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ECONOMIC COMMISSION FOR AFRICA
Association of African Tax Administrators

Third General Assembly Meeting
Cairo (Egypt) 12-15 March, 1986

**REPORT ON THE THIRD GENERAL ASSEMBLY
MEETING OF THE ASSOCIATION OF
AFRICAN TAX ADMINISTRATORS**

A. ORGANIZATION AND ATTENDANCE

1. The Third General Assembly meeting of the Association of African Tax Administrators was held at the Meridien Hotel, Cairo (Egypt) from 12 to 15 March 1986. The meeting was attended by representatives of the following countries: Algeria, Botswana, Burundi, Republic of Cameroon, Central African Republic, Comores, Peoples Republic of Congo, Djibouti, Arab Republic of Egypt, Ethiopia, Gabon, Malawi, Nigeria, Sudan, Tunisia and Zaire.

2. The members of the General Assembly elected the representatives of the following member States as Chairman and Vice-Chairman.

Chairman: Mr. Farouk Moursy Metwally (Arab Republic of Egypt)

Vice Chairman: M. Naili Douaouda Abderrezak (Algeria)

For the chairmen of the subregional Committees, the following elections were made:

Chairman: Eastern and Southern African Subregional Committee: Comores

Chairman: Central African Subregional Committee: Republic of Cameroon

Chairman: North African Subregional Committee: Arab Republic of Egypt

Chairman: West African Subregion: Nigeria

In accepting the chairmanship of the Association, Mr. Metwally thanked members of the General Assembly for electing him as Chairman. He said that with their co-operation he would be able to discharge his duties as Chairman of AATA to the satisfaction of all members of the Association.

B. AGENDA

3. The provisional agenda presented by the secretariat was considered by the members of the General Assembly and the following agenda was adopted:

1. Registration
2. Opening of the meeting
3. Election of Chairman and Vice-Chairman of AATA for the biennium March 1986 - February 1988.
4. Adoption of the agenda and organization of work.
5. Adoption of the Summary records of the Second General Assembly meeting of AATA.
6. Report on the activities of AATA including financial statements for the biennium March 1986 - February 1988.

7. Provisional programme of work and operating budget of AATA, March 1986 - February 1988.
8. Proposed member States' contributions to AATA biennium budget March 1986 - February 1988.
9. Establishment of the Secretariat of AATA.
10. Date and place of the meeting of the Fourth General Assembly meeting
11. Any other business
12. Distribution of draft summary records and closing of the meeting

C. ACCOUNT OF PROCEEDINGS

Opening of the meeting

4. The Third General Assembly meeting was officially opened by Dr. Salah Hamed, Minister of Finance of the Arab Republic of Egypt.
5. In his opening speech, Dr. Hamed said that the Government and the people of Egypt were greatly honoured because Cairo was chosen to host the Third General Assembly and the Fourth Executive Committee meetings of the Association of African Tax Administrators (AATA). Dr. Hamed said that Egypt became the founder member of AATA because his country realized that the Association could play an important role in ensuring harmonization of fiscal policies and systems in African countries. He reminded the delegates that AATA could help in promoting healthy development of public finances in African countries only through the achievement of its objectives.
6. Dr. Hamed, in his speech, referred to the role of financial resources in the process of economic development. He said that although African countries were well placed in natural endowment but because of colonial exploitation, the financial resources of the continent could not fulfil its development requirements. Efforts had been made to change the situation through appropriate mobilization of the continent's own resources and through the provision of financial requirements for achieving development goals. The continent, Dr. Hamed continued, was still faced with obstacles such as depressed world economic conditions and slow-down in private investments. As a result, most African countries had been forced to adopt expansionary policies to maintain development goals, thus African countries had relied more on external financing for their development programmes. This situation had in itself tended to reinforce the importance of financial co-operation among African countries.
7. In conclusion, Dr. Hamed said that the Association of African Tax Administrators was well placed to institutionalize the process of exchange of tax information and experience through periodic meetings during which delegates would be

able to benefit not only from the experience within the region but also from their partners outside the African region who share freely their expertise on tax issues during those meetings.

8. A representative of the interim Secretariat also delivered a message from Professor Adebayo Adedeji, United Nations Under Secretary-General and Executive Secretary of the United Nations Economic Commission for Africa (ECA).

