

Side Event at the First Global Conference of the Platform for Collaboration on Tax
'Taxation and the Sustainable Development Goals'

Diamonds: Uncut

The Base Erosion and Profit Shifting Challenges

A *Tax Inspectors Without Borders* learning event

Thursday, 15 February 2018, 13:30-14:30

**United Nations Headquarters, Conference Room 11
405 East 42nd Street, New York, NY 10017**

An OECD/UNDP joint initiative



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Diamond producing and exporting countries face acute domestic resource mobilisation (DRM) challenges, particularly in Africa, on account of particular industry challenges, including tracking and valuation of diamond production. Accurate valuation of both rough and polished diamonds for export is essential in ensuring the producing country receives an appropriate share of the final price paid by jewellery buyers, other intermediaries and ultimately, retail customers. For countries that are dependent on these precious stones, millions of dollars are at stake when assessing their value for tax purposes and this often represents a significant percentage of the tax base of diamond rich developing countries.

The complexity of the industry, together with tax base erosion and profit shifting issues, pose major information gaps and uncertainty for tax administrations in developing countries where diamonds are mined. Tax Inspectors Without Borders (TIWB) – an OECD/UNDP joint initiative working closely in co-operation with Africa Tax Administration Forum (ATAF) in Africa is providing hands on tax audit support – matching up tax audit experts with industry experts, including diamond industry specialists, bringing in that combination of skills to assist African countries harness their tax mobilisation capacity in this sector. TIWB's objectives are to equip tax officials with the tools needed to tax local economic activity and value creation in accordance with international standards and principles, and to help create a predictable tax environment for taxpayers.

This TIWB learning event is an opportunity to learn more about a complex DRM challenge faced by many countries and to discuss what more can be done to help. A panel of leading experts will discuss the topic.

Welcome and Introduction

James Karanja, *Head of TIWB Secretariat*

Navigating the Complexity of Diamond Valuation

Warren F. Boyd, *Gemmologist/Geologist*

Regional Co-operation on Capacity Building

Logan Wort, *Executive Secretary, African Tax Administration Forum*

Country Experiences

Elfrieda Tamba, *Commissioner General, Liberia Revenue Authority*

William Nkitseng, *Director – Large Taxpayers' Unit, Botswana United Revenue Service*

In collaboration with the
African Tax Administration Forum

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