OECD SECRETARY-GENERAL TAX REPORT TO G20 FINANCE MINISTERS AND CENTRAL BANK GOVERNORS

Indonesia, October 2022

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OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors

Indonesia, October 2022

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Introduction

It is now a year since the landmark agreement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy was joined by 137 countries and jurisdictions, representing over 94% of global GDP. Immediately following the ground-breaking deal, the hard work began in earnest to ensure its swift implementation among the members of the OECD/G20 Inclusive Framework on BEPS (Inclusive Framework). A month after the deal was struck, the Pillar Two minimum tax (GlobE) rules were released, paving the way for domestic implementation. Many countries have started the legislative process to implement the minimum tax or have announced plans to do so shortly. To help countries with the practical roll-out of the new regime, the OECD will release later this year the Implementation Framework, including key guidance to facilitate co-ordinated implementation while minimising compliance costs. The work on the Subject to Tax Rule is also underway.

On 6 and 7 October 2022, delegates to the Inclusive Framework met in person for the first time in three years to take stock of progress made in international tax reform to date. On Pillar One, technical work has progressed substantially. Since the public release in July of the substantive rules for the new taxing right, Amount A, the Inclusive Framework has now published the draft rules on administration, including tax certainty, for public comments (in Annex B). With these two releases, following a series of rolling public consultations on Amount A earlier this year, and a remaining chapter on the standstill and rollback of unilateral measures to be released shortly, the public should have a very good understanding of the overall design of Amount A and its practical operation by year-end. Based on the constructive comments already received on the July consultation document and comments to follow, the Inclusive Framework will develop the terms of the Multilateral Convention for Amount A so that a signing ceremony can be held by mid-2023. Finally, work is progressing on proposals to simplify the application of the arm’s length principle with respect to certain activities (i.e. Amount B), with a discussion draft expected to be released for public consultation by year-end.

Tax transparency efforts spearheaded by the G20 continue to yield results. The implementation of automatic exchange of information (AEOI) has proved very successful with over 100 jurisdictions exchanging information on 111 million financial accounts in 2021, with a total value of EUR 11 trillion. Over 90% of jurisdictions exchanging under AEOI standards now have either adequate legal frameworks in place or legal frameworks in place that need some improvement. Moreover, the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) has just released its first assessment of the effectiveness of AEOI. The assessment, highlighted in Annex A, shows that two-thirds of AEOI jurisdictions are now on track, and a further 15 jurisdictions have complete plans in place, to ensure the effective implementation of AEOI standards in practice.

In response to your call to ensure that the transformations in global tax transparency standards cannot be undermined by new technologies, I am also pleased to report that a new tax transparency framework on crypto-assets has now been agreed among OECD and G20 countries. Details of the new framework are set out below, along with other key developments in international tax reform, including the progress made in supporting developing jurisdictions to build sustainable tax revenue bases and a new report analysing tax policy efforts to address climate change.

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Two-Pillar International Tax Package

Pillar One

Following last October's agreement, the Inclusive Framework distilled the different workstreams on Amount A of Pillar One (the profit to be reallocated) into building blocks. Since then, the Inclusive Framework has carried out regular, rolling public consultations on each of them, which have been positive and helped to advance and adapt the draft rules while allowing parallel workstreams to continue.

> *"We reaffirm our commitment to the swift implementation of the OECD/G20 two-pillar international tax package. We support the ongoing work on Pillar One and welcome the completion of Pillar Two Global Anti-Base Erosion (GloBE) Model Rules, which pave the way for consistent implementation at a global level as a common approach, and we look forward to the completion of the GloBE Implementation Framework. We call on the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) to finalize Pillar One, including by signing the Multilateral Convention in the first half of 2023, and call on the Inclusive Framework to complete the negotiations that would allow the development of the Multilateral Instrument for implementation of the Subject to Tax Rules (STTR) under Pillar Two."*
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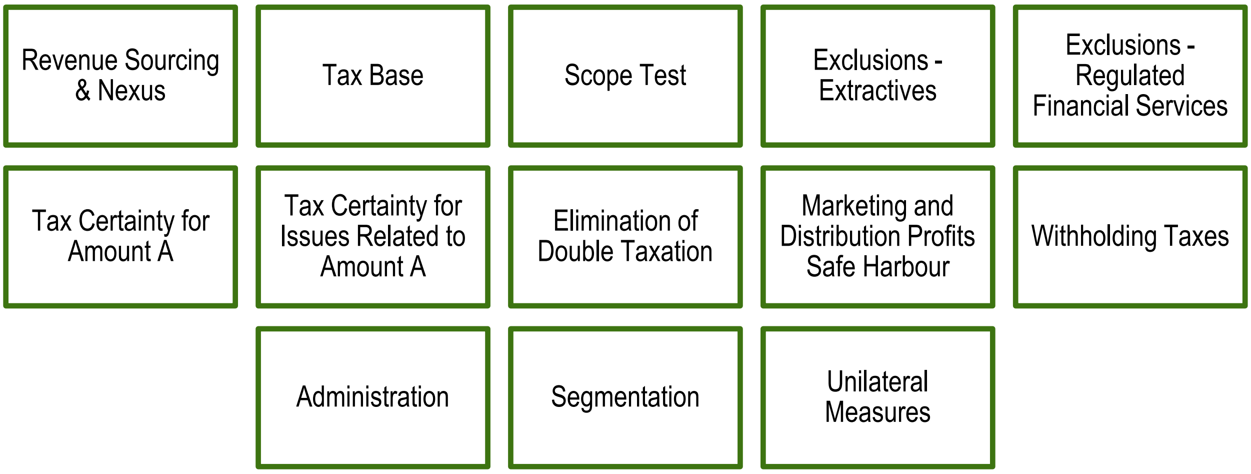
> **G20 Chair's Summary Third G20 Finance Ministers and Central Bank Governors Meeting, Bali, 15-16 July 2022**



Building Blocks of Amount A

For your July meeting, I reported to you on the release of the *Progress Report on Amount A of Pillar One,* which contained the draft model rules for the core elements of Amount A.[1] In response to the call for public comments, more than 70 stakeholders have provided over 700 pages of detailed feedback. These comments were further elaborated upon by a diverse range of stakeholders during an in-person public consultation event hosted in Paris on 12 September 2022. Ahead of its Plenary meeting in Paris on 6-7 October 2022, the Inclusive Framework then approved the release of the second iteration of the report, the *Progress Report on the Administration and Tax Certainty Aspects of Amount A of Pillar One*, in

[1] OECD (2022), *Progress Report on Amount A of Pillar One, Two-Pillar Solution to the Tax Challenges of the Digitalisation of the Economy*, OECD/G20 Base Erosion and Profit Shifting Project, OECD, Paris, www.oecd.org/tax/beps/progress-report-on-amount-a-of-pillar-one-july-2022.pdf.

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Annex B. This second report contains a consolidated version of the rules related to administration and tax certainty processes, and has been released to seek feedback from stakeholders by 11 November 2022.

