was also an important factor in the SRC's decision to undertake a TADAT – the decision coincided with the reorganisation of the MOF, the reestablishment of the SCR as a separate tax and customs agency and the appointment of a new Chairman to lead the SRC in March 2016.

Around the same time, the SRC were discussing their reform plans with the World Bank and TADAT came up during this. GIZ were also looking to assist the SRC and wanted a TADAT to be undertaken to identify reform focus areas before providing any technical assistance. USAID funding to the SRC was coming to end and they also were keen to see where the SRC were at prior to concluding their long-term support to the SRC. They also felt it was important to do a TADAT given the changes that had taken place within the SRC.

Scope

The team explained the scope of the TADAT at the outset of the assessment. The SRC had a clear understanding on what was not covered (i.e. customs, recommendations and prioritisation) and any limitation (i.e. inputs such as HR management that were not covered by the methodology).

Overall, the SRC believe the TADAT methodology to be very good. This is despite differences between the political and organisational structures and legal framework that exists in Armenia and the international good practice set out in the Field Guide. Such differences often resulted in disagreements over the PAR scores.

Given that the SRC had recently been re-established as a combined tax and customs agency, there would be

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[51] Arsen Sarikyan, Head of Risk Management and Tax Compliance Programs Department, SRC

benefits from a diagnostic assessment that covered both their tax and customs administration. GIZ highlighted this structural issue, along with areas such as tax legislation, HR, organisational matters, tax evasion and avoidance and international relations and initiatives, which are also not covered by the TADAT scope.

Learning from international good practice

In addition to identifying strengths and weaknesses, undertaking the TADAT helped SRC officers learn about the TADAT methodology and international good practice. As a result, they thought the time invested during the TADAT training awareness workshop and the assessment was a productive use of officer's time.

Whilst the SRC's training curriculum does not include the TADAT Field Guide, trainers do take trainees through the relevant findings in the PAR so that strengths, weaknesses and innovative ideas from the Field Guide and PAR are shared. Material from the assessment is also available internally on the SRC intranet.

The PAR and Field Guide have also been consulted for international good practice throughout 2017 as changes to the Tax Code and improvements to the administrative processes have been made.

TADAT identifies tax administration needs

Overall, stakeholders thought that the TADAT gave a good overview of the issues requiring technical assistance, providing a good starting point for discussing the reform priorities and next steps. Having meet stakeholders and stakeholder representatives who were new to Armenia, the PAR also provided a useful tool for understanding the context and background to the issues facing the SRC and the areas requiring support.

The IMF is using the TADAT findings to discuss future technical assistance needs with the SRC. By way of example, three out of four requests for assistance from the SRC are from areas that scored 'C's' and 'D's' in the PAR. GIZ and AFD are also developing a detailed roadmap using the TADAT findings, which will be used to decide areas of technical support under a new component of GIZ's Armenian Good Governance Program.

EFFICIENCY

Silence between request for TADAT and assessment team arriving

It took five months from the request to have a TADAT to the assessment team arriving in Armenia. Whilst some of this time was due to internal processes within the SRC, [more timely and] greater communication between the Secretariat and the lead agency in Armenia would have reduced the uncertainty around the scheduling of the TADAT and provided more time for arranging assessment logistics and planning.

Logistical arrangements and support

A SPOC within the SRC kept in regular contact between the relevant officers involved in each POA and the assessment team. A schedule was agreed for each day. The Deputy Chairman was kept informed of progress throughout the TADAT by the SRC's SPOC. For transportation to meetings outside of SRC's headquarters, the SRC helped with making travel arrangements for the assessment team.

The assessment team explained the role of the recipient country at the start of the assessment, and the SRC provided input into this process. In addition, the lead agency understood the role they had to play and helped with some logistical arrangement. They provided a briefing to the assessment team, including country and tax context, background on TRP and shared some relevant documents, and helped provide some introductions (including setting up a meeting with the Manager of the TRP). In performing their role, the lead agency benefited from their tax program with the SRC – indicating the time spent putting plans in place (i.e. visas, arranging meetings) and the duration of the assessment would have needed longer without this involvement.

The IMF were also involved in providing an overview on the economic situation, context, projections and strategies to the team. If required, they could have provided data, arranged transportation and helped schedule meetings. To help reduce costs, preferential hotel rates could have also been utilised by the team[52].

Invaluable TADAT awareness training workshop

Thirty senior SRC staff (approximately three people per SRC department) attended the TADAT awareness training. No test was undertaken so the SRC do not have any trained TADAT assessors. In addition, no staff attended the training from outside headquarters – instead, the department responsible for the twenty regional offices were responsible for sharing information with these offices throughout and after the assessment.

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[52] Preferential rates may have been utilized here. However, this is a possible way to reduce costs on future TADAT's

The assessment team took the staff through each POA and, as noted above, undertaking the TADAT helped officers learn about the TADAT methodology and international good practice. As a result, the SRC thought the time invested during the TADAT training awareness workshop and the assessment was a productive use of officer's time. The Secretariat prepared all material for the TADAT training awareness workshop.

Difficulties faced compiling the pre-assessment questionnaire

The SRC provided the pre-assessment questionnaire to the assessment team over the course of the in-country assessment, rather than before the TADAT. Some data was easy to provide. However, other data could not be provided in the format requested and SRC's IT department assisted with compiling some data. Many of the difficulties faced providing data were due to the configuration of the SRC's customised IT system.

Innovative approach adopted to translate evidence

All evidence was provided in Armenian. As all team members were English speakers, three translators were involved throughout the TADAT during meetings and to translate evidence provided by the SRC. Securing top translators was critical for this work, a prerequisite being that they understood PFM issues. To work efficiently, the mission team broke into groups (where linkage between POA's), each working with a translator to translate only key points of the evidence and thus determining what, if anything, required further translation.

Benefit outweighs opportunity cost for SRC

From the SRC perspective, three officers supported the assessment team on a fulltime basis during the TADAT. Officers from ten departments then attended relevant POA meetings in accordance with allocated activities. Following the agreed schedule, between five and six hours per day were spent by SRC officers assisting the assessment team. Upon receipt, the draft PAR was circulated to all officers involved in the assessment. Feedback was provided and collated centrally by SRC's SPOC and all comments sent in one document to the TADAT Secretariat. It took approximately one week to review the PAR and compile SRC's comments. Overall, the SRC found the TADAT experience to be a good use of resource – a learning exercise for officers, as much as an independent assessment of their tax administration.

Assessment team activities

The assessment team spent approximately two weeks working through the nine POA's with the SRC at headquarters. The remaining time was spent on the field visits and writing the PAR. A video conference was held between the assessment team and Secretariat to go through the draft PAR before sending it to the SRC, and the assessment team sort clarity on a couple of indicators from the Secretariat during the assessment.

The SRC valued the input of the assessment team throughout the assessment. They thought they were professional, the work was divided up well by the team leader and resources were used effectively.

Finalisation of the PAR

It took approximately two months to finalise the PAR. As noted above, the SRC sent one document to the TADAT Secretariat with their comments on the draft PAR. They disagreed with some of the scores and requested greater flexibility with some aspects of the international good practice as set out in the Field Guide (see above under Scope). However, they understood the position taken in the Field Guide and by the assessment team and Secretariat and accepted the decision/scores. They valued the feedback from the Secretariat. The response to the SRC's comments came from the team leader, taking 20 days to be provided.

The Secretariat provided very helpful and timely assistance to the assessment team, asking valuable questions and improving the consistency of the PAR during the quality assurance process. However, it was felt that some comments were not very helpful, requesting too much detail from the assessment team.

EFFECTIVENESS

Background of a TADAT assessor

All stakeholders agreed that assessors should bring an unbiased and independent view to the assessment. Local assessors were deemed to not be acceptable. It was felt that assessors do not need to have prior country experience, but regional knowledge was definitely seen as very important – particularly given the different political system, legal system and tax regime that exists in countries from the former Soviet Union.

Initial steps undertaken after receipt of PAR

Upon receipt of the draft PAR, the SRC divided up sections of the PAR between relevant departments. Findings set out in the PAR were incorporated into half yearly and annual operating plans for 2017 for these

departments and measurement were to be monitored at the end of 2017. Responsibility for coordination of these activities sits with the Risk Management and Tax Compliance Program Department within the SRC.

TADAT will be used by the SRC for monitoring and elevation purposes in the future.

Improvements to VAT refund process

The SRC scored a 'C' for P8-24, with the explanation stating, "the current [VAT refund] process however does not provide for any preferential treatment for refunds claims submitted by low risk taxpayers. Significantly, less than 80 per cent of VAT refund claims (by number of cases) are paid or declined within 30 days."[53]

Changes were made to the process within five months following the finalisation of the PAR so that from July 2017 VAT refunds less than US$40,000 and meeting set criteria are now made in four days (down from ninety days). In addition, VAT refunds greater than $40,000 now take fifty-five days (down from one-hundred and eighty days) despite still requiring a review.

Whilst the SRC acknowledge that further work is required in this area, this is seen as a big achievement in such a short timeframe, and the IMF noted that they had not predicted such an improvement.

Changes to deregistration process for inactive taxpayers

One of the comments for P1-1 referred to "the [SRC] registration database contains a large number of inactive but registered taxpayers, for which a breakdown by type of tax could not be provided". In addition, "it [SRC] acknowledged that the number of inactive taxpayers exceeded the number of active taxpayers."[54] This, and the unreliability of the registration data provided to the assessment team, contributed to the SRC scoring a 'D' for P1-1. Legislation did not allow the SRC to deregister inactive taxpayers unless the taxpayer applied to deregister with the SRC. As a result of the weaknesses identified, legislation had been amended to change this process.

Improved ownership of tax administration reform agenda

Many stakeholders have seen a shift to a more reform-minded outset by the SRC, sensing that the SRC has brought into TADAT and its findings. They feel that the SRC has a good idea on what they need to do, but that they now need some help with prioritisation of the necessary reforms (hence, the development of the detailed roadmap). They have seen a greater level of ownership of the reform effort by the SRC since TADAT – although, some of this may also be attributable to the further change in its Chairman in October 2016.

Stakeholders agreed that it was important that the recipient agency had to want to have the TADAT for it to have the desired impact. Most stakeholders also felt that a longer-term view to closing the gaps identified in the PAR was needed by the SRC and that the SRC would also benefit from more wider government reforms across Armenia (i.e. other organisations that the SRC interact with also need to be reformed as well).

Follow up could be more structured

Having wound down their support to the SRC, the lead agency is not as involved with development partners on tax reform as they may have otherwise been if funding were to continue. However, they would still like to know what is happening with the TADAT findings. They would like to understand what impact their funding is having – both in terms of the funding of the TADAT, but also the impact of the previous support provided.

It was suggested that there should be a more structured approach immediately following the TADAT to enable this to take place. For example, this could involve the SRC and development partners meeting on a regular basis after the TADAT to discuss "what next". It could also be a response from the SRC to the PAR that sets out "what it will do next to address the weaknesses". These steps would help the development partners to better plan their future support, the SRC to get assistance and for the impact of the TADAT to be measured.

IMPACT

Developing a reform roadmap and regional cooperation

Using the findings from the TADAT, a reform roadmap (or strategic plan) was in the process of being developed with the support of GIZ and AFD. The detailed roadmap was scheduled to be completed by the end of 2017, although this may slip into early 2018 as it needs to take into account Armenia's Development Strategy 2030 document that is scheduled to be released in December. Once the roadmap is developed, it will

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[53] Page 11, TADAT PAR: Armenia, January 2017
[54] Page 18, TADAT PAR: Armenia, January 2017

be used to allocate who undertakes what in roadmap. It is then envisaged that GIZ (with funding from AFD and a grant from the EC) will then provide technical assistance to the SRC under their Good Governance Program in Armenia. Other stakeholders not met have apparently also shown an interest in supporting this.

A workshop involving German (Bavarian), French and Georgian tax administration experts started the roadmap development process. The new SRC Chairman (appointed in October 2016) had praised the Georgian tax reform progress and invited Georgia to share their good practice. This has created the possibility of cooperation with Georgia in the future and seen the SRC read and compare scores with the Georgia PAR.

New development partners filling technical assistance gap

With USAID now focusing on other priorities in Armenia and World Bank's TAMP due to be completed at the end of April 2018 (incorporating an extension from December 2017), other development partners were needed to fill the void left and support the SRC to deal with the weaknesses identified by the TADAT findings.

GIZ has not provided any previous tax reform support to the SRC in Armenia, focusing on other areas of PFM. In discussions with the Government of Armenia, GIZ were asked to expand their support to include taxation. The current Good Governance Program is due to end in March 2020 and the expansion into taxation is consistent with German support of the Addis Tax Initiative and GIZ's interest in tax reform generally.

