



44TH SGATAR MEETING

Identifying and building the future capability requirements of SGATAR members to address challenging taxation administration issues

PREPARED BY MONGOLIA

GENERAL DEPARTMENT OF TAXATION



CONTENT

- ❖ Main administration issues both international and domestic
- ❖ Capabilities to build and develop within the workforces
- ❖ Implemented initiatives to built capabilities
- ❖ Success /challenges for building capabilities

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Main administration issues both international and domestic

- ❖ International
 - High potential experts

- ❖ Domestic
 - Human resource issues

Capabilities to build and develop within the workforces

- ❖ The following capabilities have been identified in order to enhance within the workforces
 - Strong analytical skill
 - Adaptation
 - Customer service skill
 - Knowledge of international taxation
 - International financial reporting standards
 - Ethics
 - Language skills /English and other /



Capabilities to build and develop within the workforces

- ❖ Organize professional / technical trainings
- ❖ Best practice exchange programme for team building
- ❖ Improved compensation system for all employees
- ❖ Education

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Implemented initiatives to built capabilities

- ❖ Trainings organized in collaboration with International organizations
- ❖ Training Center at GDT
- ❖ Specific curriculum for the auditors, tax collectors and taxpayers service officers.

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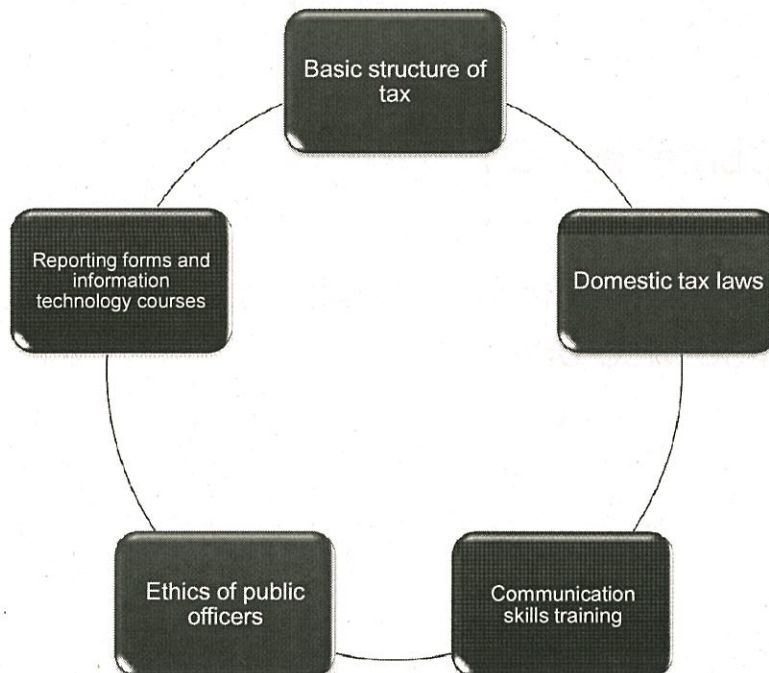
Implemented initiatives to build capabilities

❖ Trainings organized in collaboration with international organizations.

OECD	IMF	KOICA	JICA	World bank	US Department of Treasury	USAID	Malaysia tax academy
International tax courses in Ankara and Seoul	International taxation courses	Master degree's scholarship	TP, MAP, EOI, PE courses	TRIPS IT program for GDT	Human resource's development technical assistant	For the taxpayers courses	International tax courses

Implemented initiatives to built capabilities

❖ Beginners course



Implemented initiatives to built capabilities

❖ Mid level course

Various courses

Tax application software for inspectors

Training for taxpayers how to use digital signature

Lesson about the process of tax law

Tax law courses

Case study a specific topic and discussion

Training domestic tax law amendments and tax audit methodology

Sector accounting courses

Mining accounting

Construction and trade accounting

Successes /challenges for building capabilities

Successes:

- ❖ International tax collectors training has been organized in collaboration with JICA
- ❖ Strengthening Large tax office project successfully implemented in collaboration with US Department Treasury
- ❖ Technical assistance for human resource in GDT provided by the US Department Treasury
- ❖ World bank project: Mining sector institutional strengthening technical assistant project
- ❖ USAID E-payment system training

Challenges:

- ❖ Language barrier among employees
- ❖ Lack of translated research and reference materials
- ❖ Loss of skilled staff



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THANK YOU FOR YOUR ATTENTION

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Inland Revenue
Te Tari Taake

Building Future Capabilities

Meeting of Heads of SGATAR Training Institutions

November 2014

Topics

- **Strategic Priorities**
- **Challenges requiring new capabilities**
- **Capability definition**
- **Identification of capability gaps**
- **Critical capabilities**
- **Initiatives to develop**



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Strategic Priorities

We retain, develop and attract high calibre people with the skills required in the future, enabling a culture of service and excellence.



High calibre people



Cost effective channels

We move customers to cost-effective channels while creating an environment to make it easy for customers to self-manage.

We use our information to make timely decisions and build an intelligence-led organisation.



Intelligence-led organisation



Influencing compliance

We proactively influence voluntary compliance and address the causes of compliance risk and threats through a range of interventions;.

We improve the efficiency and effectiveness of government through working with other agencies and private providers.



