

# Research and publications project plan

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Author (may also be project manager)/onsultant	TBD
Dates of project	<ul style="list-style-type: none"> <li>• <i>Planning period:</i> Jan-May 2021</li> <li>• <i>Research execution:</i> 1st June - 15<sup>th</sup> September 2021. (Total working days for the research: 25. Includes feedback process)</li> <li>• <i>Dissemination period:</i> October-December 2021</li> </ul>
3 line summary of work -Working title - Overview	A significant amount of Nordic Tax Aid goes to supporting IMF and WB projects. Our report will assess the quality of these projects. Report launch in conjunction with the IMF/World Bank annual meetings.

## Overview

<p><b>What is the background to this work?</b></p> <p><i>Why this research, why now?</i></p> <p><i>How does it build on existing research and publications of the Nordic Alliance for Tax Justice?</i></p>	<p>The Nordic Alliance for Tax Justice (formed by Danish, Finnish, Norwegian and Swedish CSOs) is commissioning a study on the Nordic tax aid channeled through the International Monetary Fund and the World Bank.</p> <p>Addis Tax Initiative: Analysis and assessment should be in alignment with the ATI mission statement: “<i>The ATI promotes fair and effective DRM, policy coherence and the social contract through partnerships and knowledge building</i>”. the assessment should pay particular emphasis to Commitments, 2 (i, ii), 3 (ii) and 4 (i, ii, iii, iv) as a means to:</p> <ul style="list-style-type: none"> <li>• foster equity of tax systems in partner countries to reduce inequalities and advance the social contract;</li> <li>• monitor the impact of tax policies on equity and equality in partner countries;</li> <li>• advance the level of progressivity within tax and non-tax revenues building on an understanding of progressive tax</li> <li>• providing an enabling environment for accountability stakeholders and enhance the capacities of accountability stakeholders;</li> <li>• promote gender-responsive action, including by collecting and evaluating appropriate data.</li> </ul> <p><b>Why this research, why now?</b> The information collected and analysed in the study - on the IMF and WB projects aiming to strengthen the tax base of developing countries - will support the advocacy activities of the Nordic Alliance for Tax Justice to improve the quality of the tax aid programmes carried out by Denmark, Finland, Norway and Sweden. The tax and tax-like fees are the most sustainable resource base to achieve Sustainable Development Goals</p>
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	<p>and to enhance sustainable development in general. Due to the Covid-19, the need for new resources has significantly increased. Also, the recent agreement on the second Addis Tax Initiative (2025) is a concrete incentive for the Nordic governments to high-up the quality of their tax.</p> <p><b>How does it build on existing research and publications of the Nordic Alliance for Tax Justice?</b> The study will build on two previous publications published by the Alliance on the Nordic countries’s tax aid. i.e. <a href="#">Nordic aid for mobilising tax revenues for development and reducing inequality</a> (2020), and <a href="#">Nordic countries’ support for tax &amp; development</a> (2019).</p>
<p><b>Objectives of research</b></p> <p><i>What change are you trying to achieve? What narrative are you challenging? Why is this product going to be useful?</i></p>	<p><b>Objective 1:</b> to provide evidence around the quality of nordic development aid channeled through the IMF and World Bank to tax initiatives and assess the extent to which this truly supports the ATI commitments, especially with regards, to the progressivity of the tax initiatives supported, the commitment to ensure policy coherence for sustainable development, gender justice and the support to non-state actors.</p> <p><b>Objective 2:</b> The research should allow the commissioning organisations to form an opinion about the appropriateness of Danish, Finnish, Norwegian and Swedish governments to channel through the IMF and the WB their development aid to strengthen the domestic resource mobilisation of developing countries, i.e. are the qualitative requirements of the ATI 2025 declaration and development aid principles of these Nordic governments met.</p> <p><b>Objective 3:</b> To articulate the research outcome for the relevant policy makers (e.g. members of parliament, ministry people, development officials, Nordic Council) in a way that allows the commissioning organisations to engage in advocacy with their respective national policy and decision makers and government officials on the impact of the aid provided with a view to the ATI commitments.</p> <p><b>Objective 4:</b> Share research findings with other civil society actors, aid organizations as well as trade unions and that they found these findings relevant for their own activities to enhance tax justice.</p> <p>The project tries to contribute to the ongoing paradigm shift in the practices of tax aid, towards ambitious qualitative aims.</p>
<p><b>Scope</b></p> <p><i>What is the publication’s core argument and main</i></p>	<p>The core argument of the publication will be on the proportion (how much) and the quality of the nordic aid channeled through the IMF and World Bank, ie. to what extent does it truly support the aim of</p>