This new report will be followed by another public consultation document by the end of 2022 on the *Withdrawal and Standstill of Digital Services Taxes and Other Relevant Similar Measures*. By that point, and building on the ongoing work, the Multilateral Convention can be drafted and adopted by mid-2023.

In parallel to Amount A, significant progress is being made on Amount B. A consultation document will be released by year-end on Amount B with a view to complete the ongoing work in the first half of 2023.

Pillar Two

After reaching agreement on the Commentary to the Model GloBE Rules in March of this year, Inclusive Framework members have now begun the process of incorporating the GloBE Rules[2] into domestic law, including reforms to existing tax incentives as well as the introduction of domestic minimum top-up taxes.

In order to support these implementation efforts, the Inclusive Framework is developing a GloBE Implementation Framework, which will provide further guidance on the rules as well as a peer review process to assist implementing jurisdictions in reaching consistent and co-ordinated outcomes under the rules. The Inclusive Framework is also working on the development of safe harbours, simplifications and a standardised return and information exchange framework to facilitate compliance by MNEs. This work is expected to be completed by the end of this year.

Following your discussions at the G20 Ministerial Symposium on Tax and Development on 14 July 2022, the OECD Secretariat has also considered the consequences of the implementation of Pillar Two for developing countries.

There have long been concerns about the use of tax incentives as a tool to attract investment, with evidence suggesting that they are often inefficient and ineffective, resulting in low- or no-taxed windfall profits for MNEs and large revenue losses for governments, particularly in developing countries. The OECD is launching a series of pilot programmes in Q4 2022 to assist developing countries in assessing the impact of these rules and how they interact with domestic tax policies, with the aim of ensuring developing countries can collect taxes from MNEs operating in their jurisdiction without sacrificing their ability to attract foreign investment. This work will build on the analysis in the report on *Tax Incentives and the Global Minimum Corporate Tax*[3] discussed below.

Work also continues on the Pillar Two Subject to Tax Rule (STTR) draft model provision and related Commentary, as well as the draft multilateral instrument to facilitate the implementation of the STTR.

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[2] OECD (2021), *Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS*, OECD, Paris, www.oecd.org/tax/beps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm.

[3] OECD (2022), *Tax Incentives and Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules*, OECD Publishing, Paris, https://doi.org/10.1787/25d30b96-en.

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Tax Incentives and the Pillar Two Global Minimum Corporate Tax

The report on *Tax Incentives and the Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules* provides a basis for jurisdictions to carry out their own analysis of their incentives, with the OECD standing ready to assist developing countries.

At the request of the Indonesian G20 Presidency, the OECD has considered in detail the implications of the GlobE Rules for the design and use of tax incentives with a focus on developing countries. As governments turn to the adoption of Pillar Two, this new report on *Tax Incentives and the Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules*,[4] in Annex E, presents concrete considerations for emerging and developing countries to consider as they prepare for Pillar Two.

The report highlights that the design of tax incentives will require careful reassessment in a post-Pillar Two environment. This report supports policy makers in reassessing their tax incentives, building on the OECD's ongoing work in the area of tax incentives and effective tax rates. It considers the existing use of tax incentives, analyses key provisions of the GloBE Rules and shows how they may affect different types of tax incentives differently. The report concludes with a number of considerations for policy makers, particularly in developing countries, where the OECD stands ready to assist.

Tax Policy and Climate Change

The risks of climate change need to be contained and this urgently requires accelerating the transition to net-zero greenhouse gas (GHG) emissions. Pursuing the net-zero transition will also help to reduce dependence on fossil fuels, which can reduce exposure to energy price shocks in the future. A successful transition to net-zero GHG emissions requires policy packages that deliver affordable access to low and zero carbon options for households and businesses.

Significant advances have been made with the use of price instruments to encourage greenhouse gas emissions reductions. Across 71 countries, **40% of greenhouse gas emissions** were covered by carbon prices in 2021, compared to 32% in 2018.

Tax policy can contribute to climate policy in a variety of ways. For example, by providing incentives that encourage investment in and use of clean technologies. Also, carbon taxes, tradeable emissions permit prices and fuel excise taxes are an important subset of the policy instruments that can accelerate the transition to net-zero. A recent OECD report, *Pricing Greenhouse Gas Emissions: Turning Climate Targets into Climate Action* (Annex F), tracks the use of the latter instruments in 71 countries, which together account for approximately 80% of global GHG emissions and energy use.

Energy price hikes have presented policy makers with **even greater challenges** in their efforts to use carbon pricing to reduce greenhouse gas emissions.

The report finds that in 2021 more than 40% of greenhouse gas emissions in the 71 countries faced net positive carbon prices – up from 32% in 2018. Carbon price levels have diverged further across countries in 2021, with prices rising further in countries with the highest net carbon prices in 2018, mainly because of higher carbon taxes or emission permit prices. Net carbon prices often remain low outside of the transport and building sectors. Variation across countries is large in all sectors. Where emissions from industry and electricity are priced, this is usually through

[4] OECD (2022), *Tax Incentives and Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules*, OECD Publishing, Paris, https://doi.org/10.1787/25d30b96-en.

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emissions trading systems or carbon taxes. While many emissions remain unpriced, some emitters now face substantial carbon prices, especially in Europe.

Skyrocketing energy prices have triggered **energy tax reductions**, while carbon taxes and emissions trading systems have largely remained unchanged. Emergency responses to support energy affordability have been needed, but over time **targeted income support could replace broad tax cuts**.

Increasing effective carbon prices could raise substantial revenues, while cutting emissions. Revenues from carbon pricing can play an important role during the net-zero transition where there will be substantial adjustment costs. Estimates indicate that countries could be able to raise an amount equivalent to approximately 2.2% of GDP on average if they were to raise carbon prices to EUR 120 per tonne of CO_2 – a mid-range estimate of carbon prices required by 2030.

Energy tax cuts in response to the recent energy price shock have been large and widespread, with reductions amounting to EUR 50/tCO_2 or more in many cases. In the long-run, pursuing the net-zero transition will help to reduce dependence on fossil fuels, which can reduce exposure to energy price shocks in the future. In the short and medium run, there is a strong case for shielding the most vulnerable from the impact of higher energy prices as a necessary precondition of building support for the low carbon transition. To the extent that the price shock persists, further measures should be increasingly targeted through income support and by making low carbon options more widely available, instead of across the board energy tax cuts or price reductions.

Countries' circumstances differ and policy diversity can contribute to **stronger combined effort** if negative spillovers across countries are avoided.

Inclusive Forum on Carbon Mitigation Approaches

Countries' circumstances differ and policy diversity can contribute to stronger combined effort if negative spillovers across countries are avoided. In this context, the OECD's Inclusive Forum on Carbon Mitigation Approaches seeks to support dialogue to increase global mitigation effort, through data on and analysis of countries' GHG reduction strategies.

Since I last reported to you on the Inclusive Forum on Carbon Mitigation Approaches, a temporary working group of some OECD members has met to articulate proposals on the procedural aspects of the Inclusive Forum so that it can get underway. I sincerely hope that G20 countries will join this initiative, which, similar to the Inclusive Framework on BEPS and the Global Forum on Transparency and Exchange of Information for Tax Purposes, offers equal footing participation to countries joining the initiative.