AFD entered the Armenian market in 2012. Wanting to support tax reform in Armenia and after undertaking an initial assessment, the SRC connected AFD and GIZ and they have coordinated efforts since. Subject to activities agreed in the roadmap, AFD support is likely to be spread over one and a half years.

World Bank aide memoire refers to TADAT weaknesses

The aide memoire from an Implementation Support Mission undertaken by the World Bank after the TADAT includes a table listing the weaknesses from the PAR and describes the measures being taken within the scope of TAMP to address them[55]. Two weaknesses are being addressed directly by TAMP, whilst TAMP is contributing to aspects of two further weaknesses identified by TAMP.

Barriers to implementation

Within the SRC, there is an acknowledgement of what needs to be done to strengthen the tax administration. However, like any organisation, there are not unlimited resources to work on the weaknesses identified by the TADAT and finding resources to focus on reform within SRC is challenging. More specifically, the SRC must focus efforts on collecting the legislated revenue targets and this will always drive resources and behaviour.

SUSTAINABILITY

Greater transparency

The SRC is one of ten countries to consent to publish their PAR. Whilst they realised it would be seen by other stakeholder anyhow, the SRC also wanted to be more transparent – wanting its tax system and tax administration to be better understood by the public, taxpayers, potential investors and development partners. This is part of a wider shift by the Government of Armenia to be more transparent.

As noted above, the SRC have looked at Georgia's PAR and compared scores. They have also discussed and shared their experience at tax conferences. Apart from Georgia, the SRC currently have no plans to discuss the TADAT findings with other tax administrations in the region or other major trading partners.

Collaboration and coordination still needs improvement

Stakeholders agree that TADAT has brought together development partners better than before. They are keen to avoid overlap and coordinate. There is a sense that development partners are beginning to go to the SRC with a shared view. However, this has evolved since January 2017 and improvements can still be made.

The PFM matrix (developed by the World Bank) was cited as an excellent tool used to set out what all development partners are doing to support PFM reform in Armenia. A similar output for tax reform is envisaged from the detailed roadmap.

Public good or IMF tool?

Whilst the SRC believed TADAT to be a public good that promoted international good practice, some stakeholders in Armenia still see TADAT as an IMF tool. PFM training in Armenia promotes TADAT as an IMF

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[55] Table 2, page 4, Aide Memoire, Implementation Support Mission, 21 November-2 December 2016

tool. In addition, the lead agency found out about the timing of assessment teams visit to Armenia from the IMF representative.

Repeat TADAT

Whilst there are no immediate plans yet to have a repeat TADAT, four-five years between assessments felt about adequate to the SRC and other stakeholders spoken to.

TADAT Mid-Term Evaluation

C. Case Study 2: Bangladesh

Recipient agency: National Board of Revenue

Responsibility: Collection of direct taxes, indirect taxes and customs duties in Bangladesh

Lead agency: TADAT Secretariat and World Bank

Date of assessment request: 2016

TADAT awareness training workshop prior to assessment: Yes – 3 days (December 2016)

Assessment period: 19 February-5 March 2017 (three weeks)

Version of Field Guide used by assessment team: Version 6

Field visits: Large Taxpayer Unit and field visits to Chittagong

Donor briefing at TADAT's conclusion: Yes (IMF and World Bank)

Date of PAR: June 2017

PAR publically available: No

Assessment team size: Six

Team composition:

- Technical Assistance Advisor, Secretariat.
- Senior Public Sector Specialist, World Bank.
- Tax Official, NTCA.
- Public Sector Specialist, World Bank.
- Public Sector Specialist, World Bank.
- Government Administration Consultant, World Bank.

Donor funded tax reform projects around the timing of the TADAT:

- World Bank's Revenue Mobilisation Program for Results (RMPFR): VAT Improvement Program.
- DFID's Tax Administration Capacity and Taxpayer Services (TACTS) project.
- IMF and Dutch technical assistance.

RELEVANCE

Why TADAT?

The NBR wanted to do a base-line survey and consulted with the World Bank about the options available to do this. The World Bank needed to undertake an assessment as part of their support to the NBR. It provided information on TADAT to the NBR and, in consultation with the NBR, decided to use TADAT for its assessment. DFID also decided to direct some of funds from TACTS to help fund the TADAT.

Scope of TADAT

Given the structure of the NBR (three tax-type wings - Income Tax, VAT and Customs), the NBR would have also liked to have the diagnostic include customs. The last diagnostic undertaken by the WCO was done in 2011/12 and this was used by the NBR to develop their current modernisation plan. HR capacity is a critical issue for the NBR and another area that the NBR would like to see within TADAT.

Most development partners thought the tool was useful, agreeing that it provided a starting point for dialogue with the NBR and helped the government set reform priorities. It allowed development partners to speak the same language. However, it was also felt that the PAR did not give the complete picture of the current status of reform in the country and difficulties faced by the NBR to implement reforms. This is discussed further below under Effectiveness and Impact. International taxation (i.e. transfer pricing) and investigation and prosecution were also identified as areas not currently covered by TADAT that should be captured.

EFFICIENCY

TADAT Coordinator and core team assembled

Once the go ahead was received from MOF to undertake the TADAT and the assessment team identified, a TADAT coordinator was appointed and a core team of fifteen were assembled to undertake the TADAT awareness training. This team came from managers and officers in the Income Tax, VAT and Customs wings.

Everyone sat and passed the online test and, as requested by the assessment team, then became the core team. The TADAT awareness training was seen as very beneficial by the NBR. During the assessment the NBR found it challenging to arrange meetings for the assessors with all of the SMT due to other commitments.

Difficulties faced completing the pre-assessment questionnaire

One of the areas that current reform efforts are looking to address is the automation of processes and access to information. As a result, NBR operates manual processes and systems and this made it difficult to provide accurate and complete information. The majority of the pre-assessment questionnaire was filled in during the TADAT with the assessment team and at the same time as the assessment team was validating it. In some cases, the assessment team did not collect evidence until the end of the assessment. Bad debt data was one area where the NBR struggled to fill in the pre-assessment questionnaire, as debts are never written off.

A strong assessment team assembled

It took time to identify assessors for this TADAT. Despite this, a strong assessment team was assembled. The NBR thought that the joint team leaders were both excellent, bringing regional experience and an understanding of the Bangladesh context. Others assessors brought regional experience. Lack of local language expertise was not seen as an issue by the NBR. The assessment team met with development partners, explaining TADAT, its limitations and issues they were facing. The Secretariat ran the TADAT awareness training and was asked to be involved in the TADAT by the World Bank.

EFFECTIVENESS

Right time to do a TADAT?

In hindsight, undertaking a TADAT in early 2017 may not have been the right time. VAT has been used as the driving force behind reforms in the NBR and the NBR believe a number of the weaknesses identified by TADAT would have been dealt with by the implementation of the new VAT laws. Given the heavy role that tax legislation plays in Bangladesh, the NBR believed that improvements to systems and processes (and, therefore, TADAT scores) would have resulted had the new VAT laws that were passed in 2012 been implemented prior to undertaking TADAT. Given implementation of the new VAT laws had been delayed for nearly five years (and has since been delayed further), maybe a TADAT should not have been done just yet.

Barriers to implementation

As the PAR was only finalised in June 2017, it is difficult to expect the NBR to have done much to address the weaknesses identified by TADAT. The NBR acknowledged that most issues were already known and they believe they need to implement the reforms they've identified to improve their scores. However, they are constrained by political issues preventing the NBR from implementing the new VAT laws. Similar amendments are also required to the Income Tax law. These are currently being worked on, but unlikely to be finalised for a couple of years. Prior to the latest delay in implementing the VAT laws, the NBR had hoped to begin addressing the weaknesses identified in the PAR in June. However, with the recent decision to delay the implementation of VAT laws until after the election, many reform activities are unlikely to progress until 2019.

"Other observations" to be included in PAR?

As noted above, many of those involved in the TADAT, particularly the NBR, felt that the PAR did not give the complete picture of the current status of reform in Bangladesh and difficulties faced by the NBR in implementing reforms. The PAR would be more effective if it included this background and context.

There are some difficulties that prevent the NBR from embracing reform. Many of these difficulties stem from the legal framework in Bangladesh – as noted, it is difficult to change procedures and processes and to harness the benefits of technology and automation, as this requires law changes. In addition, the NBR sits within the civil service in Bangladesh and some stakeholders believe that this creates difficulties as well.

By including an overview of the status of reform and a summary of "other observations" from the assessment team, the PAR could be a more effective report (despite this change possibly being subjective). Indirectly, the PAR would be highlighting the need to address these issues otherwise future efforts are likely to be wasted.

Formalised structure required for "what next"

As noted in other case studies, development partners would like to see more structure around "what next" built into TADAT. Many felt that by setting out a structure TADAT could guide recipient countries and development partners in undertaking the next step more quickly after the finalisation of the PAR. To ensure the impact from TADAT was maximised, an action plan could be the main end product, with its development

by the recipient country crucial for ownership by the country. The action plan would then be discussed in meetings between the recipient country and development partners and set out a clear division of labour. After this, there would be regular meetings of this group and reporting on progress by the recipient country.

IMPACT

Why PAR not published?

Within the NBR, the PAR has not been shared beyond the SMT and core team involved in the assessment. Outside the NBR, it has been shared with the IMF, World Bank, DFID and, most recently, with the EU.

As the NBR were disappointed with a number of the scores, they have decided not published it externally. One reason for this is a concern that the media in Bangladesh will take the PAR the wrong way and it will do more harm than good. Instead, the NBR have decided to focus on closing the gaps identified and may publish the PAR from a repeat TADAT if there are improvements in the scores.

New development partner looking to support the NBR

The NBR receives support from many development partners.

The World Bank's RMPFR: VAT Improvement Program is one of the main contributors. Under its four components, this program looks to improve the revenue mobilisation and transparency of VAT administration. With funding from DFID and Canada, the World Bank is also looking to set up a Multi-Donor Trust Fund to provide further support to the NBR. In addition to TACTS (which ended during 2017) and funding for the TADAT, DFID has recently helped the NBR to develop DRM and IT strategies. The Dutch are also supporting the NBR and this is based on the TADAT findings. With the focus shifting from VAT, the IMF's South Asia Regional Training and Technical Assistance Center is currently identifying other areas to support the NBR.

Up to the end of 2016, the EU had indirectly supported the NBR via the World Bank program. However, the EU is now looking to support the NBR directly and is currently using the PAR and stakeholder interviews to develop a program. Meetings are taking place with the World Bank to avoid duplication. Whilst the program is still being developed, this support is likely to be over three years with implementation to begin in early 2019.

Potential undesired results from TADAT

As noted above, there are some difficulties that prevent the NBR from reforming. Some stakeholders felt that there was a danger that development partners will think that money put into addressing the weaknesses from TADAT will result in improvements to scores. This is misleading unless these difficulties are dealt with, and development partners could consider advocating broader changes to support the NBR to improve impact.

A fundamental difference between TADAT and PEFA was also identified as an area for further awareness in the future. TADAT focus is solely on the tax administration and, as a result, bad scores could result in people losing their job and, ultimately, not wanting to undertake a TADAT. It was felt that greater awareness was still required to ensure that all stakeholders better understood the purpose of a TADAT. The PAR may also need altering to highlight scores of 'D' where evidence could not be provided or relied upon by the team.

SUSTAINABILITY

Greater awareness of TADAT is still needed

Some development partners thought that greater awareness on TADAT was needed, including marketing material to help promote TADAT with recipient countries, material to help educate staff on TADAT (i.e. benefits, process, limitations, etc.) and case studies promoting successful TADAT experiences.

This also included improved awareness on how development partners could obtain copies of PAR's via their headquarters, rather than having to rely on the recipient country or other development partners to share it.

D. Case Study 3: Dominican Republic

Recipient agency: General Directorate of Internal Taxes

Responsibility: Management and collection of main domestic taxes – VAT. CIT, PIT, property tax, excise tax and carbon tax – in Dominican Republic

Lead agency: World Bank

Date of assessment request: August 2016

TADAT awareness training workshop prior to assessment: Yes – 2.5 days (November 2016)

Assessment period: 28 November-12 December 2016 (three weeks)

Version of Field Guide used by assessment team: Version 6

Field visits: One field visit to local tax administration office

Donor briefing at TADAT's conclusion: Yes

Date of PAR: May 2017

PAR publically available: No

Assessment team size: Six

Team composition:

- Technical Assistance Advisor, Secretariat.
- Senior Public Sector Specialist, World Bank.
- International Advisor, US OTA.
- Senior Advisor, Spanish Tax Agency.
- Senior Advisor, NDT.
- Independent Consultant, Inter-American Development Bank (IADB).