Collaborative Services



Great Systems

Our systems meet current and future needs



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Challenges requiring new capabilities

- Reducing the cost of administration;
- Maintaining government revenue in a challenging economic environment (including the issues associated with globalisation, erosion of the tax base, and risks with multi-national entities);
- Working more across government to improve services;
- Responding to the challenges of an increasingly digital world;
- Improving the quality of information used to make business decisions; and
- Improving the responsiveness and agility of systems that hold and process business information (including automatic information exchange across jurisdictions).



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Capability Definition

	Level	Definition	Example
How	Enterprise i.e. relates to an organisation.	The combination of people, platform, process and policy, that provides the ability & capacity to perform a required business activity.	Capabilities in the Target Operating Model
Who	Individual i.e. related to a person.	The knowledge, skills, experience, attributes* and competencies of a person that enables them to perform to their potential.	Leadership capability framework (currently under development)

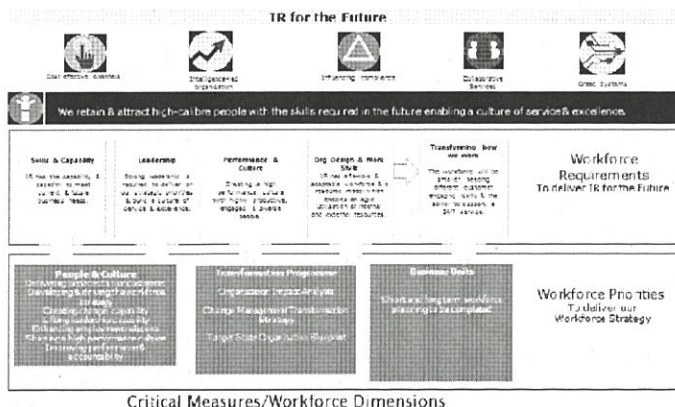
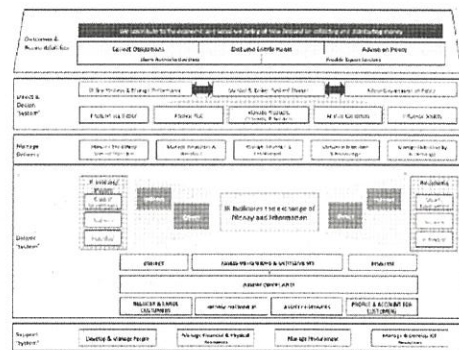
*Attributes include personality traits e.g. conscientiousness, cognitive ability, motivators, and values.



Identifying Capability Gaps

1. Capability Maturity Assessment

2. Workforce Strategy



Critical Capabilities

- Strategic Partnerships with other agencies (domestically and globally)
- Tax and Social Policy Expertise
- Change Leadership
- Service Integration and Vendor Management
- Advanced Analytics
- Large scale programme/project management
- Good judgement (including systems thinking)

Initiatives to develop

- Build:
 - Technical training
 - Formal and informal networking
 - Culture Change initiatives
 - Leadership development
 - Role Design
 - Talent Management
- Buy: Sourcing externally



MHTI



Identifying and building the Future
capability requirements of SGATAR
member Countries to address
challenging Taxation Administration
issues

**Papua New Guinea Internal
Revenue Commission**



What Successes/Challenges has
PNGIRC had in building its future
capability?

- Background
 - PNG Economy
 - PNG tax administration
- Successes:
 - Living Corporate Plan
 - Transformation into a Statutory Authority
 - Addressing Staff numbers
- Challenges:
 - Staff Skilling/Capacity building
 - Inadequate translation of work capacity improvement from external assistance.
- Summary

- Stable economic growth
- PNG's population has low literacy levels
- Dated and complex tax system
- Challenging staff issue
- Technical assistance

Successes

- **Living Corporate Plan**
 - PNGIRC's successes in building its future workforce capability is attributed to translating its Corporate Plan into a living document by tracking its performance outcomes against its strategic objectives and translating that into actionable annual work plans which are monitored and tracked regularly.
- **Transformation into a Statutory Authority**
 - PNGIRC is now a Statutory Authority from 18th September 2014.
 - It is expected that the increased autonomy as a statutory authority will result in increasing flexibilities to resolve the challenges that have existed because of the public service regulations.
- **Addressing Staff Numbers**
 - Increasing ceiling to bring in more processing workers
 - Re-organising structure to reflect technical needs of core tax administration business (advising, audit, improving compliance)

Challenges

- **Staff skilling/capacity building**
 - The challenges in building PNGIRC's workforce are compounded by high attrition rates.
 - Lack of a robust learning and development and competency framework
 - Non-existence coherent workforce planning ability
 - Ad hoc skills development exercises aimed at addressing short-term skills gap.
 - Poor employment conditions and limited recruitment outcomes meaning limited staff available for development.
 - Limited staff and government's demands for ambitious revenue targets to be met has also reduced PNGIRC's ability to provide staff for training opportunities on occasion.
- **Inadequate translation of staff capacity improvement from external assistance**
 - Assistance and training commitments arising from external technical assistance continue to produce little tangible results in building future workforce capability
 - Due to a lack of effective management and monitoring of skills being enhanced because of non-existent L&D and competency frameworks.

Summary

- The PNGIRC's challenges are to not only build and develop its organisational capabilities that support its objective of ensuring that all multinationals pay their fair share of tax in PNG in light of the growing economy, but to also build the core and intermediate tax technical knowledge and practical skills of its staff.
- The PNGIRC successes are encouraging but can be further enhanced with the right capacity building frameworks and monitoring systems are enabled now to ensure PNGIRC's future staff development aspirations are met.

THANK YOU



Any Questions/Comments?