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Tax Transparency

Since the G20 declared the end of banking secrecy in 2009, the fight against offshore tax evasion has gone from strength to strength. Ahead of your October meeting, new figures on the implementation of the standard on automatic exchange of information (AEOI) in Annex A reveal that nearly 100 jurisdictions now have robust legal frameworks in place to automatically exchange financial account information and two-thirds of jurisdictions are on track for effective implementation in practice.

"We acknowledge the progress made on implementing the internationally agreed tax transparency standards and support the Organisation for Economic Co-operation and Development's (OECD) ongoing work to explore proposals for automatic exchange of information on crypto-assets."

G20 Finance Ministers and Central Bank Governors Communiqué, Rome, Italy, April 2021

Crypto-Asset Reporting Framework and Amendments to the Common Reporting Standard

Despite a turbulent year, the crypto-assets market has increased significantly since the G20 first began to call on the OECD to develop a framework for the automatic exchange of information on crypto-assets. The lack of visibility by tax administrations on crypto transactions in recent years has increased the likelihood that crypto-assets are being used for tax evasion and has risked undermining the progress made in tax transparency through the adoption of the OECD/G20 Common Reporting Standard (CRS) eight years ago.

"We support the progress made on implementing internationally agreed tax transparency standards, including regional efforts and welcome the signing of the Asia Initiative Bali Declaration. We also welcome the progress at the OECD on the Reporting Framework for Crypto-Assets as well as the amendments to the Common Reporting Standard and call for their swift completion."

G20 Chair's Summary
Third G20 Finance Ministers and Central Bank Governors Meeting, Bali, 15-16 July 2022

Following years of work, a new Crypto-Asset Reporting Framework (CARF) has now been agreed by the 38 member countries of the OECD, along with G20 countries. Work is now ongoing to ensure the consistent domestic and international application and effective implementation of the CARF. The implementation package will consist of a framework of competent authority agreements or arrangements for the automatic exchange of information collected under the CARF, technical solutions to support the exchange of information and a further elaboration of the requirements to ensure the effective implementation of the CARF.

Global Forum on Transparency and Exchange of Information for Tax Purposes

With 165 members – more than half of which are developing jurisdictions, the OECD-hosted Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) is monitoring under your mandate the effective implementation of both exchange of information on request (EOIR) and Automatic Exchange of Financial Account Information(AEOI) Standards. The Global Forum has made substantial progress in advancing the G20 agenda regarding international tax co-operation and EOI.

As a result of tax transparency efforts, in 2021, over 100 jurisdictions exchanged information with respect to 111 million financial accounts, with a total value of EUR 11 trillion.

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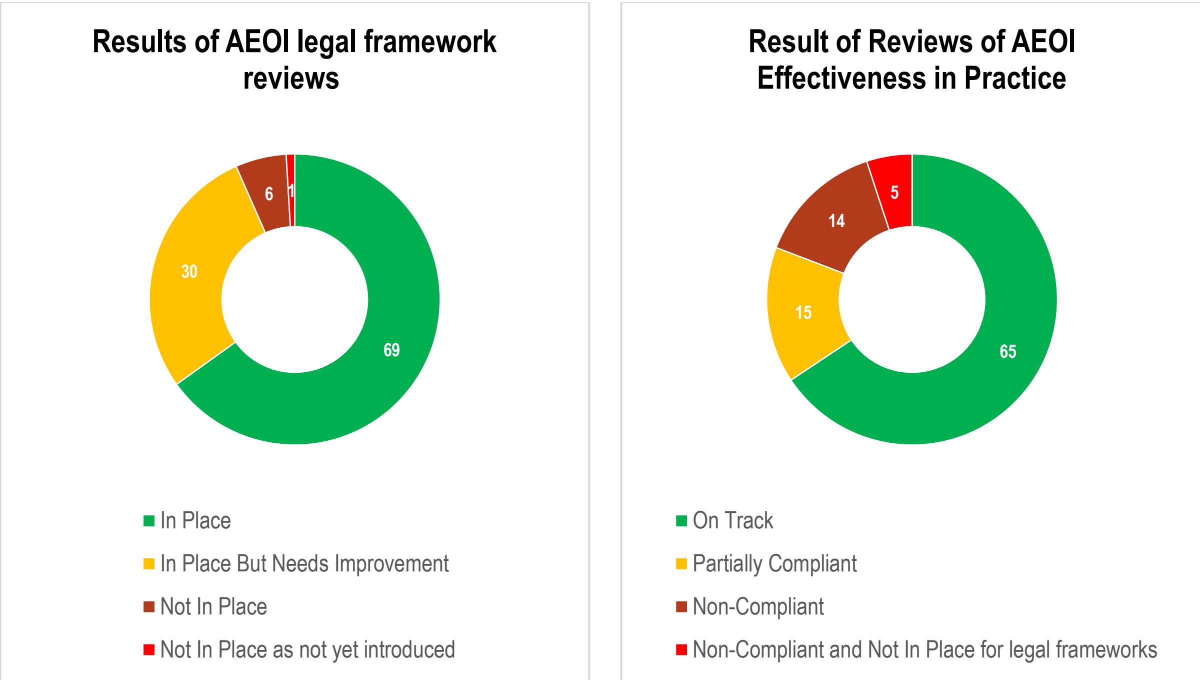
Ensuring the level playing field and maximising the effectiveness of the EOI Standards

The Global Forum conducts peer reviews of the implementation of both EOI Standards with the objective of ensuring the level playing field and maximising the effectiveness of the EOI Standards. The AEOI Standard (often referred to as the CRS) continues to deliver highly significant results. To date, **99%** of the jurisdictions committed to commence exchanges have done so and many more jurisdictions are expected to commence exchanges in the coming years.

Monitoring the implementation of the AEOI Standard

The Global Forum works to ensure that the AEOI Standard is an effective tool to tackle tax evasion and avoidance. In this regard, alongside this report and for the first time, the Global Forum is adding to its work peer reviewing the AEOI legal frameworks, by publishing the results of its first peer reviews in relation to the effectiveness of the implementation of the AEOI standard in practice. These relate both to the compliance framework to ensure that financial institutions properly conduct the due diligence requirements to collect and report information and the exchange of the information in accordance with the technical requirements.

As set out in the new report, *Peer Review of the Automatic Exchange of Financial Account Information 2022*, the latest results show that huge achievements have been made in rapidly implementing the AEOI Standard on a widespread basis (see Annex A).[5] While the results are impressive, there needs to be a continued focus on monitoring the implementation of the AEOI Standard, particularly with respect to ensure compliance by financial institutions.



The results of the peer reviews of the AEOI legal frameworks and the effectiveness in practice of AEOI implementation at a glance.

[5] OECD (2022), *Peer Review of the Automatic Exchange of Financial Account Information 2022*, OECD, Paris, https://oe.cd/aeoi2022.