Donor funded tax reform projects around the timing of the TADAT:

N/A

Timing right for a TADAT

Following the Presidential elections in 2016, the President recognised the importance of increasing revenue collection, tackling tax evasion and improving tax administration. Accordingly, a new DG was appointed to lead the DGII in June 2016. A number other changes were also made to the DGII's SMT.

Following background briefings on TADAT from the IADB, World Bank and IMF, the new DG decided to undertake a TADAT within 2 months of his appointment. The DGII wanted TADAT to provide them with a snapshot of their current weaknesses so that they could begin to implement reform priorities.

Prior to the TADAT, the IMF did an evaluation of the tax administration. This evaluation, undertaken at a high level, identified a number of weaknesses. By undertaking a TADAT shortly after the IMF mission, it helped the DGII to understand the links between weaknesses and the magnitude of these weaknesses.

For a number of years, the DGII had not been a recipient of technical assistance and the DGII, now under new leadership, saw TADAT as an opportunity to be more transparent and start to receive technical assistance support from development partners again.

Scope of TADAT understood

The DGII understood the scope of TADAT and its limitations. This was explained during the background briefings from the IADB, World Bank, IMF and by the assessment team during the TADAT awareness training.

Whilst the DGII thought there would be benefits if TADAT covered more, they also thought that it was currently very comprehensive. However, they would like to see more incorporated on governance and the process to capture whether local tax administration offices were operating the same processes and applying

the same standards as headquarters. The latter would further help define the reform agenda.

Given the support the IADB provide in Brazil at a sub-national level, the IDB were pleased to hear about the pilot being undertaken in Alagoas and TADAT awareness training planned for Sao Paulo.

EFFICIENCY

TADAT awareness training captures more officers than ever

In the week prior to the assessment, the assessment team hosted TADAT awareness training with the DGII. Across two and half days, over forty officers were trained on the TADAT methodology. Training was run by POA and additional officers joined for specific POA's and more than fifty officers were involved in some sessions. Unfortunately, there was insufficient time to run more in depth training and it was only run in English. DGII officers took no test.

Training had been a weak area within the DGII and TADAT was seen as good opportunity to reintroduce training. It also provided an opportunity for different departments with the DGII to communicate together.

Central TADAT coordinator appointed

The Planning and Development Department (PDD) took responsibility for all activities relating to TADAT, with its sub director appointed as the DGII's central TADAT coordinator. They initially began by identifying the right people to be involved in the training, throughout the TADAT and in the implementation. During the TADAT, the PDD provided logistical support to the assessment team and coordinated the provision of evidence. A central meeting area was booked for the duration of the assessment and food and refreshments were arranged via the canteen. Since TADAT, the PDD have taken ownership of the findings in the PAR. This has involved developing a matrix of priorities, coordinating the efforts of twenty officers working on various projects and ensuring that annual operating plans and strategic plans incorporate the priorities from TADAT.

SMT engagement contagious

All the SMT were involved in the TADAT awareness training and throughout the assessment. Given this engagement, the DGII were well prepared – going through the Field Guide and undertaking a mini-self assessment as they went through the assessment. To the assessors and other stakeholders, this demonstrated the renewed commitment to reform by the DGII and this has begun to bring results.

Difficulties completing the pre-assessment questionnaire

One of the weaknesses identified by the IMF mission prior to TADAT was that different departments across the DGII undertook similar processes and this made it hard for the DGII to complete the pre-assessment questionnaire and data requests by the assessment team. Data existed throughout the DGII and it was very difficult to consolidate it. This resulted in questions still being asked by the team leader and amendments being made to tables in the PAR in May 2017 – over five months after the TADAT assessment.

EFFECTIVENESS

More time needed by DGII to plan

There was very little time between the decision to undertake a TADAT and the arrival of the assessment team. This limited the planning time for the DGII and in hindsight, they would have liked more than two months. In addition, more information on the process would have helped more definitive plans be made.

The DGII would also have liked the pre-assessment questionnaire to be sent earlier. If they had received it earlier, they could have done more work before the TADAT – rather than start the week before the training.

More Spanish speakers needed

Unfortunately, very few officers in the DGII speak English. Whilst the Word Bank provided translators, there were communication issues – it took more time to do activities and resulted in repetitive conversations.

The PAR is also produced in English, although we understand that a draft of the PAR was done in Spanish. Most stakeholders would prefer to have the final PAR available in Spanish.

Learning from the assessors

Despite the assessment being a stressful and challenging few weeks, the DGII enjoyed the experience and learnt a lot from the assessment team. It was not like a typical diagnostic assessment and they benefited from

the considerable tax administration experience of the team. For the DGII, this experience is critical in an assessor. Assessors also need to understand regional and local issues, particularly the legal framework.

To help improve the assessors understanding of the recipient country, the DGII thought the start of the assessment should include a briefing from the tax administration on the economic situation, institutional framework, main taxes, recent reform projects, development partner support, and so on.

IMPACT

Immediate action taken following completion of TADAT

Following receipt of the draft PAR, the PDD arranged a series of workshops with relevant DGII departments. They engaged a consultant to help run the workshops and bring the outputs together. The World Bank, IADB and IMF were included in these workshops and a regional tax administration expert was also engaged to help with the prioritisation of actions. By consolidating the TADAT findings with results of the IMF mission, the DGII defined its priorities and developed a new strategic plan.

TADAT helped DGII obtain more funding

As a result of undertaking the TADAT, decision makers in the government now have a much better understanding of the issues faced by the DGII. This has helped the DGII obtain more funding from the MOF, also enabling the DGII to recruit additional resources.

Having not received much technical assistance support in recent years, development partners are now coming on board to help the DGII to address many of the weaknesses identified by TADAT.

DGII commitment impresses US OTA and results in technical assistance

Having participated in the assessment, US OTA were so impressed with DGII's engagement and commitment to reform that they decided to support the DGII with a technical assistance program. Based on the TADAT findings, US OTA is supporting the strengthening of two areas (institutional risk/internal controls and external oversight) identified as weak. To date, the initiative shown by the DGII has warranted the support provided and has already resulted in the setting up of an Anti-Corruption Unit within the DGII.

New loan from IADB to help DGII address weaknesses

In June 2017, the IADB announced that it would assist the strengthening of the tax administration and public resource management with a US$ 50 million investment loan[56]. This is currently with Congress for approval.

Having played an active role in TADAT, the IADB decided to support the DGII again – their last program having finished over five years ago. This time their proposed support is much broader and intends to cut across most areas of tax administration. Spread over four years, the support will focus on strengthening a number of weaknesses identified in the PAR, including operational processes, organisational structures, taxpayer awareness, taxpayer services and cutting compliance costs for taxpayers. It will also seek to reduce tax (VAT and income tax) evasion, a key priority for the DGII to address in order increase tax revenues.

JICA and EU looking to assist DGII

In addition to US OTA and IADB, the DGII have discussed support from JICA that will look at the standardisation of processes and procedures across the local tax administration offices in the country.

The EU is also discussing a budget support program with MOF, including support to the DGII. This will include technical assistance and looks likely to commence in December 2018. The DGII will be able to determine which priority areas it wants to focus the funding on.

IMF's CAPTAC-DR helping implement TADAT findings immediately

Following the high level evaluation of the tax administration, the IMF's Central American, Panama and the Dominican Republic Regional Technical Assistance Centre (CAPTAC-DR) visited the DGII in January 2017 and made a number of recommendations. These dealt with many of the TADAT findings, including internal audit, taxpayer audit, registration and taxpayer education. The DGII have started to implement the agreed actions to deal with these weaknesses.

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[56] http://www.iadb.org/en/news/news-releases/2017-06-29/the-dominican-republic-strengthen-tax-administration,11833.html

TADAT not published by DGII

Given that it is hard enough to raise taxes in Dominican Republic, DGII decided not to publish the PAR. They consider it a confidential document and do not want taxpayers to know the weaknesses of the tax administration. They fear the private sector will use it to their advantage, exploiting any weaknesses.

The DGII work with many countries (e.g. Chile (electronic billing) and Spain) and share good practices. Except informally at CIAT conferences, they have not shared their scores or experience with countries in the region.

SUSTAINABILITY

Coordination could be strengthened

Following TADAT, the DG took the initiative and arranged a meeting, bringing all of the development partners together for the first time. This made it very easy for development partners to coordinate and understand what each other were doing/planning to do. Since then, different development partners have met individually to discuss plans. However, despite there being a PFM Donor Committee, there is not yet regular meetings or a forum specifically focused on tax and support to the DGII.

Officers still talking about TADAT

Unfortunately, there has been no further TADAT awareness training and the Field Guide is not on the DGII intranet. However, on the positive side, officers are still talking about TADAT, what they learnt and referring to the methodology. In addition, TADAT will be used by the PDD to determine plans for 2018. Change is happening rapidly within the DGII so they intend to undertake a self-assessment to guide plans for 2018. Although intensively for internal purposes, these annual plans are also a requirement of the IADB support.

Looking to undertake a repeat TADAT at the same time as next PEFA

The report from the last PEFA was published in November 2016 (i.e. same time as the TADAT was carried out). The DGII will look to do a repeat assessment and agreed that it made sense to do it around the time of the next PEFA. The next PEFA is planned for 2020 – thus, there would be four years between TADAT's.

E. Case Study 4: Rwanda

Recipient agency: Rwanda Revenue Authority

Responsibility: Collection of direct taxes, indirect taxes, customs duties and district revenues in Rwanda

Lead agency: Secretariat

Date of assessment request: November 2014 (proposing August 2015)

TADAT awareness training workshop prior to assessment: Yes (1-4 December 2015)

Assessment period: 10-25 August 2015 (three weeks)

Version of Field Guide used by assessment team: Version 5

Field visits: Ten (including four Large Taxpayer Offices, one Small Medium Tax Office, one block management office and Musanze tax office, Private Sector Federation (PSF), Rwanda Development Board (RDB) and One-Stop Center)

Donor briefing at TADAT's conclusion: Yes (IMF, World Bank, KfW Development Bank (KfW), DFID, GIZ, SECO, Belgium Development Agency and African Development Bank (AfDB))

Date of PAR: August 2015

PAR publically available: No

Assessment team size: Seven

Team composition:

- Unit Chief, Secretariat.
- Technical Assistance Advisor, Secretariat.
- Revenue Administrator Advisor, IMF's East Africa Technical Assistance Center.
- Associate Director, Head of Revenue Advisory Program, US Treasury Office of Technical Assistance (US OTA)
- Economist and Program Manager, Macroeconomic Support, SECO (and SC member).
- International Director, Norwegian Directorate of Taxes (NDT) - and TAG member.
- Contractor, Nathan Associates.

Donor funded tax reform projects at the time of the TADAT:

- RRA Sub-Fund (key contributors are KfW, DFID and EU).
- Technical assistance from IMF, US OTA, Her Majesty's Revenue and Customs (HMRC) and Netherlands Tax and Customs Administration.
- Local government support from GIZ and AfDB.

Why undertake the TADAT?

Having heard about TADAT and with the development of TADAT overlapping with the appointment of a new CG (in February 2014), the RRA debated internally on the benefits of undertaking an assessment. Around the same time, the Office of the Audit General was also undertaken an audit of the RRA.

Rwanda is country that embraces reform and, in the end, the RRA decided to assess the status of their tax administration. Undertaking a TADAT was also consistent with wider government policy to enhance the business environment, provide greater certainty and attract more foreign investment and thus, look inwardly to generate additional revenues and not just through increases to tax rates and the introduction of new taxes. This meant improving the efficiency of the RRA and TADAT would help them to achieve this.

TADAT helped quantify the magnitude of the problem

From the RRA's perspective, the findings of TADAT did not identify many new weaknesses or gaps. However, it did quantify the magnitude of the problems that existed, giving greater clarity on the issues and providing a different perspective. It also helped to highlight the links between the different areas of the RRA (for instance, the importance of registration to compliance levels) and improved cross-collaboration across the RRA. Many believed that TADAT was the best diagnostic and technical assistance that they have ever received, providing a structured approach, ideas on how to close gaps and enabling greater cohesion around the reform required.

It also helped the MOF to better understand the issues that were faced by the RRA, many that were new to

them as the administration side of the RRA had largely been left up to the RRA. A copy of the PAR was given to the MOF and the RRA presented the findings to the Minister immediately after the assessment. Along with the work that has been done since, the TADAT has helped improve the collaborative relationship and understanding of the RRA within the MOF, resulting in the MOF being prepared to spend time and money to address the gaps identified in the PAR. TADAT findings were also consistent with those of the AG and most saw the link between dealing the TADAT gaps as a way to respond to the AG report.

TADAT awareness training lesson incorporated into good TADAT practice

With the help of the IMFs East AFRITAC, US OTA and the TADAT Secretariat, twenty-five officials from the RRA and four officials from the Uganda Revenue Authority participated in a TADAT awareness workshop "designed to prepare both organizations to use the TADAT methodology in their performance monitoring frameworks"[57].

