

**47<sup>th</sup> SGATAR MEETING**  
**Boracay Island, Philippines**  
**27 – 29 November 2017**



**47TH SGATAR MEETING**  
**2017 Boracay, Philippines**

**Annual Meeting Summary**

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1. The Heads of Delegations (HODs) of the Study Group on Asian Tax Administration and Research (SGATAR) from the tax jurisdictions of sixteen (16) Members convened in Boracay Island, the Philippines, for the 47<sup>th</sup> Annual SGATAR Meeting.<sup>1</sup>
2. The HODs considered and endorsed the following recommendations from the SGATAR Taskforce, which is chaired by New Zealand, with the Philippines and the People’s Republic of China as members:
  - The exploration of ways through which SGATAR can:
    - Become a stronger and more effective network in the Asia-Pacific Region; and,
    - Elevate its profile as the premier forum for collaboration in the Region.
  - The adoption of a strategic, multi-year, multi-tiered capacity building programme that will be implemented through different platforms, such as working groups, classroom training and blended learning programmes. The programme will also serve as an avenue for the identification of working group topics for future Annual Meetings, where the current Host may endorse two or three of the proposed working group topics under the programme. Any topics recommended by the Working Groups of the 47<sup>th</sup> Meeting will be taken into consideration when the Taskforce reviews the programme.
  - In the matter of capacity building in transfer pricing, the Taskforce shall continue to seek other training programs on transfer pricing that may be beneficial for the SGATAR Members, and communicate these programs to the Members.
  - SGATAR shall grant Permanent Observer status to International Organizations, and the first to be granted such status are the Asia-Oceania Tax Consultants Association (AOTCA), the Asian Development Bank, and the Organization of Economic Cooperation and Development. The provisions of the SGATAR Operating Framework on Observers shall be amended accordingly, to reflect the Taskforce’s recommended policies and guidelines on the grant of Permanent Observer Status.
  - The SGATAR Taskforce shall continue to monitor the Discussion Boards on the SGATAR Website, specifically the Forum topic on Consumption Taxes, and will communicate any responses to the Australian Taxation Office.
3. The HODs also endorsed the recommendations of the three SGATAR Working Groups:

Topic I: Transfer Pricing: Issues on High-Risk Transactions common in the Southeast Asian Region and other developing countries

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<sup>1</sup> The 17<sup>th</sup> SGATAR Member, Papua New Guinea, was unable to attend the 47<sup>th</sup> SGATAR Meeting.

The Group recommended that there be a continued consideration and the conducting of workshops and training sessions that will allow the SGATAR Members to:

- Build capability via the sharing of case studies (including typologies) and experiences, including case studies which consider high risk arrangements, including but not limited to, intra-group services agreements
- Develop best practice audit guidelines and policies
- Identify alternate avenues for the resolution of transfer pricing disputes, including but not limited to, Deed of Settlement or Advanced Pricing Arrangements

Topic II: Information Management and Utilization: Business Intelligence and Proper Data Mining, Evaluation and Utilization

The SGATAR Delegates of Working Group II recommended that the Members explore the development of their respective capabilities and competencies in business intelligence and data analytics, through several approaches, which include:

- The sharing of information on:
  - Data and analytics guidelines and best practices,
  - Capabilities and competencies of analytics personnel, and
  - Materials used in the training of analytics personnel and data scientists
- The exploration of opportunities for study visits, internships and secondment to among the SGATAR jurisdictions focused on their respective existing business intelligence and data analytics systems.

Topic III: Human Resources In Tax Administration: Compensation, Benefits And Career Development Of Personnel In The Tax Administration System

The Delegates of Working Group III made the following recommendations:

- The adoption of best practices for the delegation of appointing authority, particularly for recruitment and the revision of salaries;
- The organization of study trips to jurisdictions that enjoy full autonomy;
- Carry out regular salary benchmarking;
- Supplement pay strategies with retention strategies; and
- Train personnel in order to equip them with analytical and digital skills.

4. The HODs were presented with the Annual Work Programme for 2018, which they endorsed in its entirety, and which will serve as the basis of the SGATAR Taskforce's work in the coming year.
5. The Philippines was elected as the Host of the 47th SGATAR Meeting, while the People's Republic of China will host the 48th SGATAR Meeting.
6. The 2018 SGATAR Taskforce will be chaired by the Philippines, with the People's Republic of China and Indonesia as its members. The Taskforce will implement the approved Work Programme for 2017, with special emphasis on the work to be carried out in relation to the future of SGATAR as the premier forum for collaboration in the Asia-Pacific Region.