Monitoring the implementation of the EOIR Standard

In August 2022, the Global Forum released eight new peer review reports on transparency and exchange of information on request (EOIR).[6] Six of these reports (Cook Islands, Ecuador, Pakistan, Poland, Sint Maarten and Sweden) solely cover the assessment of the legal framework due to pandemic-related travel restrictions applicable at the time. The onsite visits to complete the reviews are scheduled in the coming months. For Portugal and Finland, the assessment were completed in a combined review of the legal framework and the implementation of the EOIR Standard in practice. Portugal is overall rated Compliant with the EOIR standard and Finland Largely Compliant.

Assisting Global Forum members through capacity building and regional initiatives

Demand for capacity-building support keeps increasing with over **80** jurisdictions having received technical assistance since 1 January 2022, including **44** jurisdictions receiving assistance for the implementation of the AEOI Standard. The outcome of the AEOI effectiveness review showed that many jurisdictions face significant challenges to implement a framework to ensure compliance of financial institutions with their due diligence and reporting obligations. To support these jurisdictions, a comprehensive technical assistance programme has been set up starting with the provision of a Model administrative compliance framework and the development of dedicated training and tools.

The Global Forum's regional initiatives manifest growing progress. Following the high-level signing of the Asia Initiative Declaration[7] on 14 July 2022, in Bali, Indonesia in the margins of the G20 Finance and Central Bank Deputies Meeting, the 15 members of the Asia Initiative agreed on high-level work plan[8] in early September for the period 2023-2026 to achieve the objectives of the Declaration and promote the tax transparency agenda in Asia. Work continues within the context of the Africa Initiative and the Latin America Initiative. With 34 member countries and the African Union Commission, the Africa Initiative has raised the profile of tax transparency in Africa since 2014. The Latin America Initiative, which includes all the 15 Latin American countries members of the Global Forum, recently approved a framework to facilitate the use of information exchanged through tax treaty channels for fighting other financial crimes and better combating IFFs.

The Train the Trainer programme[9], which pilot resulted in the training of more than 800 officials in Africa, was expanded to Africa, Asia and Latin America and have reached its final phase with the 69 participants from 35 jurisdictions delivering their first local trainings with the support of the Global Forum Secretariat.

Finally, more than **3 300** officials have been trained on different areas of tax transparency, and the Women Leader in Tax Transparency pilot programme[10] to which 22 female tax officials from developing countries participate is successfully reaching its final phase.

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[6] Press release, Global Forum releases eight new peer review reports on transparency and exchange of information on request, 16 August 2022

[7] www.oecd.org/tax/transparency/documents/Bali-Declaration.pdf

[8] www.oecd.org/tax/transparency/documents/asia-initiative-second-meeting-statement-of-outcomes.pdf

[9] www.oecd.org/tax/transparency/what-we-do/technical-assistance/train-the-trainer.htm

[10] www.oecd.org/tax/transparency/what-we-do/technical-assistance/women-leaders-in-tax-transparency.htm

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Next steps

The Global Forum members will meet for the annual Plenary Meeting on 9-11 November 2022, in Sevilla, Spain after two years of virtual meetings. At the meeting, the Global Forum members will decide on crucial elements of the Global Forum's future.

- Following last year's decision to renew the Global Forum's mandate, the membership of all its working groups, including the chairmanship, will be renewed for the new mandate from 2023-2025.
- To build on what has been achieved so far and to deliver an effective AEOI Standard based on a level playing field, the Global Forum is putting in place a framework for a further round of peer reviews with respect to the effective implementation of the AEOI Standard. The further round has been designed to obtain further and deeper assurance that the standard is operating effectively in practice, including through ensuring that financial institutions are effectively complying with their due diligence and reporting obligations.
- The Global Forum will also continue its work on the future directions of the Global Forum and consider the outcomes of the work on risks to the effective implementation of the EOI Standards.

Tax and Development

The pressure on developing countries to improve domestic resource mobilisation is greater than ever, to repair their fiscal position and so to finance their development needs and reach the Sustainable Development Goals (SDGs). Implementation of the international tax standards, including the successful implementation of the Two-Pillar Solution, will help raise revenues as well as ensure that all countries, including developing countries, continue to advance together in the reforms to the international tax system. Building tax capacity remains a priority in order to achieve this goal.

"We reaffirm our objective to strengthen the tax and development agenda in light of the G20 Ministerial Symposium on Tax and Development, and we note the forthcoming new G20/OECD Roadmap for Developing Countries and International Tax."

G20 Chair's Summary Third G20 Finance Ministers and Central Bank Governors Meeting, Bali, 15-16 July 2022

The OECD assists developing countries with capacity building through its bilateral programmes, regional initiatives and the Global Relations Programme on Taxation (GRP). The work is focused on building capacity among developing countries to participate in the development of international tax standards, ensuring their voices are heard, and in the implementation of those standards. The OECD works closely with development partners to make sure developing countries are well served and to avoid duplication in our efforts. For example, the OECD works closely with the International Monetary Fund, United Nations and World Bank Group through the G20-mandated Platform for Collaboration on Tax.[11]

In the last year, the work has paid real dividends. For example, in Zambia, a long-term transfer pricing technical assistance programme provided by the African Tax Administration Forum (ATAF)/OECD/World Bank Group partnership has helped the Zambia Revenue Authority achieve a five-fold increase in corporate income tax paid by mining companies in Zambia from 631m Kwacha (USD 63 million) in 2016 to 6.819 billion Kwacha (USD 322 million) in 2021.

[11] See *Tax Co-operation for Development – Progress Report on 2021* for a full description of this work.

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Developing Countries' Progress and Roadmap on International Tax

In October 2021, the OECD presented G20 Finance Ministers and Central Bank Governors with a report on *Developing Countries and the OECD/G20 Inclusive Framework on BEPS*.[12] Ministers called on the OECD to explore, as a top priority, the recommendations made in that report to identify possible areas where domestic resource mobilisation efforts could be further supported.[13] While concrete progress has already been made, for your October meeting the OECD now delivers a follow-up report that tracks progress since last year and provides a roadmap for further actions by the G20 and other interested stakeholders.

That follow-up report, the *G20/OECD Roadmap on Developing Countries and International Taxation*, in Annex C, notes that developing countries are continuing to make progress on the BEPS Actions, though challenges remain, and progress is uneven. For example, while many developing countries are successfully addressing harmful tax practices and implementing VAT on e-commerce measures in line with the international standard, progress on Country-by-Country reporting remains modest.

Developing countries continue to have a material impact on the development of detailed implementation rules of the Two-Pillar Solution. For example, with respect to Pillar One, developing countries promoted a broader scope and simplified design to the exclusion of extractive activities from Amount A, as well as the application of simplified transfer pricing rules to in-country baseline marketing and distribution activities for Amount B. Moreover, developing countries had a significant influence on many of the key aspects of the GloBE rules under Pillar Two, including the complementary Qualified Minimum Domestic Top-up Taxes, which allows source countries to have the first right to any top-up taxes due on low taxed income in their jurisdiction.

> The Advisory Group for Global Dialogue on Tax Matters provides a flexible platform for officials from developed and developing countries to exchange views and promote dialogue on tax matters, with a view to fostering developing countries' contributions to the work of the OECD's Committee on Fiscal Affairs (CFA), including in its Inclusive Framework format.