In hindsight, it would have been more beneficial to do TADAT awareness training prior to the TADAT in July or August 2015 (rather than in December 2015). However, this TADAT was undertaken during the Technical Pilot phase and this training is now usually incorporated into the assessment prior to its commencement. The RRA believe it would have helped to understand the scores better and to better accept the scores, enabling the RRA to undertake an objective self-assessment before and during the assessment.

Scope

Having responsibility for customs duties in Rwanda, the RRA would like to get a holistic view of their organisation from doing a diagnostic exercise. They are currently talking to the WCO about doing a customs diagnostic. Others believe that customs and the work of the WCO should not be incorporated into TADAT.

Whilst a PEFA has been completed for eight regions in Rwanda, it was widely thought that putting greater emphasis on field visits to regions in a repeat TADAT assessment would be more beneficial than undertaking a sub-national TADAT – particularly given that district revenues are now collected by the RRA.

HR development came up as the main theme not currently covered by TADAT. The RRA indicated areas such as what base skills and qualifications staff needed to have and what training staff should have. Leadership also came up regularly. However, most understood the difficulties of incorporating inputs such as HR capacity into TADAT and particularly, how to bring other inputs not currently covered into TADAT. Stakeholder were conscious of the intensity and time already spent on TADAT and did not want assessments being any longer than they are currently and more time needing to be spent by the recipient country.

The RRA and most development partners had an understanding of what is and is not covered by TADAT. However, the MOF were not aware of all of the areas excluded from TADAT and would have benefited from greater awareness on this. In the future, the awareness of TADAT by the AG needs to also be strengthened so that the auditors understand the findings, work the RRA is undertaken to reduce the gap identified by the TADAT and ensure that the audit is conducted more efficiently by the AG and for the RRA.

EFFICIENCY

Recipient country set up correctly from the start

Despite some suggestions below to improve future assessments, the RRA had the end goal in mind during the planning for and from the start of the assessment. The RRA's Research and Planning Department (RPD) were involved from the start, with the Deputy Commissioner of RPD playing a lead role. A TADAT Coordinator was appointed from within RPD and pulled together the assessment schedule and travelled on the field visits. RPD are now involved in implementing and coordinating the reform flowing from TADAT.

Managers and officers were identified to lead on each POA – two were allocated to each POA – and their role covered planning for the TADAT, participation in the TADAT and implementation of the TADAT findings. This engaged managers and officers from the start, encouraging them to own a POA or a particular weakness, and this has paid dividends since August 2015. Key to the success of TADAT is the commitment and drive from senior management, particularly from the CG. During the assessment, the entire RRA team working on TADAT would be meet with the CG every couple of day to discuss the findings and insights they were learning from the assessment team. Many of the future projects took shape during these sessions.

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[57] TADAT Workshop for Officials from the Rwanda and Uganda Revenue Authorities (http://www.tadat.org/news_events/NewsAndEvents.html)

Wider project implementation setup across Government brings even greater benefit

In addition to the set up within the RRA and the drive from the top of the RRA, the Special Project Implementation Unit (SPIU) within the RRA (and other line ministries and public agencies[58] in Rwanda) has also played a key role in the implementation of the TADAT findings. Within the RRA, the SPIU works with project teams and the RPD to support implementation and with development partners to source funds and report progress. SPIU officers are allocated to each project and the Head of the SPIU (who, despite their title, has the same rank within the RRA as a Deputy Commissioner) sits on each Project Steering Committee and reports directly to the CG. The CG is typically the project sponsor.

The Development Partner Steering Committee (DPSC) also plays a vital role as well. The DPSC is chaired by the RRA and meets on quarterly basis. Key development partners supporting the RRA attend it and others are invited when necessary. During meetings, the RRA reports on progress on projects and the way forward is discussed. There is a clear view on what areas each development partner is funding. One key tool supporting this and maintained by the SPIU is a matrix mapping all of the development partners' interventions in the RRA. This sets out five priority areas, including customs and district revenues, twelve areas of intervention and twenty-one specific activities involving fourteen different development partners. There are references to six POA's in the matrix.

Recognition of the importance of project management to implementation

Currently the RRA has twenty-four trained project managers (six project managers are in the SPIU) in either PRINCE2 or Project Management Institute (PMI) methodologies, with seven project managers certified and a number of project managers working towards their PMI certification. Recognising the importance, there are current plans to expand the RRA project management capacity to thirty project managers (with eight project managers in the SPIU). All RRA projects apply the PMI methodology. In addition, and in recognition of the expertise that the RRA has developed, the RRA has been asked to train other line ministries and public agencies in Rwanda.

An assisted assessment, not like a typical audit

It took three weeks for the RRA to compile the data required for the pre-assessment questionnaire. A core team of eighteen managers and officers were involved in the preparation. For the RRA, this highlighted the issues with their data and this became even more evident during the assessments as the scores reflected these difficulties.

During the TADAT, the RRA were required to provide more evidence to the assessment team. Some Deputy Commissioners were asked to validate data provided to the assessment team, particularly data collected from the field visits. Meetings with the assessment team typically involved two-three people from the RRA per POA, although eight people were involved for POA 1. Where POA's are linked, the RRA sent people involved in other POA to the meetings. This was done so that managers and officers understood the link and for wider educational purposes.

The RRA liked TADAT's evidence based approach, along with that of the assessment team. Their schedule was set up in advance. It was like "an assisted assessment, not like a typical audit – the team would ask us about our processes and then share good practice and country examples with us. We learnt a lot from it"[59].

Potential future improvement identified

One area identified for potential improvement in the TADAT process related to the engagement by the Secretariat with the receipt country to make sure that the country was ready for a TADAT. It was suggested that this could include asking why the country wants a TADAT, are they ready for a TADAT and establishing what sort of self-assessment the country has done in preparation. In addition, this should cover further details on the time commitment and process before and during the assessment to help manage expectations.

In discussions, it was felt that this could be achieved in a three-stage process. Firstly, some summary material sent by the Secretariat at the time of the request for a TADAT from a country. Secondly, an online video prepared by the Secretariat that took the prospective recipient country through the overall process, pre-assessment questionnaire, their role, the time and resource commitment required, and so on. Lastly, and

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[58] SPIU's were established in 2011, with the overall objective of creating an effective institutional framework to guide the process of designing and implementing projects that are earmarked to fast track realization of development targets envisaged in the various sector strategic plans, Seven Year Government Program and the EDPRS all drawn from the Rwanda's Vision 2020 (http://www.minecofin.gov.rw/index.php?id=127)

[59] Richard Dada, Deputy Commissioner for Small and Medium Taxpayer Office

most importantly, the opportunity to speak with the Secretariat to address any specific questions. If this sort of early dialogue happened, then it was felt that recipient countries could be better prepared in the future.

A further area of potential improvement in the TADAT process involved provision of some material to assist with the internal communication of the upcoming TADAT within the recipient country's tax administration or revenue authority. By having material available that could be tailored and circulated by email and/or posted on the intranet, it was felt that this would make people more aware of what is happening, when it is happening and who is involved and, ultimately, result in an increase in engagement and greater ownership in its findings.

EFFECTIVENESS

Background of a TADAT assessor

As noted above, those involved in the RRA learnt a lot from the assessment team. Accordingly, it is critical that the team be made up of subject matter experts, needing to be expert on specific POA's. As Rwanda was part of the Technical Pilot phase, the size of the team was larger than usual (not that this was seen as an issue). A team of five assessors was seen as sufficient for an assessment, with three assessors having a solid tax administration background and two assessors being more general tax experts (and bringing a different perspective on what other countries at a similar stage of development have done to deal with weaknesses).

It was important that an assessor knew how a tax administration operates and different areas fit together. Accordingly, assessors need to have a technical background, and not necessarily senior management experience. It was also important, particularly from a brand and cost benefit perspective, that "passengers" were not being carried by the assessment team as it makes it difficult for the team leader to involve them and they are unable to contribute to the work (which is difficult given the time intensive nature of a TADAT).

The RRA acknowledge the key role played by the team leader in the success of the TADAT. The person must have a general tax background, but most importantly they need to be an ambassador of TADAT and someone who will participate and take a lead role (not a back row seat). They should not be political, but be capable of defending the scores that the assessment team have reached in a diplomatic and professional manner.

Effective capture of other reform areas outside of TADAT by the RRA

Although the PRD are involved in implementing the TADAT findings, they also have wider responsibility for planning and research for the entire RRA, including pulling together the consolidated action plans, annual operating plans and the strategic plans. This ensures that the priorities and needs of all RRA departments, including customs and district revenues, are captured. The SPIU are also involved on projects throughout the RRA. In addition, regional coordinators have been trained in TADAT to capture regional issues within plans.

To illustrate that the RRA are capturing areas outside of TADAT, a few examples include:

- UK's HMRC are supporting the strengthening of HR capacity and, at the strategic level, to help prepare a blueprint for what the RRA needs to look like in the future and the next strategic plan.
- US OTA are supporting employee motivation, engagement and performance monitoring.
- IMF was undertaking (at the time of our visit) a mission focusing on tax expenditure.
- JICA are supporting one-stop border operations and capacity building in customs risk management.
- Local government support is being provided from GIZ and the AfDB.

Registration process improvements result from TADAT

Whilst the RRA were aware of issues with their registration process and database prior to the TADAT (e.g. the AG's report of 2013/14 highlighted issues), TADAT helped the RRA to fully understand the issue and realise the importance of registration, particularly its link to other areas such as filing and payments.

As a result, a TADAT Taskforce Team (TT) was set up in May 2016. Highlighting its importance, a number of officers and managers were seconded on a short-term basis to the TT. The TT also involved staff of the Office of the Registrar General (ORG) within the RDB. The RDB, particularly the ORG and One-Stop Center, play a crucial role in the registration and deregistration process for the RRA. Given its importance, the RDB sit on the Project Steering Committee for this project (which meets monthly).

One weakness addressed by the TT related to different industry classification codes being used by the RDB and RRA. By working with the National Department of Statistics, the RRA and RDB have now adapted the International Standard Industrial Classification (ISIC) for Rwanda and adopted this. Procedure manuals have been updated, training delivered and records updated for the new classification (and other relevant data such as contact details). Prior to this, a registration and data matching policy was developed. A Memorandum of

Understanding (MOU) on sharing information will be signed shortly between the RRA and RDB.

Other related activities have included defining inactive taxpayers, amending the laws relating business registration and deregistration and setting up a Compliance Monitoring Unit (CMU) within the RRA to deal with non-filers and non-payers. In addition to identifying the operational status of non-filers and non-payers, the CMU now sends an SMS out prior to their due date (for VAT, CIT, PIT and excise tax obligations).

Whilst further work is required to address all of the weaknesses identified in the PAR, considerable work has been undertaken by the RRA and RDB to improve the accuracy and reliability of taxpayer information. Phase one of the project was completed in October 2017, with Phase two due to be finished by the end of April 2018.

In addition to responding to the TADAT findings (and those of the AG), one of the main drivers for these activities is part of wider efforts by the RRA and RDB to ease the burden on businesses and other taxpayers.

Compliance improvement plan now in place

P2-4, which assesses the degree to which a tax administration mitigates assessed risks to the tax system through a compliance improvement program, identified the lack of such a program in the RRA as a weakness.

With IMF technical assistance and using good practice from the Australian Tax Office, the RRA published a Compliance Improvement Plan (CIP) in June 2016. The CIP is available on the RRAs website and the PSF were involved in awareness and sensitisation activities with taxpayers.

An extract from CIP below highlights the role TADAT played in its development:

"The TADAT assessment report of August 2015 identified unsystematic impact assessment of compliance management interventions across the RRA. Some weak areas were pointed out including but not limited to: registration, filing, payment and accuracy reporting and there is a need for RRA to understand the causes of non-compliant behavior of taxpayer and take adequate corrective measures. The international experience suggests that most types of non compliance are best treated by: i) understanding underlying causes; ii) making groups of taxpayers aware that their noncompliant behavior is known; iii) adopting a cooperative approach to reconciling; and iv) demonstrating the seriousness of the administration through small numbers of high-pro le enforcement activities."[60]

Improving institutional risk management

TADAT also found that a fragmented and unstructured approach was used by the RRA to manage institutional risks. For instance, the RRA did not have a risk register. Following the TADAT assessment, the RRA have developed a risk register and improved the governance structure for managing institutional risks. This includes the RRA's SMT discussing the risk register on a quarterly basis and the inclusion of updates on institutional risks and the risk register to the RRA Board.

Time taken to pay (or offset) VAT refunds shortened

The Field Guide[61] sets good practice at 90% of VAT refund claims (by number of cases and value) are paid, offset or declined within 30 calendar days. The law provides that refunds are processed within 90 days.

