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Deutsches Institut für  
Entwicklungsarbeit

German Development  
Institute



# 8th International Workshop on Domestic Revenue Mobilization: “Taxation and digitalization”

1-2 October 2019, Bonn

German Development Institute/Deutsches Institut für Entwicklungsarbeit (DIE)



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### "Taxation and digitalization"

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Digitalization should be considered a transformative factor for tax systems worldwide. The use of ICT in economic transactions and tax administrations entails the prospect of addressing tax compliance, evasion, and avoidance in new ways. Increased information could also provide new opportunities for tax policy design. Digitalization could lead to a unified database on taxpayers' income, consumption, and wealth. By conditioning tax schedules on such information, governments can target income redistribution better and in potentially more efficient ways. Digitalization may also ease a more complete integration of tax and social benefit systems.

However, digitalization also poses serious challenges. Tax authorities are faced with new business models, amplifying deeper problems in the current system. Public debate tends to focus on the taxation of big global players such as Google or Amazon, but the digitalized economy is a universal phenomenon that permeates all economic sectors in all countries, and tax systems are struggling to deal with this reality. Digitalization also raises important questions regarding the collection and management of data by public authorities.

Digitalization has the power to lead to a profound reshaping of the fiscal contract between taxpayers and the state, but the process has to be managed wisely in order to generate the desired benefits for society. The potential misuse of vast new amounts of data by government or vulnerabilities to cyberattacks are concerns that could undermine effective international cooperation in tax matters as well as the domestic collection of taxpayer data for tax policy design and implementation. Issues of data protection and rule of law need to be addressed in an open and inclusive manner. As digitalization moves the limits of what governments can and should do, it has to be embedded in broader societal debates on governance and legitimate rule.

Against this background, this DIE-IMF workshop brings together scholars, government officials, representatives from international organizations and other experts to discuss ongoing research and initiatives in this area and assess their policy implications.

# Agenda

**Tuesday 1 October**

09:30–	<b>Welcome</b>
10:30	<b>DIE</b>
	<b>Opening Address</b>
	<i>Petra Schmidt, BMZ</i>
	<b>Introduction</b>
	<i>Alexander Klemm, IMF</i>
	<i>Christian von Haldenwang, DIE</i>
10:30 –	<b>Digitalization, Taxation and the Fiscal Contract</b>
11:30	Chair: Eva Kirch
	Digital Strategies for Developing Countries
	<i>Timo Laukkanen (OECD &amp; Finnish Tax Authority)</i>
	Digitalizing the Fiscal Contract: Opportunities and challenges for e-government and taxation in developing countries
	<i>Christian von Haldenwang (DIE)</i>
	Discussant: Armin von Schiller (DIE)

11:30 –	<b>Coffee break</b>
12:00	
12:00 –	<b>Digitalization and Tax Performance</b>
13:00	Chair: Shafik Hebous (IMF)
	Are ICTs boosting tax performance?
	<i>Jean-François Brun (Univ. Clermont Auvergne, CERDI)</i>
	What types of tax revenues do more digitalized tax administrations mobilize? Empirical insights from cross-country panel data
	<i>Sabine Laudage (DIE)</i>
	Discussant: Maria Jouste (UNU-WIDER)

13:00 –	<b>Lunch break</b>
14:00	
14:00 –	<b>Digitalization and Tax Compliance (I)</b>
15:00	Chair: Jörg Nadoll (GIZ)
	Development of a risk and compliance system in the Cameroon Directorate General of Taxation
	<i>Eva Kirch &amp; Sanna Hermansson (Revenue Development Foundation)</i>
	Do tax administrative interventions targeted to small businesses improve tax compliance and revenue collection? Evidence from Ugandan Tax Administrative Data
	<i>Maria Jouste (UNU-WIDER)</i>
	Discussant: Sabine Laudage (DIE)

15:00 – ***Coffee break***

15:30

15:30 – **Digitalization and Tax Compliance (II)**

16:30 Chair: Frankie Mbuyamba (ATAF)

Digitalization, Tax Compliance and Revenue Mobilization: VAT e-invoicing in Peru  
*Matthieu Bellon (IMF)*

Streamlining Tax Compliance and the Use of New Technologies  
*Julia de Jong (IBFD)*

Discussant: Jean-François Brun (Univ. Clermont Auvergne, CERDI)

16:30 – ***Short break***

16:45

16:45 – **Tax and Digital Financial Services**

17:45 Chair: Alex Klemm (IMF)

Digitalisation of taxes: Does tax payment through mobile money services affect tax revenue collection performance in Sub-Saharan Africa?  
*Seydou Coulibaly (Univ. Clermont Auvergne)*

Insights from the Digital Financial Services & Taxation Working Group  
*Rosita Najmi (Gates Foundation) & Jeremiah Grossman (BFA Global)*

Discussant: Michael Roll (DIE)

18:00 – **Reception**

20:00

**Wednesday 2 October**

09:00 – **Tax Policy Issues of Digitalization**

10:00 Chair: Maria Reese (GIZ)

Alexa and Siri Do Not Pay Taxes! On the Incidence of Robot Taxes

*Shafik Hebous (IMF)*

Taxation of Digital Platforms

*Marko Köthenbürger (ETH Zurich)*

Discussant: Jakob Schwab (DIE)

10:00 – ***Short break***

10:15

10:15 – **The Role of International Cooperation**

11:15 Chair: Yakubu Anderson (Ghana Revenue Authority)

Tax policy and resource mobilisation issues of digitalisation in developing countries

*Jörg Mayer (UNCTAD)*

Developing a Consensus Solution for the Tax Challenges Arising from the Digitalisation of  
the

Economy

*Tibor Hanappi (OECD)*

Discussant: Paul Marschall (DIE)

11:15 – ***Coffee break***

11:45

11:45 – **Final Panel: Future Issues of Tax and Digitalization**

12:30 Chair: Christian von Haldenwang (DIE)

Nara Monkam (ATAF)

Alex Klemm (IMF)

Mick Moore (ICTD)

Julia de Jong (IBFD)

12:30 – **Closing remarks & good-bye**

13:00

13:00 – **Light lunch and depart**

14:00