



London Congress kicks-off, OECD Secretary-General talks up BEPS progress, eyes digital tax solution

The [73rd IFA Congress at London](#) got underway with a sizzling opening ceremony, the highlight of which was **OECD Secretary-General Jose Angel Gurria's** key-note address, which was a sharp, blunt, straight talk on the global tax landscape, which has witnessed a metamorphosis in the 5 years!

Mr. Gurria spent the first few minutes talking of how tax is at heart of OECD's policy agenda and its work to make the global tax system fair, more efficient and equipped for a digitalised world. Taking the delegates down memory lane and into the historical decades old debates on the source vs. residence models of taxation, he stated that the policy makers at that time could not have anticipated the two big developments that have occurred in the last couple of decades - Internet and Digitalisation! The Secretary General then alluded to the recent spate of unilateral actions on the digital tax front and the call for OECD to develop a solution to this vexed issue by 2020.



The Secretary General then focused his talk on the two Big Bang developments of the last few years in the tax world - Dismantling of Bank Secrecy through Exchange of Information and the delivery of the OECD's BEPS project. Mr. Gurria shared some statistics with regards to both the points - more than 4500 agreements in force for Exchange of Information, 90 countries implementing the CRS standard and which has improved transparency. Then came the heads turning moment when Mr. Gurria revealed two more eye popping figures - \$ 110 bn in additional tax revenues being collected by Governments from voluntary disclosure of accounts in tax havens... and Exchange of Information between jurisdictions having unearthed \$5 trillion worth of money in 47 million offshore accounts! He then added wryly that he wants to see this number go to Zero.

As regards the second Big Bang development - BEPS, Mr. Gurria expressed satisfaction that the OECD has overcome numerous skeptics and critics to deliver the BEPS project, which now has 134 countries as members of the Inclusive Framework. He added that over 280 regimes have been reviewed and the ones identified as harmful have been either amended or abolished. Some more statistics from Mr. Gurria - 21,000 tax rulings exchanged between tax administrators across the globe and MLI, which he termed as an Innovative Outcome of BEPS Actions, having been signed by 89 countries and more expected to sign since the cost of staying out is onerous.

Mr. Gurria concluded his talk by focusing on the third Big Bang issue occupying centre-stage at G-20 meetings - Tax Challenges of Digitalised Economy, which the OECD has been mandated



to address by next year! Mr. Gurria then referred to the G-7 mandate to modernise international tax system within the framework of OECD. His final words for the audience, that heard one of the most powerful and influential people at OECD in rapt attention - *“the stakes are high... the pressure is on ... we live in a real world ... the world is counting on us to deliver ... ”*



Mr. Gurria’s key-note was preceded by **IFA President Mr. Murray Clayson’s** welcome message, that focused on the fast growing worldwide IFA network which now has over 13,400 members spread across 72 branches in different continents. Mr. Clayson’s speech, laced with the typical British humour, hit all the right notes as he talked up the increasing ‘diversity’ quotient at IFA. On the global tax landscape, Mr. Clayson mentioned about the astonishing pace of work at the Inclusive Framework as also the Transparency and Exchange of Information initiatives. He welcomed the delegates to the

British cultural experience and four days of rich technical sessions put together by the Permanent Scientific Committee of IFA. He concluded his remarks by urging the delegates to contribute generously to the charitable causes being promoted at the London Congress.

IFA London Congress Organising Committee Chief **Ms. Joy Svasti-Salee** had the audience in splits as she spoke in a lighter vein about the political turmoil in Britain and how it would make the delegates trip to London less expensive courtesy the depreciating Pound!



She then unveiled one of the central themes of the London Congress - Women IFA Network (WIN) and urged female delegates to come forward and share their stories at the specially designed WIN Lounge. From just 9% of female delegates at the IFA Congress 30 years ago, to now women comprising 31% of all delegates this year, IFA too has come a long way in achieving gender diversity, always a work in progress. The IFA UK Branch Chairman **Mr. Jeff Connel** too welcomed the delegates and talked about the activities of the UK Branch.



The Opening Ceremony concluded with a scintillating violin performance by a talented group of local artists!



Now, over to the technical deliberations that begin Monday morning with the first plenary. **Taxsutra**, in conjunction with **Knowledge Partners DTS & Associates**, shall get you all the action from the London Congress.