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ECONOMIC COMMISSION FOR AFRICA

Association of African Tax Administrators
Third Meeting of the Executive Committee
Gaborone (Botswana) 5-9 March 1984

REPORT OF THE THIRD MEETING OF THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF AFRICAN TAX ADMINISTRATORS

A. ORGANIZATION AND ATTENDANCE

1. The Third Meeting of the Executive Committee of the Association of African Tax Administrators (AATA) was held at the Holiday Inn Conference Centre, Gaborone (Botswana) from 7 to 9 March 1984. The meeting was attended by Ethiopia (Chairman AATA), Republic of Cameroon (Chairman, Central African Subregional Committee) and Nigeria (Chairman, West African Subregional Committee). Also in attendance was the host country, Botswana. Apologies were received from Zambia (Chairman, Southern and Eastern African Subregional Committee) but no communications were received from Togo (Vice Chairman, AATA) and Algeria (Chairman, North African Subregional Committee).

B. AGENDA

2. After considering the provisional agenda presented by the Secretariat, the Executive Committee meeting adopted the following agenda:-
 1. Opening of the meeting
 2. Adoption of the Agenda and Organization of work
 3. Report on the activities of AATA including financial statements for the biennium 1982-1984
 4. Provisional programme of work and operating budget of AATA 1984-1986.
 5. Proposed member States' contributions to AATA biennial budget March 1984 to February 1986.
 6. Draft Headquarters Agreement
 7. Considering and selection of a candidate for the post of Secretary-General of AATA
 8. Date and place of the next Executive Committee Meeting
 9. Any other business
 10. Presentation of the report and closure of the meeting

C. ACCOUNT OF PROCEEDINGS

Opening Address

3. The meeting was opened on 7 March 1984 by Mr. Mohammed Yahya (Ethiopia), Chairman of AATA who also chaired the meeting. In his opening statement, Mr. Yahya expressed regret at the absence of Algeria, Togo and Zambia who were members of the Executive Committee.

Draft report on the activities of AATA including financial statements for the biennium March 1982- February 1984 (item 3)

4. A representative of the Secretariat introduced the document entitled "Draft report on the activities of the Association of African Tax Administrators, including the financial statements for the biennium March 1982 - February 1984". He outlined the work scheduled to be done by the Executive Committee during its third meeting and informed the Committee of the activities that had been carried out by AATA and its Subregional Committees and the Secretariat during the biennium March 1982 - February 1984. He also underlined the failure of some member States to pay their contributions to AATA biennial budgets 1980/82 and 1982/84.
5. In discussing the activities of the Subregional Committees, the delegate from Nigeria, Chairman of the West African Subregional Committee informed the meeting that he hosted a seminar in February 1983 and that although it was a success in terms of the number and variety of papers presented, he was disturbed because other member States from the Subregion did not attend the seminar. However, delegates from the Northern and Eastern and Southern African Subregions participated.
6. In the absence of their respective Chairmen, the meeting was not able to have reports on the activities carried out by the North, Central and Southern and Eastern African Subregions during the biennium March 1982 - February 1984.

7. With respect to the membership of AATA, a representative of the Secretariat informed the meeting that Benin had joined the Association and that Malawi had withdrawn her membership during the biennium. In this regard, the Executive Committee recommended to the General Assembly that in view of the very positive role which Malawi played in the formation of AATA, the General Assembly should appeal to the Government of Malawi to reinstate its membership. It also recommended that the General Assembly should ask the Southern and Eastern African Taxation Liaison Organization (SEATALO) to merge its activities with those of the AATA Eastern and Southern Subregional Committee since SEATALO's membership consisted of most of the member States of AATA Southern and Eastern Subregional Committee. Furthermore, it recommended that member States that were not yet AATA members should be encouraged to do so by sending to them all information about AATA and that invitations for AATA meetings and seminars should be sent to the two major departments of taxes - the Inland Revenue and Customs Departments.
8. The Committee further suggested that with the assistance of some external sponsorship, a seminar should be organized for heads of tax departments in order to familiarise them with the aims of AATA and the importance of their joining it.
9. Regarding the Roster of Taxation Experts which had been published by the Secretariat on behalf of AATA, it was recommended that the term "taxation expert" be clearly defined to include also experts in the field of taxation outside the tax departments. With regard to the tax training institutions, the Committee recommended that if a bilingual consultant could not be found, consideration should be given to carrying out the study on monolingual basis.