The Inclusive Framework has made significant governance reforms to increase its inclusivity. In March 2022, Marlene Nembhard-Parker of Jamaica was elected as its inaugural co-chair to help amplify the voices of developing countries. Further, in December 2021, the mandate of the OECD Advisory Group for Global Dialogue on Tax Matters was updated to ensure that developing countries may further engage in, contribute to, and benefit from the work of the Inclusive Framework.

Responding to the 2021 Report's overarching recommendation for regular high-level political dialogue, two ministerial meetings have been held: a Ministerial Roundtable in November 2021 and the G20 Ministerial Symposium on Tax and Development, held in Bali in July 2022.[14] These ministerial meetings confirmed the key priorities to be addressed in the Roadmap including:

- Maintaining and accelerating progress on implementing priority BEPS actions, in particular Country-by-Country reporting, to ensure developing countries can benefit from them;
- Supporting the implementation of the Two-Pillar Solution; and

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[12] OECD (2021), *Developing Countries and the OECD/G20 Inclusive Framework on BEPS: OECD Report for the G20 Finance Ministers and Central Bank Governors, October 2021, Italy*, OECD, Paris, www.oecd.org/tax/beps/developing-countries-and-the-oecd-g20-inclusive-framework-on-beps.htm.

[13] Communiqué, G20 Finance Ministers and Central Bank Governors Meeting 17-18 February 2022, Annex 1

[14] https://g20.org/g20-2022-tax-symposium-tax-and-development/

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- Exploring other priority areas for multilateral co-operation with developing countries, with a particular focus on tax and the SDGs.

Capacity Building

The OECD offers a range of bilateral and multilateral capacity building activities to help developing countries implement the BEPS measures and other international tax priorities, such as transfer pricing and standards on value added tax (VAT). In 2021, the OECD's bilateral support programme resulted in 13 countries passing legislation and regulations for BEPS implementation.[15]

In 2021, over 6,000 tax officials participated in live training events and more than 11,000 enrolled in self-paced training from over 180 jurisdictions.

The OECD's Global Relations Programme on Taxation (GRP) provides a fully integrated and blended learning system, which comprises both live (virtual and in-person) and self-paced training activities on international tax matters. The major area of focus of the GRP in 2022 has been the development of capacity-building tools on the Two-Pillar Solution and supporting countries in actively participating in the negotiation of the details of the Two-Pillar Solution. To date, the OECD released 9 recorded webinars providing a general overview of the Two Pillars and covering several aspects of the GloBE Rules in greater detail, which were effectively complemented by a number of virtual classes and Q&A sessions on the same topics.

The OECD also hosts a range of multilateral and regional events in collaboration with regional tax organisations, as well as bilaterally in response to country demand. As the rules and instruments for the implementation of the Two-Pillar Solution are finalised, support will turn towards more bespoke assistance on a regional and bilateral basis to implement the rules into domestic law and to facilitate timely signature and ratification of the necessary legal instruments. This will include the launch of refreshed induction programmes aimed at providing comprehensive support at both the technical and political level. The first induction programmes will launch shortly and will encompass the implementation of existing BEPS measures and other tax policy priorities as identified by the individual countries.

Tax Inspectors Without Borders

Tax Inspectors Without Borders (TIWB), a joint OECD-UNDP initiative, offers a unique approach to capacity-building that deploys experts to developing country tax administrations to provide practical, hands-on assistance on current audit cases and related international tax issues. As of 30 June 2022, TIWB programmes spanned 54 jurisdictions, with 56 completed and 50 current programmes, including 21 South-South programmes.

To date, a total of **USD 1.7 billion** in additional tax collected and USD **3.9 billion** in additional tax assessed are attributed to TIWB programmes across Africa, Asia and the Pacific, Eastern Europe, and Latin America and the Caribbean.

Tax Morale

As the international community prepares for the implementation of a new global minimum tax, it is important to better understand current levels of trust and transparency among tax administrations and in business, which are factors that will underpin the success of the new international tax rules. To that end, new research presented in *Tax Morale II: Building Trust between Tax Administrations and Large Businesses*

[15] Benin, Brazil, Burkina Faso, Honduras, Jamaica, Kazakhstan, Kenya, Mongolia, Rwanda, Senegal, Sierra Leone, Ukraine and Zambia.

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builds on previous OECD research combining data from a survey of tax administrations' perceptions of large business and Big Four behaviour on tax, with previous survey data of MNE perceptions on tax systems.[16]

With a particular focus on developing countries, the data highlights a number of challenges, especially in the trust between tax administrations and large businesses, with many perceiving relationships not to be open and transparent, and a lack of trust in information provided. A number of actions for all stakeholders to take were identified in a series of multi-stakeholder roundtables and are outlined in the report.

- There is significant interest in co-operative compliance, but further work is needed to better understand how to effectively introduce co-operative compliance in capacity-constrained developing countries.
- New capacity building on business value chains, as well as less technical issues such as communication and negotiation may also help.
- Improving the accountability of the behaviour of both tax administrations and businesses (and their advisors) will be key to building trust; and greater use of guidelines and taxpayer charters may be useful.
- Businesses also need to identify how to introduce accountability, including in subsidiaries in developing countries into the growing range of tax and business principles.

The OECD will continue to work with both tax administrations and the private sector to help identify and implement strategies and policies to build trust, while also continuing to research other dimensions of tax morale.

Work on Indirect Tax

The OECD work to assist developing economies with the implementation of relevant e-commerce VAT/GST reforms based on the internationally agreed OECD VAT/GST standards and guidance, has continued at a strong pace. Following the release of the first *VAT Digital Toolkit for Latin America and the Caribbean*[17] in 2021, the *Toolkit for the Asia Pacific*[18] region was completed in March 2022, while the *Toolkit for Africa* is under development and is expected to be released in early 2023. The toolkits are detailed practical manuals to assist developing economies in the design, administrative and operational implementation of the OECD framework for the collection of VAT on digital trade, developed in close consultation with tax authorities in developing economies.

To date, over 75 jurisdictions, including developing economies, have implemented these standards and guidance as an integral part of their responses to the tax challenges of the digitalising economy. Their implementation allows economies to secure crucial VAT/GST revenues and to ensure a level playing field between e-commerce and traditional businesses, without stifling innovation and economic growth. While most of these reforms have been aimed at the collection of VAT/GST on online sales of services and digital products, countries are now increasingly considering further reform to ensure that VAT/GST is also collected effectively on online sales of low value imported goods, based on OECD standards and guidance. Moreover, and in response to strong demand, the OECD has established a dedicated technical assistance

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[16] OECD (2022), *Tax Morale II: Building Trust between Tax Administrations and Large Businesses*, OECD Publishing, Paris, https://doi.org/10.1787/7587f25c-en.

[17] OECD/WBG/ADB (2022), *VAT Digital Toolkit for Latin America and the Caribbean*, OECD, Paris, www.oecd.org/tax/consumption/vat-digital-toolkit-for-latin-america-and-the-caribbean.htm

[18] OECD/WBG/ADB (2022), *VAT Digital Toolkit for Asia-Pacific*, OECD, Paris, www.oecd.org/tax/consumption/vat-digital-toolkit-for-asia-pacific.htm.