9. In his message, Professor Adebayo Adedeji, thanked the Government of Arab Republic of Egypt for having agreed to host the Fourth Executive Committee and the Third General Assembly meetings of the Association. He underlined the role the Association could play in assisting African Governments in reversing the present economic and social crisis which the continent was facing.

10. Turning to the financial resources of the Association, the message urged member States to pay their arrears and future assessed contributions because it was only through the payment of the contributions that the Association would be able to establish its own Secretariat.

11. With regard to the taxation workshop to be organized during the meeting, the message expressed the hope that the workshop would be able to come up with a "declaration of tax payers' rights" aimed at improved tax payers' service.

12. The outgoing Chairman, Mr. D. U. Motshegare (Botswana), also addressed the opening session. He pointed out that the holding of taxation technical conferences and workshops were important activities in the programme of work of the Association because taxation was a new concept to the indigenous people in most African countries and for that reason it was important for the Association to meet and exchange ideas and information on issues which were common to all member States of AATA.

13. In concluding his statement Mr. Motshegare appealed to member States of AATA to fulfill their financial obligations to the Association.

Adoption of the summary records of the Second General Assembly Meeting (agenda item 5)

14. The meeting adopted the summary records of the Second General Assembly meeting of AATA.

Report on the activities of AATA including financial statements for the biennium March 1984 - February 1986 (Agenda item 6)

15. The Chairman of AATA (Botswana) for the biennium March 1984 - February 1986 presented the report on the activities of AATA including financial statements for the biennium March 1984 - February 1986. The Chairman informed the meeting that during the period, March 1984 to February 1986, the Association carried out the following activities:

- the holding of the Second Technical Conference in Yaounde, Republic of Cameroon, in October 1985;
- the meetings of the Fourth Executive Committee and Third General Assembly meetings of the Association.

16. The Second Technical Conference, the Chairman told the delegates, dealt with:

- Evolution of administrative systems in Africa with particular reference to tax administration;
- The role of management information and introduction of computerization in tax administration and the importance of audit and collection in tax administration. The Conference was attended by representatives from Algeria, Angola, Benin, Botswana, Cameroon, Central African Republic, Djibouti, Egypt, Gabon, Equatorial Guinea, Madagascar, Nigeria, Rwanda, Senegal, Tunisia, Uganda and Zaire.

17. In discussing the financial resources of the Association, particularly the arrears owed by certain member States, the representatives of the Republic of Cameroon and Algeria informed the meeting that they had paid their contributions but these payments had not been reflected in the financial resources of the Association. In order to investigate these payments, member States claimed to have paid, the concerned countries were requested to provide the interim Secretariat with proof of payments. Another point discussed relating to the financial resources of the Association was the question of external auditing of the accounts of the Association. No concrete decision was taken on this issue although Algeria agreed if requested to provide an auditor who could audit free of charge the accounts of the Association while the representative of Cameroon also volunteered to provide an auditor provided the Association could meet his fare and subsistence allowance.

18. To facilitate the method of payment of contributions by member States, it was agreed that payment should be made by either cheque or bank draft drawn in favour of AATA and sent by a letter to the Executive Secretary of the United Nations Economic Commission for Africa, Addis Ababa, Ethiopia.

Provisional Programme of Work and Operating Budget of AATA,
March 1986 - February 1988 (agenda item 7)

19. The members of the General Assembly considered the recommendations contained in paragraphs 6 to 8 of the report of the Fourth Executive Committee meeting regarding this agenda item. The General Assembly agreed to adopt the following programme of work for the biennium March 1986 - February 1988.

- holding of the Third Technical Conference in 1987;
- meetings of the Fifth Executive Committee and Fourth General Assembly of the Association in March 1988;
- holding of a technical conference during the Fourth General Assembly Meeting.

20. With regard to the taxation topics to be discussed at the Third Technical Conference to be held in 1987, the meeting agreed on the following topics:

- International taxation convention: notion of stable establishment;
- and oil taxation.

21. In discussing the venue for the Third Technical Conference, it was agreed that representatives should consult their respective governments regarding their willingness to host the conference and to subsequently inform the interim secretariat of their governments' decision.

22. The budget estimates approved for carrying out the programme of work for the biennium March 1986 to February 1988 is at Annex I to this report.