Provisional programme of work and operating budget of AATA, 1984/1986 (Item 4)

10. Under agenda item 4, the Executive Committee considered document E/ECA/PAMM/BUD/83/3. It reviewed the activities to be undertaken during the biennium March 1984 - February 1986 as proposed by the Secretariat. These activities were :-
 1. The holding of a Technical Conference in 1985
 2. The meeting of the Executive Committee in 1985
 3. The meeting of the General Assembly in 1986

11. The Executive Committee recommended to the General Assembly for its consideration and approval the following themes for the technical conference to be held in 1985. The topics were:-
 - Tax appeal procedures
 - Tax policies
 - The role and importance of management information, audit and collection in tax administration
 - Measures for improving the level of voluntary compliance within the tax systems.

12. For the General Assembly Meeting to be held in 1986, the Executive Committee recommended that the theme for the technical workshop should be Middle management development in tax administration, with the topic: "basic issues in tax auditing or examination".

13. In discussing the proposed AATA budget for the biennium March 1984 - February 1986, it was agreed that the General Assembly should approve an inclusion of a provision for consultants who would present lead papers at AATA technical workshops and seminars. The lead papers would be in addition to country papers to be presented by member States' delegates. The Executive Committee also recommended for consideration and approval by the General Assembly that the budget should also include an amount to be earmarked for the travel of the AATA Chairman and Subregional Chairmen for the purpose of campaigning for membership and soliciting payment of outstanding contributions.
14. While considering the financial statements, the Executive Committee noted that many member States had not paid their contributions for 1980 - 1982 and 1982 - 1984. In that connection, it was agreed that it would be over-optimistic to expect that they would pay the contributions necessary for the establishment of a secretariat.
15. Regarding, therefore, the establishment of AATA Secretariat it was recommended that the recruitment of the Secretary-General be deferred to a later date and that the costs related thereto be deleted from the proposed budget estimates. However, in order to build up funds for the purpose, it was recommended that a reserve fund of US\$ 30,000 be established. The budget proposals recommended to the General Assembly are given in Annex I attached to this document.

Consideration and selection of candidate for the post of Secretary-General of AATA (Item 7)

16. The Executive Committee examined this agenda item. Taking into consideration the present financial position of AATA, the Executive Committee recommended that the appointment of the Secretary-General should be deferred. The Committee further recommended that at the appropriate time, the posts should be readvertised in all AATA member States.

Proposed member States' contribution to AATA biennial budget: March 1984 - February 1986 (item 5)

17. A representative of the interim secretariat introduced document E/ECA/PAMM/BUD/83/1 on this agenda item and outlined the financial requirements of AATA for the biennium March 1984 - February 1986. He also put forward for the consideration of the Executive Committee, three additional formulae regarding the assessment of member States' contributions to AATA biennial budgets. These were:
 - a) The Egyptian proposal based on each member States' per capita income;
 - b) The establishment of a trust fund; and
 - c) The "equal share" formula.
18. Annexes II and IV to this report show the contributions to be made by each member State based on the Egyptian proposal and the "equal share" formula. Annex III gives the contributions to be made based on the OAU formula which had been used in the assessment of member States' contributions to the two former biennial budgets.
19. The representative further elaborated on the proposal regarding the establishment of a trust fund for once-and-for-all contributions by member States, the income from which would be expected to finance future activities of AATA without calling for further member States' contributions.
20. After considering the pros and cons of the four formulae, namely, the OAU formula based on each member States' GDP, the Egyptian proposal based on member States' per capita income, the establishment of a trust fund and the "equal share" formula, the Committee agreed to recommend for consideration and approval by the General Assembly the formula, that is, the use of the "equal share", in the assessment of

member States' contribution to AATA biennial budget, but only for the biennium March 1984 - February 1986, and that the Secretariat or any member State should explore the possibility of devising another method which might form a permanent formula for assessing member States' contributions to AATA's future biennial budgets.