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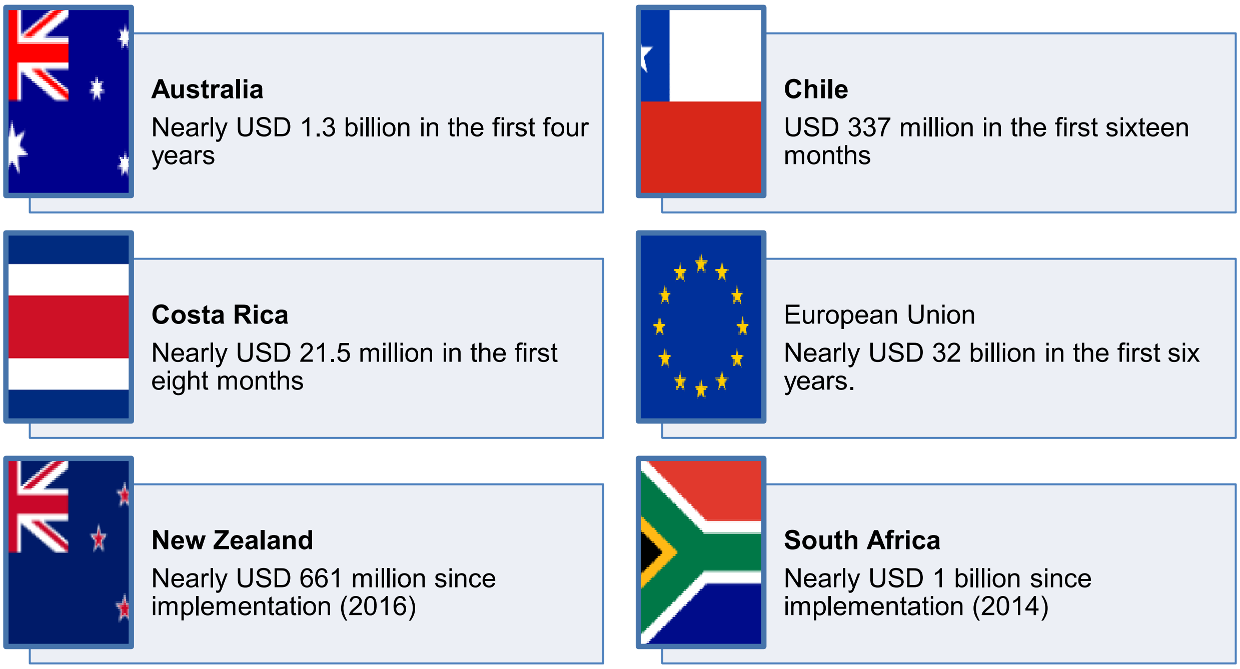
program on VAT/GST and e-commerce for developing economies, covering all aspects of VAT/GST reform targeted at digital trade and the implementation of robust audit and enforcement strategies.



Revenue raised from inbound services through OECD led VAT/GST reform

Tax Administration

The main priorities of the Forum on Tax Administration (FTA) over the last year, reaffirmed at its recent 20th anniversary Plenary in Sydney, have been identifying and working to address the implementation challenges of the Two Pillar Solution, taking forward work on the future of tax administration and supporting tax capacity building. [19] On the implementation of the two Pillars, a new tax administration focus group has been established to help identify the main practical implementation challenges as well as common solutions. This group will also support further work on establishing where new technology tools can help to smooth implementation and reduce burdens for both taxpayers and tax administrations. Following publication of the report on *Tax Administration 3.0: The Digital Transformation of Tax Administration* reportwork has also been undertaken on the development of new diagnostic tools as well as analysis to inform possible areas for future in-depth collaboration and how that collaboration might best be managed.[20]

As part of this, a new *Digital Transformation Maturity Model*[21] and a new web-based global *Inventory of Tax Technology Tools*[22] have been released, as well as the outcomes of initial exploratory work agreed at

[19] www.oecd.org/tax/forum-on-tax-administration/events/2022/

[20] OECD (2020), *Tax Administration 3.0: The Digital Transformation of Tax Administration*, OECD, Paris. www.oecd.org/tax/forum-on-tax-administration/publications-and-products/tax-administration-3-0-the-digital-transformation-of-tax-administration.htm

[21] OECD (2022), *Digital Transformation Maturity Mode*l, OECD, Paris, www.oecd.org/tax/forum-on-tax-administration/publications-and-products/digital-transformation-maturity-model.htm.

[22] See www.oecd.org/tax/forum-on-tax-administration/tax-technology-tools-and-digital-solutions/

the FTA's 2021 Plenary. FTA Commissioners have also agreed to the establishment of a new FTA senior-level group to identity future high-value projects for international collaboration, with early work expected to focus on the implementation of the Pillars and the development of a possible pilot of cross border real-time exchange of information with sharing and gig economy platforms. In the area of capacity building, following the publication of a report on *Supporting the Digitalisation of Developing Country Tax Administrations*, FTA members agreed to support the launch earlier this year of a new pilot of the TIWB initiative to provide confidential peer-to-peer support on digitalisation strategy and implementation.[23] The FTA's Capacity Building Network is also supporting tax capacity building to implement the Pillars.

Tax and Crime

The OECD Task Force on Tax Crimes and Other Crimes (TFTC) has agreed a wide-ranging work programme, with projects underway in a number of areas including enhancing inter-agency and international cooperation, asset recovery, fighting the professionals who enable tax and other white-collar crime, and managing investigations involving the misuse of virtual assets. This year also saw the agreement of the OECD Council Recommendation on the *Ten Global Principles for Fighting Tax Crime* at the OECD Ministerial Council Meeting in June, which underpins the work of the TFTC.[24] The OECD is now engaging with countries to encourage those that have not yet done so to undertake self-assessments against the Ten Global Principles in order to help promote their uptake on a global basis.

The OECD International Academy for Tax Crime Investigation is an integral part of the OECD's Oslo Dialogue initiative which supports countries in their combat against tax crime and other financial crimes.

The OECD has also continued to support capacity building in the fight against tax crimes and illicit financial flows. Over 400 participants joined training programmes of the OECD Academy for Tax and Financial Crime Investigation in 2022, taking the total of participants to 2 300 since its creation nine years ago. The Academy has also resumed its on-site programmes after the end of COVID-19 restrictions, with virtual courses staying as part of the curriculum as part of the lessons learned from the pandemic. A recently published impact assessment study demonstrates the positive impact of the Academy, with the vast majority of trained officials reporting that it provided them with skills and techniques that were easily transferable to their domestic context and used in practice in the years following their participation.

TFTC members are also supporting the new TIWB programme for Criminal Investigations (TIWB-CI), which has moved from a pilot phase to a fully-fledged programme currently assisting nine jurisdictions in improving their tax crime enforcement framework.