To improve the weaknesses identified by TADAT, the RRA and PSF have worked with low risk sectors to improve and, in some cases, automate the process. For example, the RRA and PSF have engaged coffee exporters and as a result of this effort, the VAT refund process has been reduced to fifteen days. Business intelligence software is being used to match data in SIGTAS[62], E-Tax and ASYCUDA[63] and verify returns filed, reducing the time taken to process the VAT refund claim and the need to do a site visit or detailed review.

In addition, the RRA and MOF are working to ensure sufficient funds are available for the RRA to pay claims.

IMPACT

Deputy Commissioner participates on two TADAT assessments

Following the TADAT in Rwanda and the subsequent TADAT training in December 2015, one of the RRA's Deputy Commissioners has participated, as both an observer (to learn) and an assessor, on two TADAT's in East Africa. This made possible with the funding support of IMF's East AFRITAC and highlights the benefits of

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[60] Page 6, Section 1.2. Background, RRA Compliance Improvement Plan, 2016-2017, June 2016
[61] Page 71, Table 27, P8-24: Dimension 2, TADAT Field Guide, November 2015
[62] Standard Integrated Government Tax Administration System
[63] Automated System for Customs Data

the TADAT training for regional knowledge sharing on good practice and personal development opportunities.

Revenue targets met since TADAT

Despite the shift from focusing their efforts on revenue collections, the RRA have achieved their targets in the two year since undertaking the TADAT. They had missed their target in two years prior to the TADAT. Ignoring other macroeconomic impacts, this has been achieved without major changes to tax policy or rate increases. Instead, increases in revenue collections have been driven by efficiency gains, improvements to processes and compliance levels and a shift from an inward focus to a customer focus.

TADAT has played an important role in this.

Immediate ownership by RRA results in the development of an action plan

As noted above, a copy of the PAR was given to the MOF and the RRA presented the findings to the Minister immediately after the assessment. The next step involved the RRA assembling a team of twenty (the two allocated to lead on each POA during the assessment, TADAT Coordinator and the Deputy Commissioner of RPD) and the drafting of an action plan to address the findings from TADAT. The action plan did not only focus on the weaknesses, and involved working out how to address the findings, prioritising reforms and allocating timeframes. The SMT approved the action plan and then buy-in was achieved from MOF.

The DPSC was put in place immediately after TADAT, with development partners also requesting that the RRA to show the link between the action plan and the strategic plan. The RRA chairs the DPSC, which meets quarterly, and discusses progress on development partner support to the RRA. The main members of the DPSC are the key contributors to the RRA Sub-Fund (KfW, DFID and EU). Others development partners are invited to attend from time to time. Output from the DPSC is shared by the RRA with MOF. The MOF's Tax Policy Committee (TPC) now includes more discussion on tax administration and the RRA presents to the TPC. MOF are currently debating whether expand the mandate of the TPC to include tax administration.

Technical assistance now demand (and not supply) driven

Whilst some development partners feel that that coordination and collaboration could be improved, the majority believe that the issues requiring support are clearer and everyone (development partners and the RRA) is speaking a similar language now. Development partners are using TADAT as a pre-requisite to providing support (particularly the RRA Sub-Fund, GIZ and US OTA). The GIZ support came directly out of TADAT. The IMF has also imposed a conditionality that has come from TADAT, relating to registration.

From the RRA's perspective, TADAT has changed the provision of technical assistance from supply (development partners saying they could do this and RRA saying yes) to demand (RRA having a good idea of their priorities and requesting specific assistance from development partner) driven. They are happy with this.

PAR not publically available

Whilst it is not clear why the PAR has not been published, the RRA has shared it with the MOF, AG and all development partners. For some development partners, it took longer to get a copy of the PAR than they would have liked. The CG could not see any reason against publishing the PAR from a repeat TADAT. This is consistent with the RRA being more transparent since TADAT and publishing reports, findings and plans.

Reform timeframes need to be realistic and not have undesired outcomes

By focusing on improving scores and implementing the good practice set out in the Field Guide, more awareness is required to educate recipient countries undertaking a TADAT of the need to be realistic on the time it will take implement reforms and improve scores from 'C's and 'D's to 'A's and 'B's. In addition, many reforms need to be implemented gradually to ensure that they do not have undesired outcomes. For example, improvements to the VAT refund process to meet the good practice of "90% of VAT refund claims (by number of cases and value) are paid, offset or declined within 30 calendar days" to score an 'A' under P8-24 should not mean that refund claims are not investigated and the possibility of fraud goes undetected. Capacity of people, processes and systems, along with risk management, need to be developed and this will take time.

It is also important that repeat TADAT's are not only undertaken when the recipient country believes they will achieve a score of 'A'. Repeat TADAT's are important to gauge progress on reforms since the TADAT and reassess reform priorities going forward. More awareness from the Secretariat on this is required. Whilst self-

assessments could be undertaken, external verification can also be obtained from, for example, assessors in the region. Like the Nordic benchmarking exercise[64], this may only focus on specific POA's.

The CG will decide when to do a repeat TADAT in March 2018. At this stage, it likely that the RRA will undertake a repeat TADAT during 2019. They thought that three years between TADAT's is possible if reform efforts can be mobilised quickly after finalisation of the PAR (otherwise four years was more realistic).

SUSTAINABILITY

Key Performance Indicators (KPI's) and personal objectives using TADAT

Following the TADAT awareness workshop in December 2015, the RRA have incorporated the TADAT methodology into their performance monitoring framework. KPI's have been developed around the POA's from TADAT. The CG's performance is now linked to improvements in areas assessed by TADAT and, as noted above, is not now solely focused on achieving revenue targets. SMART objectives from the action plan are cascaded down from senior managers to RRA staff and incorporated into individual annual staff performance plans. Overall, it was felt that the new focus of the performance monitoring framework made staff more accountable, helping to make the reforms more sustainable.

Goal for all RRA staff to be trained in TADAT methodology

To ensure everyone within the RRA is talking the same language, the CG's goal is for all staff to be trained in the TADAT methodology. Almost all of the SMT have been trained and the first priority is to get the remaining member of the SMT trained, along with all other senior and middle managers. The CG is speaking with the Secretariat to discuss the best way to do this, and will then look at expanding the training to all staff. Currently, the Field Guide is available for all RRA staff to access on the RRA intranet.

Regional sharing of good practice

Within the EAC, there is a meeting of all CG every six months. The various TADAT experiences of member countries have been shared and this has encouraged other EAC countries to undertake a TADAT. In addition, managers and officers from the EAC revenue authorities also gather regularly to swap good practice and reform ideas. These are now focused around TADAT POA's and, where relevant, the linkages between POA's. The next workshop was scheduled for Uganda the week after our visit.

In addition, the RRA are also now sharing their insights and experiences from addressing the weaknesses in relation to POA 1 ("Integrity of the registered taxpayer base") with the Liberia Revenue Authority.

Future requirements from the Secretariat

Additional feedback not incorporated above focuses mainly on the desire of the RRA to see more information from countries on their experiences from TADAT, highlighting good practice approaches from implementing reform to deal with weaknesses (and strengths) identified by TADAT. Most interest is at the regional level. This could be driven through the likes of ATAF, the IMF's East AFRITAC or another development partner and would be in addition to other work undertaken by, say, research organisations to analysis the findings. Given the TADAT experience in Rwanda, we have encouraged the CG to share this wider, particularly the impact.

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[64] This exercise chose only four out of nine POA's in their pilot - "Effective risk management", "Timely payment of taxes", "Accurate reporting in declarations" and "Effective tax dispute resolution". See report: Nordic Benchmarking/2016, Use of TADAT as a tool for benchmarking between Nordic Tax Administrations

F. Lessons learnt to be captured

With the two DAC evaluation criteria of efficiency and effectiveness, we believe that there are a number of areas where the process can be improved for all stakeholders involved in a TADAT assessment and that much of this can be done by capturing lessons learnt from the first three years of operations of the TADAT-TF and documenting and sharing this with all relevant stakeholders. In turn, this will enhance the operations of the Secretariat by reducing the need to repeat similar messages for each country undertaking a TADAT.

For ease throughout our report, we have predominately suggested that these lessons could be captured in the revisions to the Field Guide that is being worked on by the Secretariat. Instead of this, these lessons could equally be captured as an application or guidance note or case study and included separately on the TADAT website. However, some may simply require expansion of the content already contained in the Field Guide.

Below is a summary of all of the areas (excluding awareness recommendations) that have been referred to throughout our report. We note that some of the wording has altered for the purposes of this appendix.

Accordingly, we have recommended that good practice guidance is produced (or expanded):

- On the "right time" for recipient countries to undertake a TADAT.

- To aid the setting up of a "core team" by the tax administration.

- To aid the efficient completion of the pre-assessment questionnaire by the recipient country.

- On the tax administration undertaking "TADAT awareness training" prior to the assessment.

- To clarify the role lead agencies and others (i.e. Secretariat, tax administration and team leader) need to play/will play during the pre-assessment and in-country assessment process.

- On the "what next?" for tax administrations on how to draw up a reform or action plan to address weaknesses identified by TADAT, including how to start engaging with development partners.

- On the time it will take implement reforms and improve scores and that reforms should be implemented gradually to ensure that they do not have undesired outcomes.

- On possible approaches for a tax administration to do a self-assessment or get external verification that improvements have been made without doing a repeat TADAT (e.g. a peer-to-peer review).

- On the benefits of (and when to) undertaking a repeat assessment.

- Promoting successful TADAT experiences and highlighting approaches from implementing reform to deal with weaknesses identified by TADAT.

- To prevent tax administrations and development partners focusing only on weaknesses in PAR's, simplistically tying assistance to changes in scores and adopting a "league table" mentality.

- On how assessors are appointed for TADAT assessments.

- To assist TADAT Partners to nominate assessors (i.e. a checklist).

- To ensure assessor details on the TADAT Portal are updated regularly.

- For an assessment team outlining what to do to prepare for the assessment and what to expect in country (i.e. "briefing pack" or "pre-mission to-do checklist").

- On the process for quality assuring the PAR.

- The mechanism (and its transparency) to harness feedback from assessors and experts on both the detailed workings of the PI's and the material in the Field Guide.

- To aid development partners who outsource an assessment entirely to a contractor.

G. Scope of TADAT

Suggested additional page in the PAR

When drawing up a modernisation, reform or action plan to address weaknesses identified during the TADAT assessment, please be aware that any subsequent modernisation, reform or action plan may also need to address other important areas that the TADAT assessment did not cover. These are summarised below.

Revenues

The TADAT assessment does not cover:

- Customs import revenues.

- Excise revenues.

- Non-tax revenue collected nationally (e.g. property taxes in some countries).

- Mining and natural resource revenues (e.g. mineral royalties, etc.).

- Social security deductions and payments.

- Taxes collected at the sub-national level.

Business processes

The TADAT assessment does not cover:

- Investigation and prosecutions capabilities (including the collection of investigation intelligence).

- The accuracy of taxpayer accounts (i.e. updating, adjusting, suspense accounts, etc.).

- Replacing tax clearance procedures.

- International tax information exchange (e.g. double tax agreements, tax information exchange agreements and automatic data exchanges under Global Forum on Transparency and Exchange of Information).

- Other international tax issues (e.g. transfer pricing, base erosion and profit shifting and the fight against aggressive tax planning).

- The extent to which customs import and export information is automatically utilised and cross checked against VAT import and export information (and available for income tax use, including for withholding tax payments at importation).

Corporate functions

The TADAT assessment does not cover:

- Human capacity (e.g. leadership, staff skills, training program, etc.).

- Structure and organisation.

- Finance – securing resources and controlling expenditures.

- Project and change management skills and processes.

- Transparent and effective procurement procedures.

- Office IT and communications.

- IT security and disaster recovery plans.

- Communications – press, public and internal.

- Accommodation and facilities.

- Document and records management.

H. Suggested quality assurance template

PAR country:	
PAR date:	
Review date:	
Quality assurance team:	
- TADAT Secretariat	
- Other	
- Other	
PAR team leader:	

Quality assurance team input			Reference		Assessment team response		Final outcome
No.	**Issue/Concern**	**Raised by**	**Page**	**POA**	**What changed?**	**What not changed and why?**	

I. Criteria for selecting the four TADAT assessed countries

Appendix I summaries the criteria set out in our inception note for selecting the countries to visit.

Initially, we compiled the information contained in Table 12, listing the forty-one countries that had concluded a TADAT assessment at the end of April 2017. These countries were then categorized according to:

- Phase.
- Lead agency.
- Income classification.
- Region.
- Reference to TADAT in staff reports from the IMF's Article IV consultation.

Each category was then been divided into a number of sub-categories. For each category, Tables 5 to 9 below set out the percentage of TADAT assessments for each sub-category. Based on the percentage of TADAT assessments within each sub-category, we had then selected the highest percentages (two-three sub-categories per category) and used this to develop our criteria and select the countries for our case studies.