Draft Headquarters Agreement (Item 6)

21. It was noted by the Executive Committee that the draft headquarters agreement, which would govern the relationship between the host country (Ethiopia) and the secretariat of the Association, would continue to remain a draft until the Secretary-General was appointed and had negotiated it with the host government. It was, therefore, recommended that the Secretary-General, when appointed, should negotiate the draft agreement with the host country and thereafter the draft agreement would be presented to the Executive Committee for its examination and recommendations to the General Assembly of AATA. Consequently, it was recommended that this item be deleted from the agenda of the Second General Assembly Meeting of the Association.

Date and venue of the next Executive Committee Meeting (Item 8)

22. Under this item, the Secretariat informed the Executive Committee that the Government of the Arab Republic of Egypt had offered to host the fourth Executive Committee and third General Assembly Meetings of AATA in Cairo, (Egypt) on dates convenient to the Association and the hosting country. In order to save travel costs relating to translators and interpreters, it was recommended that the fourth Executive Committee and Third General Assembly Meetings of AATA be held jointly in Cairo (Egypt) in March 1986.

Any other business (Item 9)

23. Under this item, the Chairman of the Central African Subregional Committee (Cameroon) requested that in order to make future meetings of the Association more meaningful, conference documents should be sent with the letters of invitations. In the discussions that followed, the secretariat informed the Committee of the problems involved in preparing documents particularly when the venue of the conference was not yet known.
24. It was, however, agreed that this procedures would be followed in future except that invitations sent to non-member States should exclude documents relating to member States' contributions as these should be considered confidential.
25. The question of the venue for the Technical Conference in 1985 was raised and it was recommended that, as was done during the first General Assembly Meeting in March 1982, member States should volunteer to host the Conference or that a few countries, agreed upon by the General Assembly, should be requested during the present General Assembly Meeting to consider hosting it.

Presentation of the report and closure of the meeting (Item 10)

26. The draft report of the meeting was reviewed, amended and adopted.
27. In his closing remarks, the Chairman of AATA (Ethiopia) thanked the Economic Commission for Africa, the International Monetary Fund, the Harvard Law School and the German Foundation for International Development for their continuing services to, and interest in, the Association of African Tax Administrators and its activities. He also thanked the Government of the Republic of Botswana for having kindly accepted to host the meetings of the third Executive Committee and the Second General Assembly of AATA. The meeting was then declared closed.

BUDGET ESTIMATES FOR THE BIENNIUM MARCH 1984 - FEBRUARY 1986
(IN US DOLLARS)

I. Technical Conference(i) Interpreters (4)

(a) Travel	11 700
(b) Subsistence	2 400
(c) Salary	8 000

(ii) Translators (2)

(a) Travel	5 850
(b) Subsistence	1 200
(c) Salary	4 000

(iii) Consultancy 5 000

(iv) Miscellaneous 745

38 895

II. Executive Committee/General Assembly Meetings(i) Interpreters (4)

(a) Travel	11 700
(b) Subsistence	2 400
(c) Salary	8 000

(ii) Translators (2)

(a) Travel	5 850
(b) Subsistence	1 200
(c) Salary	4 000

(iii) Consultancy 5 000

(iv) Miscellaneous 800

38 950

III. Membership DriveTravel and subsistence

30 000

IV. Reserve Fund(Establishment of AATA Secretariat)

30 000

Total.....