<p><i>policy recommendation? (one of each)</i></p> <p><i>Any areas that will not be covered? (that might have been)</i></p>	<p>the ATI commitments to promote fair and effective DRM and policy coherence for development.</p> <p>Policy hypothesis: Nordic countries channel a large proportion of their tax aid through the IMF and World Bank, however it is unclear whether this leads to increased progressive taxation, gender justice, policy coherence for development and support for non-state stakeholders as established in the ATI 2025 declaration.</p>
<p><b>Key questions that the research will answer</b></p> <p><i>As specific as possible</i></p>	<p><b>Key question 1:</b> How much ODA does each of the Nordics provide toward tax work via the IMF and World Bank - and how does this compare to others (such as ATAF, CAIT, OECD, UN, support to the UN Tax Committee, support to CSOs and bilateral tax support)? To be presented in a table.</p> <p>And through which streams in the WB and IMF is Nordic aid to tax work in developing countries channeled (we are aware of four, namely WB Global Tax Program, IMF Revenue Mobilization Trust Fund, IMF TADAT trust fund, IMF Natural Resource Wealth Management trust fund)? To what extent is Nordic aid earmarked for specific purposes in the institutions?</p> <p><b>Key question 2.</b> Provide a qualitative assessment and analysis of the tax support provided by IMF and WB with resources from Nordic donors:</p> <ul style="list-style-type: none"> <li>• How do the IMF Trust Fund and WB facilities adhere to the ATI principles in particular around progressive taxation, country ownership, policy coherence, gender justice and inclusion of non-state actors?</li> <li>• Which principles govern the way in which support is given?</li> <li>• How are the commitments of the Nordic countries to the Addis Tax Initiative 2025 reflected in the activities carried out by the IMF and the WB (who are both ATI supporting organisations)?</li> <li>• Whether there have been any in-depth evaluation of the programme and their results until now, and whether developing countries and CSOs have been included in any such evaluations.</li> </ul> <p><b>Key question 3.</b> Do the Nordic countries influence the tax work done by the WB/IMF and is this strategy successful? if not - why not? Are other active donors (Japan (though not ATI member), Australia, Switzerland, Luxemburg, Netherlands, Ireland, etc) ambivalent or against this agenda?</p> <ul style="list-style-type: none"> <li>• How are decisions made to allocate trust fund resources?</li> <li>• And do Nordic representatives on the Steering Committees of these IMF/WB trust funds prioritize progressive taxation? How does this influence the projects which get resources? - It would be valuable to include “decision-making” case</li> </ul>

	<p>studies, especially for projects we would consider progressive/equity enhancing – asking “what led to decision to support this project?” For example, consider a case study on project funded by WB GTP: Ethiopia Tax and Gender project of \$1.29 million, see pg 10 in Global Tax Program (GTP) report</p> <ul style="list-style-type: none"> <li>• Do the Nordic countries state the criteria under which the aid is provided to the IMF and the WB for tax work?</li> <li>• In which way do Nordic countries participate in making joint criteria for tax support to developing countries within these institutions?</li> </ul> <p><b>Key question 4.</b> How is the impact of the Nordic tax aid spent by the IMF and the WB measured? (This is an area of some debate. CSOs and others, have been pushing for the use of indicators that “go beyond” tax/GDP ratios, but the WB and IMF continue to rely on tax-to-GDP as main benchmark of progress - despite growing acknowledgement in both institutions of its limitations, and need for something that captures equity (which is where CRII and new SDG 10.4.2 is helpful leverage, and especially now that the WB is the official “custodian” of SDG 10.4.2). To what extent are the internationally agreed development effectiveness principles applied? Which qualitative measures are used? The results are reported in annual reports, are these sufficient?</p> <p><b>Key question 5.</b> Is Nordic tax aid in developing countries through the IMF and the World Bank in line with the objectives of the ATI? (Observations from in-country interviews)</p> <p><b>Key question 6.</b> Include a short section on policy coherence: examine the broader aspect of IMF and World Bank tax-related work, including conditionalities, to ensure that this is in line with the ATI commitments. This should be based on existing research done by others.</p>
<p><b>Outline of report/product</b></p> <ul style="list-style-type: none"> <li>-Acknowledgements</li> <li>-Contents</li> <li>-Intro/Exec summary</li> <li>-Background</li> <li>-Methodology &amp; assumptions</li> <li>-Section headings xyz</li> <li>Conclusions &amp; recommendations</li> </ul>	<p>The outcome of the research is a 20-30 page report.</p> <p>The study should cover the past 3-5 years and will look at the near future and capture how the IMF and the WB are acknowledging the ongoing/coming qualitative changes in the tax aid approach as well as outline the kind of adjustments they are making in their objectives and practical guidance.</p>
<p><b>Audience/Targets</b></p>	<p><b>1. Members of Parliament (Primary target group)</b> Especially representatives in the Nordic Council and in the Foreign</p>

