



MINISTRY OF FINANCE
REPUBLIC OF INDONESIA

JOINT IMF-INDONESIA HIGH-LEVEL CONFERENCE
INTERNATIONAL TAXATION IN ASIA: ISSUES AND THE WAY FORWARD
HOTEL MULIA SENAYAN, JAKARTA, JULY 12–13, 2017

Strengthening tax systems has emerged as a key development priority for the implementation of the 2030 Sustainable Development Goals (SDG). It is recognized that strong tax systems are key for enhancing state building; it is not just how much revenue is raised that matters for development and growth, but also how it is raised.

International tax reforms are integral to domestic tax system development. Following the establishment of the ASEAN Economic Community (AEC) greater economic inter-dependencies in the region, coupled with the overall expansion of cross-border investment in the region, amplify unwanted side-effects in the form of aggressive tax planning by multinational and regional enterprises. At the same time, weak coordination efforts by ASEAN tax authorities permit investors to exploit tax avoidance opportunities.

With the changing international tax landscape, the reassessment of tax policy among ASEAN (+3) member countries has received increasing attention. The issue of corporate tax avoidance has gained prominence, and new initiatives have been started to tackle international tax issues, including the automatic exchange of information and the G20-OECD Base Erosion and Profit Shifting (BEPS) project. At the same time, sluggish global growth and the pursuit of foreign direct investment to boost national economies and employment have amplified tax competition. The lack of harmonization and coordination on tax incentives among ASEAN member governments has only intensified the race to the bottom, at the expense of revenue in the region.

Against this backdrop, the conference will provide a forum to engage policymakers on issues related domestic resource mobilization, including through international tax reforms. The scope and nature of initiatives to address mismatches and loopholes of the current international tax architecture, remaining areas of difficulty, and the challenges of tax competition and coordination will be addressed.

Each session will begin with a background presentation, followed by a panel discussion. The Conference is open to the media.

Participants are expected to include high-level policy makers from the region, senior staff from international and regional organizations, senior staff from Ministries of Finance and Tax Administrations, and members of academia and civil society. The aim is for the discussions at this conference to inform other upcoming high-level engagements, including the 2018 Annual Meetings of the IMF and World Bank which will be held in Indonesia in October 2018.