Table 5: TADAT assessments by phases

PHASE	NO OF ASSESSMENTS	PERCENTAGE
Proof of concept (2013-2014)	4	9.5%
Technical pilot (2015)	13	31.0%
Steady state (2016)	20	47.6%
Steady state (2017)	5	11.9%

Table 6: TADAT assessments by lead agency

LEAD AGENCY	NO OF ASSESSMENTS	PERCENTAGE
EC	1	2.4%
GIZ	1	2.4%
IMF FAD (Revenue Division 1)	14	33.3%
IMF FAD (Revenue Division 2)	9	21.4%
IMF East AFRITAC	2	4.8%
Secretariat	6	14.3%
USAID	3	7.1%
World Bank	6	14.3%

Table 7: TADAT assessments by region

REGION	NO OF ASSESSMENTS	PERCENTAGE
Africa	18	43.9%
East Asia and Pacific	4	9.8%
Europe and Central Asia	10	24.4%
Latin America and Caribbean	6	14.6%
Middle East and North Africa	2	4.9%
South Asia	1	2.4%

Table 8: TADAT assessments by income classification

INCOME CLASSIFICATION	NO OF ASSESSMENTS	PERCENTAGE
Low income	11	26.8%
Lower middle income	12	29.3%
Upper middle income	16	39.0%
High income	2	4.9%

Table 9: Reference to TADAT in staff reports from the IMF's Article IV consultation

REFERENCE	NO OF ASSESSMENTS	PERCENTAGE
No – Expected	21	51.2%
No – Unexpected	7	17.1%
Yes	13	31.7%

Table 10 below sets out the results from analysing the percentages for each sub-category within the categories. Only four countries met all criteria used and these are shown in the fourth column.

Table 10: Selection criteria by category and sub-category

CATEGORY	SUB-CATEGORY	NO. OF COUNTRIES TO BE SELECTED	SELECTED CASE STUDY
Phase	Technical pilot (2015)	2	Mozambique, Rwanda
	Steady state (2016)	2	Armenia, Dominican Republic
Lead agency	IMF[65]	2	Mozambique, Rwanda
	World Bank	1	Dominican Republic
	USAID	1	Armenia
Income classification	Upper middle income	1	Dominican Republic
	Lower middle income	1	Armenia
	Low income	2	Mozambique, Rwanda
Region	Africa	2	Mozambique, Rwanda
	Europe and Central Asia	1	Armenia
	Latin America and Caribbean	1	Dominican Republic
Reference to TADAT in staff reports from the IMF's Article IV consultation	No – Expected	2	Armenia, Dominican Republic
	Yes	2	Mozambique, Rwanda

Following consultation with the SC, we were asked by ICD to visit Bangladesh instead of Mozambique. This was to ensure that a country from South Asia was captured as a case study.

Table 11 below provides a summary of the reasons why the selected criteria were used to select the countries we will visit for our case studies.

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[65] For the purposes of this criteria, IMF-FAD (Revenue Division 1), IMF-FAD (Revenue Division 2), IMF East AFRITAC and the Secretariat were considered to be the same lead agency

Table 11: Justification for selection criteria

CATEGORY	JUSTIFICATION	
Phase	Overall reason	Achieve a balance of case studies across the development of the TADAT product
	Proof of concept (2013-2014)	Excluded - Too early in the development of the TADAT product
	Steady state (2017)	Excluded - Less likely to be able to access impact from the TADAT assessment
Lead agency	Overall reason	Achieve a balance of case studies across the TADAT Partners
	EC and GIZ	Excluded - Lead agency for only one assessment
Income classification	Overall reason	World Bank divides economies into four income classifications
		Achieve a balance of case studies across income classifications
	High income	Excluded – Only two assessments for high income classification
Region	Overall reason	Achieve a balance of case studies from different regions around the world
	Africa	Inclusion – High coverage of region warranted more than one
	East Asia and Pacific	Excluded - Region only had four assessments
	Middle East and North Africa	Excluded - Region only had two assessments
	South Asia	Excluded - Region only had one assessment
Reference to TADAT in staff reports from the IMF's Article IV consultation	Overall reason	IMF staff reports for the Article IV consultation (and other reports from country visits by the IMF) make reference to tax reform
		Thus, it is reasonable to assume that a TADAT assessment, where undertaken, may be reflected in these reports
		Reference to (or lack of it) TADAT provides an indication on the impact

The sub-categories in Table 9 (for the staff reports from the IMF's Article IV consultation) are defined as:

- Yes - Some reference to TADAT in staff reports from the IMF's Article IV consultation (or other reports from country visits by the IMF).
- No - Expected - No reference to TADAT in staff reports from the IMF's Article IV consultation (or other reports from country visits by the IMF), but the dates of the PAR and IMF report(s) are such that it is reasonable to assume that a reference to TADAT should have been made in the IMF report(s).
- No - Unexpected - No reference to TADAT in staff reports from the IMF's Article IV consultation (or other reports from country visits by the IMF), and the dates of the PAR and IMF report(s) are such that a reference to TADAT would not be expected to be made in the IMF report(s).

Other categories were also considered (and, ultimately not used) for selection criteria. These included:

- Strength of tax administration based on the TADAT scores.
- Countries with different tax systems.
- Countries mentioned as having a positive post-TADAT assessment implementation experience.
- Representation across regional tax administration bodies.

We analyzed the TADAT scores across all countries. However, it would have been difficult to use these for confidentiality reasons. We did not have enough information on which to select countries on the basis of having a "positive post-TADAT assessment implementation experience". We also did not have any details on a country with a "negative post-TADAT assessment implementation experience" to provide a counter view. In the countries selected, we had representation across four regional tax administration bodies, namely:

- Armenia (IOTA).
- Dominican Republic (CIAT).
- Mozambique (ATAF).
- Rwanda (ATAF and CATA).

Table 12: Summary information used for selecting case studies

No	COUNTRY	WORLD BANK INFORMATION		TADAT INFORMATION					ARTICLE IV CONSULTATION	
		REGION[66]	INCOME CLASSIFICATION[67]	PILOT	PHASE	LEAD AGENCY[68]	ASSESSMENT DATE[69]	PAR PUBLIC	LATEST	TADAT REFERENCE
1	Albania	Europe and Central Asia	Upper middle income	No	Steady state (2016)	IMF-FAD R1	June 2016	No	June 2016	No - Unexpected
2	Armenia	Europe and Central Asia	Lower middle income	No	Steady state (2016)	USAID	November 2016	Yes	July 2017	No - Expected
3	Bangladesh	South Asia	Lower middle income	No	Steady state (2017)	World Bank	March 2017	No	June 2017	Yes
4	Barbados	Latin America and Caribbean	High income	No	Steady state (2016)	IMF-FAD R2	November 2016	No	August 2016	No - Unexpected
5	Cameroon	Africa	Lower middle income	No	Steady state (2017)	GIZ	April 2017	No	December 2015	No - Unexpected
6	Comoros	Africa	Low income	No	Steady state (2016)	World Bank	July 2016	No	December 2016	No - Expected
7	Cote d'Ivoire	Africa	Lower middle income	No	Technical pilot (2015)	Secretariat	June 2015	No	June 2016	No - Expected
8	Democratic Republic of Congo	Africa	Low income	No	Steady state (2016)	IMF-FAD R1	July/August 2017	No	October 2015	No - Expected
9	Dominican Republic	Latin America and Caribbean	Upper middle income	No	Steady state (2016)	World Bank	December 2016	No	August 2017	No - Expected
10	Egypt	Middle East and North Africa	Lower middle income	Yes	Technical pilot (2015)	IMF FAD R1	October 2015	No	February 2015	No - Unexpected
11	Ethiopia	Africa	Low income	No	Steady state (2016)	IMF East AFRITAC	April 2016	No	October 2016	No - Expected
12	Fiji	East Asia and Pacific	Upper middle income	Yes	Technical pilot (2015)	IMF FAD R1	February 2015	No	February 2016	No - Expected
13	Georgia	Europe and Central Asia	Upper middle income	No	Steady state (2016)	IMF FAD R1	June 2016	Yes	Unavailable[70]	Yes - Other

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[66] Source: Classifications per World Bank
[67] Source: Classifications per SC Meeting minutes, December 2016 (using www.worldbank.org/en/country)
[68] Source: SC Meeting minutes, December 2016
[69] Completion month of *Phase 3: In-country assessment*
[70] IMF staff report for the Article IV consultation could not be located on www.imf.org

No	COUNTRY	WORLD BANK INFORMATION		TADAT INFORMATION					ARTICLE IV CONSULTATION	
		REGION[66]	INCOME CLASSIFICATION[67]	PILOT	PHASE	LEAD AGENCY[68]	ASSESSMENT DATE[69]	PAR PUBLIC	LATEST	TADAT REFERENCE
14	Ghana	Africa	Lower middle income	No	Steady state (2017)	IMF FAD R2	March 2017	No	September 2017	Yes
15	Guyana	Latin America and Caribbean	Upper middle income	No	Steady state (2017)	IMF FAD R2	March 2017	No	June 2017	Yes
16	Jamaica	Latin America and Caribbean	Upper middle income	Yes	Technical pilot (2015)	IMF FAD R2	October 2015	No	June 2016	Yes
17	Jordan	Middle East and North Africa	Upper middle income	No	Steady state (2016)	USAID	March 2016	Yes	July 2017	Yes
18	Kenya	Africa	Lower middle income	No	Steady state (2016)	IMF FAD R2	November 2016	No	October 2014	No - Expected
19	Kosovo	Europe and Central Asia	Lower middle income	Yes	Technical pilot (2015)	IMF FAD R1	May 2015	No	May 2015	No - Unexpected
20	Kyrgyz Republic	Europe and Central Asia	Lower middle income	No	Steady state (2016)	World Bank	July 2016	Yes	February 2016	No - Expected
21	Liberia	Africa	Low income	No	Steady state (2016)	USAID	June 2016	Yes	July 2016	No - Unexpected
22	Macedonia	Europe and Central Asia	Upper middle income	No	Steady state (2016)	IMF FAD R1	May 2016	No	November 2016	Yes
23	Madagascar	Africa	Low income	Yes	Technical pilot (2015)	World Bank	July 2015	No	July 2017	No - Expected
24	Malawi	Africa	Low income	Yes	Technical pilot (2015)	Secretariat	May 2015	No	December 2015	No - Expected
25	Malaysia	East Asia and Pacific	Upper middle income	Yes	Technical pilot (2015)	Secretariat	August 2015	No	April 2017	No - Expected
26	Montenegro	Europe and Central Asia	Upper middle income	Yes	Technical pilot (2015)	IMF FAD R1	November 2015	No	September 2017	Yes
27	Mozambique	Africa	Low income	Yes	Technical pilot (2015)	IMF FAD R2	March 2015	No	January 2016	Yes
28	Namibia	Africa	Upper middle income	No	Steady state (2016)	EC	May 2016	No	December 2016	Yes

No	COUNTRY	WORLD BANK INFORMATION		TADAT INFORMATION					ARTICLE IV CONSULTATION	
		REGION[66]	INCOME CLASSIFICATION[67]	PILOT	PHASE	LEAD AGENCY[68]	ASSESSMENT DATE[69]	PAR PUBLIC	LATEST	TADAT REFERENCE
29	Norway	Europe and Central Asia	High income	Yes	Proof of concept (2013-2014)	IMF FAD R1	December 2014[71]	No	July 2017	No - Expected
30	Paraguay	Latin America and Caribbean	Upper middle income	Yes	Proof of concept (2013-2014)	Secretariat	November 2014	No	July 2017	No - Expected
31	Peru	Latin America and Caribbean	Upper middle income	No	Steady state (2017)	IMF FAD R2	March 2017	Yes	July 2017	No - Expected
32	Philippines	East Asia and Pacific	Lower middle income	Yes	Technical pilot (2015)	IMF FAD R1	December 2015	No	September 2016	No - Expected
33	Romania	Europe and Central Asia	Upper middle income	No	Steady state (2016)	IMF FAD R1	September 2016	No	May 2017	Yes
34	Rwanda	Africa	Low income	Yes	Technical pilot (2015)	Secretariat	August 2015	No	July 2017	Yes
35	Serbia	Europe and Central Asia	Upper middle income	No	Steady state (2016)	IMF FAD R1	April 2016	No	September 2017	No - Expected
36	Sierra Leone	Africa	Low income	No	Steady state (2016)	IMF FAD R2	August 2016	No	July 2016	No - Unexpected
37	South Africa	Africa	Upper middle income	Yes	Proof of concept (2013-2014)	IMF-FAD R1	July 2014	No	July 2017	No - Expected
38	Tanzania	Africa	Low income	No	Steady state (2016)	IMF East AFRITAC	February 2016	No	July 2016	Yes
39	Uganda	Africa	Low income	Yes	Technical pilot (2015)	Secretariat	August 2015	No	July 2017	No - Expected
40	Vietnam	East Asia and Pacific	Lower middle income	No	Steady state (2016)	World Bank	May 2016	No	July 2017	No - Expected
41	Zambia	Africa	Lower middle income	Yes	Proof of concept (2013-2014)	IMF-FAD R1	November 2013	No	June 2015[72]	No – Expected
42				No	Steady state (2016)	IMF-FAD R2	May 2016	Yes		

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[71] A pilot assessment was also undertaken in December 2013. This report is for the follow-up pilot assessment

[72] IMF staff concluding statement for the Article IV consultation is available. However, the IMF staff report for this consultation could not be located on www.imf.org

J. Nordic benchmarking experience

In 2016, the Nordic tax administrations[73] undertook a benchmarking and peer review exercise covering four out of the nine POA's ("Effective risk management", "Timely payment of taxes", "Accurate reporting in declarations" and "Effective tax dispute resolution"). The purpose of using TADAT for this exercise was to:

- Strengthen Nordic understanding and cooperation in tax.
- Test whether TADAT can be used as a tool to compare tax administrations.
- Facilitate a common basis for discussions among stakeholders.