137 845

ANNEX II

AATA member States' proposed contributions in US \$ based on
per capita income (1984 - 1986 biennial budget: US\$137,845

	I	II	III	IV	V	
ALGERIA		531	13.93	10.0	13,785	
BENIN		87	2.28	2.5	3,421	
BOTSWANA		377	9.85	10.0	13,785	
CAMEROON		231	6.06	6.6	9,083	
CENTRAL AFRICAN REPUBLIC		91	2.39	2.6	3,578	
COMOROS		59	1.55	1.7	2,320	
EGYPT		319	8.36	9.1	12,543	
ETHIOPIA		77	4.02	2.2	3,028	
GAMBIA		112	2.94	3.2	4,404	
LIBERIA		269	7.05	7.7	10,577	
MALI		74	1.94	2.1	2,909	
NIGER		113	2.96	3.2	4,443	
NIGERIA		219	5.74	6.2	8,611	
SENEGAL		163	4.40	4.8	6,606	
SWAZILAND		452	11.85	10.0	13,785	
TOGO		145	3.80	4.1	5,701	
UGANDA		108	2.83	3.1	4,246	
ZAIRE		69	1.81	2.0	2,713	
ZAMBIA		313	8.21	8.9	12,307	
		TOTAL	3814	100.00	100.0	137,845

- i) Source: ECA Statistics Division
- Column II - 1981 GDP per capital income at 1970 constant prices (US\$)
- Column III - Percentage share in total per capita income of member States
- Column IV - Member States' percentage share of budget proposals to the nearest one decimal point.
- Column V - Member States' assessed contributions to the proposed 1984/1986 budget.

Proposed AATA member States' contributions in US\$ based on the OAU
formula (1984/86 biennial budget : US \$ 137,845)

	I	II	III	IV	V
1. ALGERIA		9,993	18.14	10.00	13,785
2. BENIN		312	0.57	1.63	2,241
3. BOTSWANA		302	0.55	1.57	2,169
4. CAMEROON		2,009	3.65	10.00	13,785
5. CENTRAL AFRICAN REPUBLIC		207	0.38	1.08	1,487
6. COMOROS		34	0.06	0.50	690
7. EGYPT		13,685	24.84	10.00	13,785
8. ETHIOPIA		2,486	4.51	10.00	13,785
9. GAMBIA		69	0.12	0.50	690
10. LIBERIA		509	0.92	2.65	3,656
17. MALI		498	0.90	2.60	3,577
18. NIGER		630	1.14	3.28	4,525
19. NIGERIA		17,353	31.49	10.00	13,785
20. SENEGAL		967	1.75	5.04	6,945
21. SWAZILAND		246	0.45	1.28	1,767
22. TOGO		375	0.68	1.95	2,693
23. UGANDA		1,519	2.76	7.92	10,910
24. ZAIRE		2,022	3.67	10.00	13,785
25. ZAMBIA		1,883	3.42	10.00	13,785
	TOTAL	55,099	100.00	100.00	137,845

1) Source: ECA Statistics Division

Column II - 1981 GDP at 1970 constant prices (US\$ million) to the nearest figure

Column III - Percentage share in total GDP of State members of AATA

Column IV - Percentage contributions of State members with a lower limit

0.5% and a higher limit of 10.00 to the nearest two decimal places.

Column V - State members' assessed contributions in US\$ to the 1984/86 biennial budget.

AATA MEMBER STATES' PROPOSED CONTRIBUTIONS IN US\$ BASED ON EQUAL SHARING
(1984-1986 BIENNIAL BUDGET : US\$ 137,845)

I	II
ALGERIA	7255
BENIN	7255
BOTSWANA	7255
CAMEROON	7255
CENTRAL AFRICAN REPUBLIC	7255
COMOROS	7255
EGYPT	7255
ETHIOPIA	7255
GAMBIA	7255
LIBERIA	7255
MALI	7255
NIGER	7255
NIGERIA	7255
SENEGAL	7255
SWAZILAND	7255
TOGO	7255
UGANDA	7255
ZAIRE	7255
ZAMBIA	7255
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TOTAL	137,845
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