[23] OECD (2021), *Supporting the Digitalisation of Developing Country Tax Administrations*, Forum on Tax Administration, OECD, Paris, www.oecd.org/tax/forum-on-tax-administration/publications-and-products/supporting-the-digitalisation-of-developing-country-tax-administrations.htm.

[24] OECD (2021), *Fighting Tax Crime – The Ten Global Principles, Second Edition*, OECD Publishing, Paris, https://doi.org/10.1787/006a6512-en.

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BEPS Project Implementation

While the main focus of the Inclusive Framework remains the Two-Pillar Solution, work continues to ensure the implementation of the BEPS minimum standard, as evidenced by the BEPS Progress Report (in Annex G)[25] recently agreed by the Inclusive Framework.

- **Action 5 on Harmful Tax Practices**

  Since the beginning of the BEPS Action 5 peer reviews, the Forum on Harmful Tax Practices (FHTP) has reviewed over 300 preferential regimes and the substance legislation of 12 no tax or only nominal tax jurisdictions. In addition, almost 50 000 exchanges of information on tax rulings between governments have taken place to date, with peer reviews on tax rulings covering 131 jurisdictions. In July 2022, the results of the FHTP's first annual monitoring of the effectiveness in practice of the substantial activities requirements in no or only nominal tax jurisdictions were released. Recommendations for substantial improvement were made for four jurisdictions (Anguilla, the Bahamas, Barbados and the Turks and Caicos Islands) and areas for focused monitoring were identified for another four jurisdictions (Bahrain, Bermuda, the British Virgin Islands and the Cayman Islands). No issues were identified for Guernsey, Jersey, the Isle of Man and the United Arab Emirates.

- **Action 6 on Tax Treaty Abuse**

  Most Inclusive Framework members rely on the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (MLI) to implement Action 6. The MLI now covers 100 jurisdictions and around 1 850 bilateral tax treaties. As of 1 October, the BEPS MLI has already started to modify the bilateral treaties concluded among 79 jurisdictions that have ratified it and an additional around 930 treaties will be modified once the MLI is ratified by all signatories.

- **Action 13 on Country-by-Country (CbC) reporting**

  The implementation of CbC reporting is well underway and tangible progress has been made on multiple fronts since I last reported to you, with more jurisdictions introducing domestic legislation to require CbC reporting, and those with existing legislation taking steps to put exchange relationships in place and address recommendations from earlier peer reviews.[26]

[25] OECD (2022), *OECD/G20 Inclusive Framework on BEPS: Progress Report September 2021-September 2022*, OECD, Paris, https://oe.cd/IFreport2022.

[26] OECD (2022), *Country-by-Country Reporting – Compilation of 2022 Peer Review Reports: Inclusive Framework on BEPS: Action 13, OECD/G20 Base Erosion and Profit Shifting Project*, OECD Publishing, Paris, https://doi.org/10.1787/5ea2ba65-en.

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Domestic legal and administrative framework	Exchange of information framework	Confidentiality
• Over 100 jurisdictions have a domestic legal framework for CbC reporting in place. • A number of jurisdictions have final legislation approved that is awaiting official publication.	• In total, 87 jurisdictions have multilateral or bilateral competent authority agreements in place.	• Around 90 jurisdictions have undergone an assessment as to their confidentiality and data safeguards.

- **Action 14 on Mutual Agreement Procedure**

  Under BEPS Action 14, jurisdictions have committed to improving the resolution of tax-related disputes between jurisdictions. As the need for tax certainty increases, this minimum standard is critical to ensuring that tax disputes are resolved in a timely, effective and efficient manner. Despite the significant disruption caused by the COVID-19 pandemic, peer review monitoring of the BEPS Action 14 minimum standard has continued unabated. In September 2022 the latest peer review reports were released showing the efforts that 13 jurisdictions (Aruba, Bahrain, Barbados, Gibraltar, Greenland, Kazakhstan, Oman, Qatar, Saint Kitts and Nevis, Thailand, Trinidad and Tobago, United Arab Emirates and Viet Nam) have made to comply with the minimum standard.[27] With this, the Action 14 peer review process for all reviewed jurisdictions under the current Assessment Methodology has been completed. The FTA MAP Forum is currently engaged in developing the revised assessment methodology so that monitoring of this important area continues.

[27] www.oecd.org/tax/beps/making-tax-dispute-resolution-more-effective-new-peer-review-assessments-aruba-bahrain-barbados-gibraltar-greenland-kazakhstan-oman-qatar-saint-kitts-nevis-thailand-trinidad-tobago-united-arab-emirates-viet-nam.htm

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Annex A. Report on Automatic Exchange of Information

The table below provides an overview of the results of the Global Forum peer reviews with respect to the AEOI Standard that have taken place so far, including, for the first time, the results of the initial reviews into the effectiveness of the implementation of the AEOI Standard in practice.

Further details can be found in the *Peer Review of the Automatic Exchange of Financial Account Information 2022*.[28]

Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Andorra	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**On Track**	**On Track**	**On Track**
Anguilla	**In Place**	**In Place**	**In Place**	**Partially Compliant**	**On Track**	**Partially Compliant**
Antigua and Barbuda	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Non-Compliant**	**Partially Compliant**	**Non-Compliant**
Argentina	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Partially Compliant**	**On Track**	**Partially Compliant**
Aruba	**Not In Place**	**In Place**	**Not In Place**	**Non-Compliant**	**On Track**	**Non-Compliant**
Australia	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**On Track**	**On Track**	**On Track**
Austria	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Azerbaijan	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**On Track**	**On Track**	**On Track**

[28] OECD (2022), *Peer Review of the Automatic Exchange of Financial Account Information 2022*, OECD, Paris, https://oe.cd/aeoi2022.

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Bahrain	In Place	In Place	In Place	On Track	On Track	On Track
Barbados	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	Partially Compliant	On Track
Belgium	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Belize	Not In Place	In Place	Not In Place	Non-Compliant	On Track	Non-Compliant
Bermuda	In Place	In Place	In Place	On Track	On Track	On Track
Brazil	In Place	In Place	In Place	On Track	On Track	On Track
British Virgin Islands	In Place	In Place	In Place	Partially Compliant	On Track	Partially Compliant
Brunei Darussalam	In Place	In Place	In Place	Partially Compliant	On Track	Partially Compliant
Bulgaria	In Place	In Place	In Place	On Track	On Track	On Track
Canada	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Cayman Islands	In Place	In Place	In Place	On Track	On Track	On Track
Chile	In Place But Needs Improvement	In Place	In Place But Needs Improvement	Non-Compliant	Partially Compliant	Non-Compliant
China	In Place	In Place	In Place	On Track	On Track	On Track
Colombia	In Place	In Place	In Place	On Track	On Track	On Track
Cook Islands	In Place	In Place	In Place	Non-Compliant	On Track	Non-Compliant
Costa Rica	Not In Place	In Place	Not In Place	Non-Compliant	Partially Compliant	Non-Compliant