By doing this exercise, each tax administration gained a much deeper knowledge of their own organisations than they had before. They found the process to be useful and informative, giving an overview of the soundness of the tax administration and a basis of areas for further discussions.

Other findings[74] included:

- Important knowledge and learning is lost if focusing too much on the score, without reading the comments and remarks in the PAR.
- Though the country assessments show differences between the Nordic tax administrations, the main impression is that the scorings turn out similar.
- There are many ways of getting the same score. Different ways to different outcomes are not necessarily reflected in the score (e.g. risk management).
- Whilst TADAT gives a comprehensive picture of a single tax administration, the data is not always comparable. The scoring shows who got an A or D, but it is necessary to go deeper to get enough to compare.
- Benchmarking needs to go deeper, but TADAT could be used for the Nordic Agenda[75] to help prioritise what the different working groups should focus on.
- Good practice does not always mean the same as "best in the world" (e.g. a proven local practice, but not the same as international good practice).
- Scoring criteria are not always on a level of Nordic countries. TADAT is more on the basic level of working.
- A three-day TADAT awareness training, including exam, is recommended.
- Effect would have been better if the assessment process was undertaken more according to the TADAT Field Guide.

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[73] Denmark, Finland, Norway and Sweden
[74] Pages ii, iii and 19, Nordic Benchmarking/2016: Use of TADAT as a tool for benchmarking between Nordic Tax Administrations
[75] Formalized cooperation between the Nordic countries

K. Project Terms of Reference

I.   Background, Objectives and Scope

a.   Background

1.   The Tax Administration Diagnostic Assessment Tool Trust Fund (TADAT TF) was launched in December 2013.[76] The trust fund leverages international development assistance expertise and systems to deliver TADAT assessments globally. The TADAT initiative is part of a wider agenda of the international community to help countries strengthen their tax systems to better mobilize the domestic revenue they need to provide essential goods and services to their citizens in a sustainable and economically sound way.

2.   The TADAT is a means to provide an objective and standardized assessment of the relative strengths and weaknesses of the administration of a country's tax system. It is an integrated monitoring framework that measures performance of a country's tax administration at a point in time. It is designed to provide objective and consistent assessments of the outcome performance across the essential tax administration functions. The tool addresses questions of "what" and "why" with respect to performance. The assessment report, that is the output, will have significant input into the reform objectives, and design, sequencing and prioritization of technical assistance (TA).

3.   All countries at all income levels, and at all stages of development face an ongoing challenge to deliver the highest quality tax administration services to meet the needs and expectations of government, taxpayers of many types, and the wider community. Governments face fiscal pressures, businesses demand even-handedness and higher service standards—with ways of interacting with the tax administration as modern as those found in the best areas of the private sector, and the public demand accountability and transparency from the tax administration which has extensive reach into the community.

4.   A TADAT assessment provides country authorities with a better understanding of the health of the system of tax administration, the extent of reform required, the relative priorities for attention, and the basis on which to develop plans for future reform initiatives. Where external technical assistance is used to advance reforms, with or without donor support, a TADAT assessment ensures that all stakeholders have a common view of the health of the tax administration system. There are major benefits from applying the TADAT approach:

- Better identification of the relative strengths and the main weaknesses in the tax administration system.

- Facilitating discussion towards a shared view among all stakeholders (country authorities, civil society, businesses and other taxpayers, international organizations, donor countries and TA providers).

- Improvements in setting reform objectives, establishing priorities and implementation sequencing—and strengthening of the design of tax administration reform initiatives.

- Better coordination of support (domestic and external) for reforms—faster and more efficient implementation. This means that limited domestic and donor financing for reforms can be used more effectively.

- A basis for monitoring and evaluating reform progress towards established targets, through repeat assessments.

b.   Objectives

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[76]   The Program Document for the TADAT TF multi-donor trust fund can be found at: http://www.tadat.org/files/TADAT_ProgramDocument_ENG.pdf

5.   Three years into the TADAT TF's five-year cycle, this evaluation[77] will focus the extent to which the objectives are being achieved and the continued relevance of the TADAT TF, with the aim of improving operations through the end of the current cycle. In addition, the evaluation will identify lessons learned and recommendations for refining and improving the trust fund for a future cycle.

6.   The evaluation stakeholders include each contributor to the TADAT subaccount ("TADAT Partners"),[78] the World Bank, the IMF, recipients of TADAT assessments and all entities involved in conducting these assessments.

c.   Scope

7.   The evaluation will cover activities launched, underway, and completed during the first three years of operations from January 2014 to April 2017—assessments, training, research, outreach and quality assurance. The linkages between (i) the TADAT design features such as the performance outcome areas (POA), indicators and related dimensions, governance arrangements, and results-based management (RBM), and (ii) the actual assessments conducted and results thereof will also be examined (see section II for specific questions for the evaluators to answer). The evaluation will also assess the appropriateness and effectiveness of the governance of the trust fund, through the nine steering committee (SC) meetings (some by video/tele-conferences) from January 2014 to May 2017.

II.   Evaluation Questions and Methodology

a.   Overall approach

8.   The evaluation will be carried out in line with the standards[79] of the Development Assistance Committee (DAC)[80] and structured along the five evaluation criteria set out by the DAC: relevance, efficiency, effectiveness, impact, and sustainability. In addition, the evaluation will consider the governance arrangements for the TADAT TF. The evaluation will list the major objectives of TADAT activities and the overall objective of TADAT, and then assess these according to the five DAC criteria. This entails an assessment of the continued relevance of these objectives and the extent to which they are being achieved (effectiveness) and whether they have been done in an efficient manner. It also entails an assessment of the extent to which achievement of objectives are likely to last (sustainability). Finally, the evaluation should identify factors affecting the achievement of objectives, both exogenous factors and those under the control of the managers, and recommend changes that would improve the ability of TADAT activities to achieve their objectives efficiently and sustainably.

DAC Criteria	Key Evaluation Questions
Relevance (Whether the design of the TADAT TF and its delivery has been and continues to be 'fit for purpose.')	• Are the scope and the structure of the TADAT TF, including the design, adequate for addressing country tax administration needs? • Does the TADAT TF complement/add value to the TA of TADAT partners and other providers, including multi-lateral institutions and bilateral donor partners?

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[77] The Program Document states, "After three years of operation, an independent evaluation of the work under the trust fund will be conducted. External experts will assess the effectiveness of this work and formulate recommendations. The findings will inform discussions on operations for the remainder of the implementation of the Trust Fund. The terms of reference, methodology, and performance indicators will be proposed by the IMF to be endorsed by the SC."

[78] The following are TADAT Partners: EU, Germany, Japan, Netherlands, Norway, Switzerland, and the United Kingdom, along with the World Bank and IMF.

[79] http://www.oecd.org/dac/evaluation/qualitystandards.pdf

[80] The OECD's Development Assistance Committee (DAC) is a grouping of the world's main donors, which defines and monitors global standards in key areas of development.

DAC Criteria	Key Evaluation Questions
Efficiency (Are activities being managed and implemented efficiently?)	• To what extent is the TADAT TF designed to deliver tax administration diagnostic assessments efficiently, including (i) whether the design is conducive to efficient use of resources; (ii) whether the quality control and monitoring arrangements are in place; and (iii) whether the reporting mechanisms are delivering timely and appropriate information to the SC? • Are there any areas where operational efficiency of the TADAT Secretariat could be improved?
Effectiveness (Is the TADAT framework under the TADAT TF achieving its objectives?)	• What have been the key results to date under the TADAT TF? Have recipient authorities and users of the TADAT framework taken the actions to use the TADAT assessment results as a baseline to identify, prioritize and sequence reform activities and to what extent do those actions reflect their ownership of the TADAT assessment results? • Is the TADAT TF on track to achieve the results envisaged at the outset of the program?
Impact (What changes were attributable to TADAT?)	• Have there been any immediate –either desired or undesired– impacts (e.g. improvements in systems, procedures, policies etc.) in TADAT assessed countries that can be attributed to the TADAT TF, or to which the TADAT TF has contributed? • Has the TADAT TF contributed to improving/exploring international standards in the area of tax administration?
Sustainability (To what extent are changes brought about by the TA likely to be sustained beyond the life of the trust fund?)	• To what extent have TADAT activities increased the sustainability of the broader tax administration reform interventions? • To what extent is the TADAT TF integrated with country reform agendas? • Cite any evidence that the impact of the TADAT diagnostic approach has/is being sustained? For instance, is there evidence that structures, processes, etc., have been integrated into TADAT-assessed country institutional arrangements and that it has resulted/is resulting into better management of tax administrations? • What factors (other than improved TADAT scores) determine whether a TADAT assessment can have a sustainable impact? Do they suggest that TADAT has made a significant improvement to the capacity of a tax administration?

b. Evaluation Methodology

9. The evaluation team will draw up a methodology for the evaluation, including a rating scheme in line with the DAC categories. The evaluators will have the flexibility to refine, if necessary, the methodology for the ratings in consultation with the Institute for Capacity Development (ICD) and the SC.

10. Where possible, quantitative data should be used and findings should be triangulated to ensure validity. Data sources should include:

- quantitative and qualitative indicators;

- the mid-year and annual reports produced by the TADAT TF, logical framework, results-chain and financial data related to implementation;

- feedback from TADAT partners, experts, members of the SC and Technical Advisory Group (TAG), and staff of relevant institutions in selected TADAT-assessed countries;

- the findings of the November 2016 TADAT survey; and

- macroeconomic and statistical data and analysis produced by relevant institutions and agencies.

11.   Data collection methods must be linked to the evaluation questions and further fine-tuned following analysis of the availability of data, taking into account the logistical constraints in collecting the data (e.g., travel, costs, time required, etc.,) and any other relevant considerations. The data collection methods and analysis could include: analysis of documentation and data; semi-structured interviews; a survey; and 3-4 case studies.

III.   Management of the Evaluation

a.   Governance

12.   ICD will manage the evaluation process; including the recruitment of the evaluation team, and coordinating the institutional responses to each of the evaluator's deliverables. ICD will consult with the Fiscal Affairs Department (FAD), and the SC. Each deliverable will be circulated for comments, which will be considered by the evaluation team at its discretion. The evaluation team is expected to work independently from the IMF.

b.   Timeline and Deliverables

13.   The work is expected to take about 20 weeks beginning in mid-2017. The contract with the evaluators will be for a maximum of 90 person-working days, including travel, during that period. The evaluation process will be carried out in three phases: a desk phase, a field phase, and a drafting phase:

- **Desk Phase**: No later than four weeks after the contract signing, the evaluators will: (i) complete a desk review of documents; (ii) visit IMF headquarters to interview staff in ICD, FAD, TADAT Secretariat, and relevant stakeholders in the Washington area; and (iii) prepare an inception note, as outlined below. Total work time for this phase is estimated to be about 25 person-days.

- **Field Phase:** The evaluators will visit 3-4 TADAT-assessed countries, which should be selected in consultation with FAD and the SC taking into consideration the authorities' commitment, global spread, the results achieved, and the depth of field coordination with other stakeholders. The evaluators will ensure adequate contact and consultation with stakeholders, including relevant government authorities and agencies, and TA-provider field offices. The evaluators will also be expected to interview selected TADAT partners on the SC. Total work time for this phase is estimated to be 20 person-days, including travel time to the case study countries.

- **Drafting Phase**: The draft report will be prepared in English and submitted no more than four weeks after the end of the field work. The ICD, FAD and the SC will provide comments within three weeks of the submission of the draft report. The team will consider the comments at their discretion and prepare a final report to be submitted two weeks later. Total work time for this phase of the project is estimated at 45 person-days.