<p><i>One primary audience, up to three secondary audiences.</i></p>	<p>Affairs and Finance Committee. The committees are instrumental as legislators but can also be guiding through instructing the Government to increase focus on progressive tax approach in Norway and abroad.</p> <p><b>2. Representatives from the Ministries of Foreign Affairs &amp; Development / Ministries of Finance/ Development assistance agencies</b> Including special representatives from Norad / Sida / Danida / Finnish Department for Development Policy /representatives of Nordic-Baltic countries in the WB/IMF</p> <p><b>3. Civil society, aid organizations and trade unions</b> In addition to the partners in this project, there are several other groups involved in Nordic co-operation, including from our member organizations.</p> <p><b>4. The public and public opinion</b> We will use the media to reach the public.</p>
<p><b>How will you know you've succeeded?</b></p>	<p>By achieving the following effect on the target groups:</p> <p>1) Members of parliament seek a greater degree of cooperation, for example through increased activity in the tax avoidance field within their respective parliaments, but also in the Nordic Council.</p> <p>2) Representatives from the Ministry of Foreign Affairs/ Development and development assistance agencies gain increased knowledge of the need to see progressive tax approaches in context, for example through the initiation of studies that look at the Nordic countries' role in tax assistance.</p> <p>3) Civil society, aid organizations and trade unions are inspired to strengthen existing collaborations, for example through that they contact us directly for more knowledge.</p> <p>4) The public and public opinion: Difficult to measure effect, but the target group is reached most widely through media coverage and visibility in social media. We will therefore plan for media coverage and visibility through for example SoMe movie clips.</p> <p>5) Long term partner civil Society organisations report a change in the emphasis on progressive tax initiatives in their countries.</p>
<p><b>What are the risks and sensitivities? How might these be overcome?</b></p> <p><i>(or separate risk analysis)</i> <i>Risks can include: political risk, financial risk, risks for staff or</i></p>	<p>Separate risk analysis conducted in application.</p>

<p><i>programmes, risk of failure, risk of overrun. See also <a href="#">libel guidelines</a>, and <a href="#">ethics guidelines for other forms of risk</a></i></p>	
<p><b>Brief outline of proposed methodology</b></p> <p><i>Quantitative or qualitative methods</i></p>	<p>The research shall be done by desk study as well as interviews with representatives from the MoFA in the four Nordic countries as well as interviews with key employees at the World Bank and IMF (including with members of the Nordic-Baltic EDs' offices). and with CSOs engaged in ATI and tax support from the nordic countries, including perhaps relevant CSOs/Tax Administrations/Embassies in the global south.</p>
<p><b>Role of consultant, if any</b></p>	<p>Author of report</p>
<p><b>Outreach plans while the research is ongoing</b></p>	<p>Outreach will be done by the end of the research period.</p>
<p><b>Dissemination plans for final product?</b></p>	<ol style="list-style-type: none"> <li>1) Launch. In conjunction with annual meetings of the IMF &amp; World Bank 11th-17th Oct 2021</li> <li>2) Nordic webinar. Political debates with target group. End 2021.</li> <li>3) Potentially an event with the Nordic Council.</li> </ol>