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Croatia	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Non-Compliant**	**On Track**	**Non-Compliant**
Curaçao	**Not In Place**	**In Place**	**Not In Place**	**Non-Compliant**	**Partially Compliant**	**Non-Compliant**
Cyprus	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Czech Republic	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Denmark	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Dominica	**In Place**	**In Place**	**Not In Place**	**Non-Compliant**	**Partially Compliant**	**Non-Compliant**
Estonia	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Partially Compliant**	**On Track**	**Partially Compliant**
Faroe Islands	**In Place**	**In Place**	**In Place**	**Partially Compliant**	**On Track**	**Partially Compliant**
Finland	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
France	**In Place**	**In Place**	**In Place**	**On Track**	**Partially Compliant**	**On Track**
Germany	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Ghana	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	Not yet reviewed		
Gibraltar	**In Place**	**In Place**	**In Place**	**Partially Compliant**	**On Track**	**Partially Compliant**
Greece	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Greenland	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Grenada	**In Place**	**In Place**	**In Place**	**Non-Compliant**	**Partially Compliant**	**Non-Compliant**
Guernsey	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Hong Kong (China)	In Place	In Place	In Place	On Track	On Track	On Track
Hungary	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Iceland	In Place	In Place	In Place	On Track	On Track	On Track
India	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Indonesia	In Place	In Place	In Place	On Track	On Track	On Track
Ireland	In Place	In Place	In Place	On Track	On Track	On Track
Isle of Man	In Place	In Place	In Place	On Track	On Track	On Track
Israel	Not In Place	In Place	Not In Place	Partially Compliant	On Track	Partially Compliant
Italy	In Place	In Place	In Place	On Track	On Track	On Track
Japan	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Jersey	In Place	In Place	In Place	On Track	On Track	On Track
Korea	In Place	In Place	In Place	On Track	On Track	On Track
Kuwait	Not In Place	In Place	Not In Place	Not yet reviewed		
Latvia	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Lebanon	In Place	In Place	In Place	Partially Compliant	On Track	On Track
Liechtenstein	In Place	In Place	In Place	On Track	On Track	On Track

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Lithuania	In Place	In Place	In Place	On Track	On Track	On Track
Luxembourg	In Place	In Place	In Place	On Track	On Track	On Track
Macau (China)	In Place	In Place	In Place	On Track	On Track	On Track
Malaysia	In Place	In Place	In Place	On Track	On Track	On Track
Malta	In Place	In Place	In Place	Partially Compliant	On Track	Partially Compliant
Marshall Islands	In Place	In Place	In Place	Partially Compliant	On Track	Partially Compliant
Mauritius	In Place	In Place	In Place	On Track	On Track	On Track
Mexico	In Place	In Place	In Place	Partially Compliant	Partially Compliant	Partially Compliant
Monaco	In Place	In Place	In Place	On Track	On Track	On Track
Montserrat	In Place	In Place	In Place	Non-Compliant	Non-Compliant	Non-Compliant
Nauru	In Place	In Place	In Place	On Track	On Track	On Track
Netherlands	In Place	In Place	In Place	On Track	On Track	On Track
New Caledonia	In Place	In Place	In Place	Not yet reviewed		
New Zealand	In Place	In Place	In Place	On Track	On Track	On Track
Nigeria	In Place But Needs Improvement	In Place	In Place But Needs Improvement	Not yet reviewed		
Niue	In Place	In Place	In Place	On Track	On Track	On Track
Norway	In Place	In Place	In Place	On Track	On Track	On Track

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Oman	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	Not yet reviewed		
Pakistan	**In Place**	**In Place**	**In Place**	**Partially Compliant**	**Partially Compliant**	**Partially Compliant**
Panama	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Non-Compliant**	**Partially Compliant**	**Non-Compliant**
Peru	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	Not yet reviewed		
Poland	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**On Track**	**On Track**	**On Track**
Portugal	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Qatar	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Romania	**In Place**	**In Place**	**In Place**	**Partially Compliant**	**On Track**	**Partially Compliant**
Russia	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	No data available		
Saint Kitts and Nevis	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Saint Lucia	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**On Track**	**On Track**	**On Track**
Saint Vincent and the Grenadines	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Non-Compliant**	**Non-Compliant**	**Non-Compliant**
Samoa	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
San Marino	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Saudi Arabia	**In Place**	**In Place**	**In Place**	**On Track**	**On Track**	**On Track**
Seychelles	In Place But **Needs Improvement**	**In Place**	In Place But **Needs Improvement**	**Non-Compliant**	**Non-Compliant**	**Non-Compliant**

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Jurisdiction	Review of the AEOI legal frameworks			Initial review of effectiveness in practice of AEOI		
	Core Requirement 1 (domestic legal framework)	Core Requirement 2 (international legal framework)	Overall determination	Core Requirement 1 (domestic information collection and reporting)	Core Requirement 2 (international information exchange)	Overall rating
Singapore	In Place	In Place	In Place	On Track	On Track	On Track
Sint Maarten	In Place But Needs Improvement	In Place	In Place But Needs Improvement	Non-Compliant	Non-Compliant	Non-Compliant
Slovak Republic	In Place	In Place	In Place	On Track	On Track	On Track
Slovenia	In Place	In Place	In Place	On Track	On Track	On Track
South Africa	In Place	In Place	In Place	Partially Compliant	On Track	Partially Compliant
Spain	In Place	In Place	In Place	On Track	On Track	On Track
Sweden	In Place	In Place	In Place	On Track	On Track	On Track
Switzerland	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
The Bahamas	In Place But Needs Improvement	In Place	In Place But Needs Improvement	Non-Compliant	On Track	Non-Compliant
Trinidad and Tobago	Not In Place	Not In Place	Not In Place	Non-Compliant	Non-Compliant	Non-Compliant
Türkiye	In Place	In Place	In Place	Partially Compliant	Partially Compliant	Partially Compliant
Turks and Caicos Islands	In Place But Needs Improvement	In Place	In Place But Needs Improvement	Non-Compliant	On Track	Non-Compliant
United Arab Emirates	In Place	In Place	In Place	On Track	On Track	On Track
United Kingdom	In Place	In Place	In Place	On Track	On Track	On Track
Uruguay	In Place But Needs Improvement	In Place	In Place But Needs Improvement	On Track	On Track	On Track
Vanuatu	In Place	In Place	In Place	Non-Compliant	On Track	Non-Compliant

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Annex B. Progress Report on the Administration and Tax Certainty Aspects of Amount A of Pillar One

Available to download here.

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Annex C. G20/OECD Roadmap on Developing Countries and International Taxation

Available to download here.

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Annex D. Crypto-Asset Reporting Framework and Amendments to the Common Reporting Standard

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Annex E. Tax Incentives and the Global Minimum Corporate Tax

Available to download here.

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Annex F. Pricing Greenhouse Gas Emissions

Forthcoming here.

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Annex G. OECD/G20 Inclusive Framework on BEPS Progress Report

Available to download here.

OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors

Indonesia, October 2022

This report sets out the latest developments in international tax reform, including on the Two-Pillar Solution to address the Tax Challenges arising from the Digitalisation of the Economy and major developments in tax transparency efforts, together with a new roadmap on tax and development, a new report on the pricing of greenhouse gas emissions and updates on other important work including the implementation of the BEPS minimum standards and on tackling tax and crime.

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