14.   The following is an indicative time line for the evaluation process:

Timing	Tasks	Deliverable(s)
Weeks 1-5	Document collection and desk review	Inception Note, including mission planning and draft survey instruments
Week 6-7	Meetings at IMF HQ and in Washington DC	Circulation of survey instrument Finalization of case studies selection
Weeks 8-11	Field work	
Weeks 12-15	Data analysis	Draft evaluation report

Weeks 16-18	Commenting round	
Weeks 19-20	Finalization of the Report Presentation to the TADAT TF SC	Final evaluation report

15.   The following is the list of deliverables expected:

- **Inception note**: The inception note should set out (i) an overview of how the evaluation will be conducted; (ii) the methodology for information collection and analysis (including criteria for selecting the case studies); (iii) a draft interview guidelines and a draft survey instrument, (iv) a detailed plan for data collection; (v) a list of potential interviewees; (vi) plans for field visits and meetings; (vii) an outline of the evaluation report including the table of contents; and (viii) an outline of the quality control mechanism to ensure that the drafts of deliverables are of appropriate quality. The inception note should be circulated to the SC for comments, and the SC will respond to the note in two weeks.

- **The draft and final reports**: The evaluation report should be written in English. It should be logically structured, containing **evidence-based findings, conclusions, lessons and recommendations**, and should be free of information that is not relevant to the overall analysis. The report should include an Executive Summary (1-2 pages) and be kept short (25-30 pages, excluding annexes). To facilitate implementation, the recommendations should be concise, clearly targeted, prioritized, and grouped by time horizon, with the total number of recommendations be limited to 5-8. The draft report should be circulated to the SC for comments, and the SC will respond to the draft in three weeks.

- **Presentation:** The evaluation team will present the final report to the SC, with the time and venue to be confirmed.

C.   TADAT Mid-Term Evaluation Team

16.   The evaluation team will be selected based on a competitive tender, with a set of selection criteria as described below.

17.   The team (consisting of a team leader and at least two [2]) evaluators should contain a relevant skill mix, demonstrating *inter alia* the following:

- Deep knowledge of tax administration operations and management, macroeconomics, fiscal and monetary policy, statistics, and TA issues related to this area;

- Extensive experience in evaluation, including evaluation of TA, and experience in developing and using qualitative and quantitative evaluation methods;

- Prior experience in working with multilateral agencies; and

- Ability to work effectively in English. Language skills in French and Spanish are a plus.

18.   The evaluation team leader will lead the evaluation process, and work closely with all team members. He/she will conduct the evaluation process in a timely manner, communicate with ICD on a regular basis, and highlight progress made and any challenges encountered. The team leader will be responsible for producing the inception report and the draft and final evaluation reports, as well as undertake the presentation of the evaluation findings.

L. People interviewed as part of the evaluation

DATE	NAME	ORGANISATION	JOB TITLE
	WASHINGTON		
16 October 2017	Felix Fisher	IMF	Deputy Division Chief, ICD
	Justin Zake	IMF	Unit Chief, Secretariat
	Munawer Khwaja	IMF	Technical Assistance Adviser, Secretariat
	Maimbo Nyanga	IMF	Technical Assistance Adviser, Secretariat
	Monica Calijuri	IMF	Technical Assistance Adviser, Secretariat
	Gunnar Magnusson	IMF	Senior Technical Assistance Officer, ICD
	Rocio Sarmiento	IMF	Technical Assistance Officer, ICD
	Drew Waddington	IMF	Project Assistant, Secretariat
17 October 2017	Gerd Schwartz	IMF	Deputy Director ICD
	Katherine Baer	IMF	Division Chief, FAD (Revenue Division 2)
	Adrienne Cheasty	IMF	Deputy Director, FAD
	Juan Toro	IMF	Assistant Director, FAD (Revenue Division 1)
	Debra Adams	IMF	Deputy Division Chief, FAD
	Rebecca Sparkman	IMF	Senior Economist, FAD (Revenue Division 2)
	Drew Waddington	IMF	Project Assistant, Secretariat
	Muyangwa Muyangwa	IMF	Technical Assistance Advisor, FAD (Revenue Division 2)
	Michael Keen	IMF	Deputy Director, FAD

DATE	NAME	ORGANISATION	JOB TITLE
18 October 2017	Stephanie Sweet	Independent	TADAT team leader and team member
	Daniel Alvarez Estrada	World Bank	Senior Public Sector Specialist, Global Tax Team
	Lewis Hawke	PEFA Secretariat	Head, PEFA Secretariat
19 October 2017	Wiebe Anema, Frank van Brunschot, Josia Biver – By telephone	MFA and NTCA	Numerous
	Jose Tostes – By telephone	IADB	Fiscal and Municipal Management Senior Specialist (Brazil)
	Thomas Baunsgaard	FAD, IMF	Deputy Division Chief, Tax Policy Division
	Elizabeth Kariuki – By telephone	Independent	TADAT team member
	Andrew Okello	FAD, IMF	Deputy Division Chief (Revenue Division 2)
	Steve Rozner	USAID	Economist
20 October 2017	Richard Nash – By telephone	DFID	Governance Adviser, Governance, Open Societies and Anti-Corruption Department
	Nataliya Biletska – By telephone	World Bank	Senior Public Sector Specialist
	Michael Keen, Justin Zake, Munawer Khwaja, Maimbo Nyanga, Monica Calijuri, Drew Waddington	Secretariat, IMF	As above
	David Kloeden	PFTAC, IMF	Pacific Financial Technical Assistance Centre (PFTAC) Coordinator
ARMENIA			
6 November 2017	Yulia Ustyugova	IMF	Resident Representative
	Vahram Janvelyan	IMF	Economist
	Vakhtang Mirumyan	SRC	Deputy Chairman
	Arsen Sarikyan	SRC	Head of Risk Management and Compliance Programs Department

DATE	NAME	ORGANISATION	JOB TITLE
	Ani Mkhitaryan	SRC	Head of Tax Compliance Programs Division
	Suren Adamyan	SRC	Head of International Cooperation
8 November 2017	Gaelle Assayag	AFD	Head of the Representative Office for the South Caucasus
	Arsen Sarikyan	SRC	Head of Risk Management and Compliance Programs Department
	Ani Mkhitaryan	SRC	Head of Tax Compliance Programs Division
	Anakit Basentsyan	SRC	TAMP Project Coordinator
9 November 2017	Haikanush Bagratunyan	USAID	Economic Development Project Manager, Sustainable Growth Office
	Gagik Poghosyan	Independent	Former Manager of the USAID's TRP
	Paulius Strelciunas	EU	Head of Public Administration Reform, PFM and Anti-Corruption Portfolio
	Stanislav Toshkov	EU	Programme Manager - Private Sector Development and Trade
	Peter Dineiger	GIZ	Programme Director, Public Financial Management in South Caucasus
	Gor Khachatryan	GIZ	Advisor, Public Financial Management in South Caucasus
10 November 2017	Grigor Gyurjyan	ADB	Economics Officer, Armenia Resident Mission
14 November 2017	Migara O. De Silva – By Telephone	World Bank	Tax Project - Task Team Leader
	Davit Melikyan – By Telephone	World Bank	Tax Project - Task Team Leader
RWANDA			
13 November 2017	Denis Mukama	RRA	TADAT Coordination Office
	Agnes Kanyamgeyo	RRA	Deputy Commissioner, Planning and Research Department
	Immacule Uwineza	RRA	LTO Manager

DATE	NAME	ORGANISATION	JOB TITLE
14 November 2017	Johan Cauwenbergh	EU	Head of EU Cooperation
	Sion Morton	EU	Attache/Programme Officer, Economics and Governance Section
	Wenceslas Niyibizi	GIZ	Fiscal Decentralization Expert
	Alun Thomas	IMF	Resident Representative
	Richard Tusabe	RRA	Commissioner General
	Dada Richard	RRA	Deputy Commissioner for Small and Medium Taxpayer Office
	Gadi Munyentwali	RRA	Deputy Commissioner for Corporate Risk Management & Modernisation
	Denis Mukama	RRA	TADAT Coordination Office
15 November 2017	Amina Rwankunda	MOF	Senior Economist of Marco Economic policy Division
	Free Karemera	RDB	Division Manager, One-Stop Center Division, Investment Promotion & Facilitation Department
	Dada Richard	RRA	Deputy Commissioner for Small and Medium Taxpayer Office (and Taxpayers Registry Program Coordinator)
	Bosco Nyilinkinda	RRA	TADAT Steering Committee Member
	Patrick Mbarushimana	RRA	Project Staff, Taxpayer Registry Clean Up Project
	Francoise Nshimirimana	RRA	Project Staff, (in charge) Quality Assurance
	Florence Mukakabera	RRA	Project Staff, Taxpayer Registry Clean Up Project
	Richard Muneza	RRA	Head of Comprehensive Audit Division, Small and Medium Taxpayer Office (and TADAT SC Member within RRA)
	Augustine Mwebaze	RRA	Acting Single Project Implementation Unit (SPIU) Coordinator
	Fred Ntambala	RRA	Acting DTD and Support Department Program Manager

DATE	NAME	ORGANISATION	JOB TITLE
	John Kirenga	RRA	Assistant, (in charge) Taxpayer Registry Clean Up Project
16 November 2017	Caroline Tissot	SECO	Deputy Regional Head of International Cooperation
	Agnes Kanyamgeyo	RRA	Deputy Commissioner, Planning and Research Department (and TADAT assessor in Zambia and Tanzania (observer)
	William Babigumira	PSF	Director of SPIU
	Samantha Tennakoon	DFID	Strategic Advisor to CG (RRA)
	Steve Jefferies	HMRC	Senior Advisor, Developing Countries Capacity Building Unit
	Debra Locke	HMRC	Advisor, Developing Countries Capacity Building Unit
17 November 2017	Christof Griebenow	KfW	Project Manager
	Yves Tuyishhime	KfW	Project Coordinator
30 November 2017	Keith Taylor – By telephone	US OTA	Program Manager, Rwanda
BANGLADESH			
21 November 2017	Syed Mushfequr Rhaman	NBR	Deputy Project Director (First Secretary), VAT Online Project
	Akbar Hossain	NBR	Additional Commissioner, Customs
	Nusrat Jahan	NBR	Assistant Commissioner, VAT Online Project
22 November 2017	Luke Mukubva	DFID	Governance and Institutional Adviser – PFM and Service Delivery
	Audrey Maillot	EU	Team Leader – Governance
	Maarten de Zeeuw	Independent	International PFM (Tax and Revenue) Consultant (EU mission)
	Martin Grimwood	Independent	Public Sector Financial Consultant (EU mission)
23 November 2017	Ragnar Gudmundsson	IMF	Resident Representative
	Muhammad Imam Hussain	IMF	Economist

DATE	NAME	ORGANISATION	JOB TITLE
	Watanabe Hiroki	JICA	Program Advisor (Governance, Public Administration)
	Syeda Sadia Hasan	JICA	Deputy Program Manager
27 November 2017	Jose Eduardo Gutierrez Ossio – By telephone	World Bank	Senior Public Sector Specialist
DOMINICAN REPUBLIC			
28 November 2017	Chris Campbell	British Embassy	Ambassador
	Miriam Stern	British Embassy	Director of Communications
	Rita Mena Peguero	DGII	Deputy Director of Planning and Development
30 November 2017	Alejandro Diz Rodriguez	EU	Programs Officers
	Rita Mena Peguero	DGII	Deputy Director of Planning and Development
1 December 2017	Alessandro Legrottaglie	World Bank	Country Manager
	Maritza Rodriguez	World Bank	Senior Specialist in Financial Management
	Belinda Perez Rincon	IADB	Specialist in Fiscal and Municipal Management
	Ernest Valverde – By telephone	US OTA	Project Manager, Dominican Republic
OTHER INTERVIEWS			
26 October 2017	Stefan Agne	EU	Head of Sector, DRM Team
	Vincent Bigot	EU	Policy Officer, DRM Team
13 November 2017	Carlos Orjales – By telephone	SECO	Economist and Program Manager, Macroeconomic Support
17 November 2017	Maurice Ochieng – By telephone	GIZ/ATAF	Senior Technical Advisor – Tax Reform Deputy Programme Manager, Good Financial Governance in Africa
	Sameera Khan – By telephone	ATAF	Technical Advisor, International Tax and Technical Assistance
	Alan Robidoux – By telephone	US OTA	International Advisor, Revenue Advisory Program

DATE	NAME	ORGANISATION	JOB TITLE
27 November 2017	Marcio Verdi – By telephone	CIAT	Executive Secretary
7 December 2017	Eugenijus Soldatkovas – By telephone	IOTA	Technical Taxation Expert