Proposed member States contributions to AATA biennium
budget March 1986 - February 1988 (agenda item 8)

23. The outgoing Chairman of AATA presented the recommendation of the Executive Committee on the above agenda item 8. He requested the General Assembly to adopt for the assessment of member States' contributions to AATA biennium March 1986 - February 1988, the "Equal Share" formula. The members of the General Assembly unanimously accepted the recommendation.

24. Based on the "Equal share" formula and the budget approved being US\$88,000, each member State's contribution to the budget would be US\$4,000 as there were 22 members of AATA at the end of February 1986.

Establishment of the Secretariat of AATA (agenda item 9)

25. The establishment of the permanent secretariat of the Association was discussed at length. Although it was agreed that the ECA should continue to perform the secretariat services for AATA, the members of the General Assembly felt that ways and means should be explored for the early establishment of the permanent secretariat of AATA.

26. In this regard, the meeting adopted the following recommendations made by the Executive Committee.

- (a) that any surplus of revenue over expenditure which might be realized at the end of any biennium should not be used for activities planned for implementation in the ensuing biennium;
- (b) that the Chairman of AATA for the biennium March 1986 - February 1988 should contact the member State, Ethiopia, which had agreed to host the Secretariat of AATA to agree on ways and means for the early establishment of the Secretariat of AATA. In order to have this done, the Chairman should put forward proposals for the consideration of the member State, Ethiopia, relating to free office accommodation and other facilities such as secretarial services;
- (c) that the secretariat of AATA should be manned only by a Secretary-General and a Secretary-Cum accounting officer during the period the host country would be providing the Association with certain free facilities.

Date and place of the meeting of the Fifth Executive
Committee and Fourth General Assembly Meetings (agenda item 10)

27. The representative of Algeria informed the meeting that the Government of Algeria was willing to host the Fifth Executive Committee and Fourth General Assembly meetings of AATA scheduled to be held in March, 1988. The offer by the Government of Algeria was accepted by the members of the General Assembly with applause.

Any other business (agenda item 11)

28. Under this agenda item, the Chairman informed the meeting that the criteria for selecting African Taxation experts should be clearly clarified. He said that if the experts were serving officers in a government of a member State, clearance ought to be obtained from the member State before their names were included in the "Roster of Taxation Experts". If the experts were independent individuals no clearance from a government would be needed.

Distribution of draft summary records and closure of the
meeting (agenda item 12)

29. Draft summary records of the meeting were circulated to members of the General Assembly.

30. The chairman, in his closing remarks, referred to the importance of the topics discussed during the taxation workshop. He reminded the members of the General Assembly of the need to support the Association through the payment of their assessed contributions. The chairman also thanked the outgoing chairman of AATA, the interim secretariat and the staff of the Ministry of Foreign Affairs of Egypt for the success of the meetings.

31. On behalf of the members of the General Assembly, the representative of Congo thanked the Government of the Arab Republic of Egypt for the facilities and technical personnel made available for the meetings. The Chairman then declared the meeting closed.

Approved budget for the biennium March 1986 - February 1988

	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>Total</u>
1. Fourth General Assembly and Fifth Executive Committee meetings	-	-	35,000	35,000
2. Representation of AATA at meetings or Conferences etc.	5,000	5,000	---	10,000
3. Third Technical Conference and Reserve Fund	-	33,000	---	33,000
4. Miscellaneous	4,000	5,000	1,000	10,000
	<u>9,000</u>	<u>43,000</u>	<u>36,000</u>	<u>88,000</u>

AATA member States approved assessed contributions in US\$ based on "Equal Share" Formula

1. Algeria	4,000
2. Benin	4,000
3. Burkina Fasso	5,000
4. Botswana	4,000
5. Republic of Cameroon	4,000
6. Central African Republic	4,000
7. Comores	4,000
8. Egypt	4,000
9. Ethiopia	4,000
10. Gabon	4,000
11. The Gambia	4,000
12. Liberia	4,000
13. Mali	4,000
14. Niger	4,000
15. Nigeria	4,000
16. Senegal	4,000
17. Swaziland	4,000
18. Togo	4,000
19. Tunisia	4,000
20. Uganda	4,000
21. Zaire	4,000
22. Zambia	4,000
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	38,000
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