



# Progress Update

Fiscal Reform Commission

# Fiscal Reform Overview

- Council of Ministers in August 2015 passed a resolution establishing the **Fiscal Reform Commission (FRC)**.
- The FRC is responsible for coordinating and overseeing the implementation of the **Fiscal Reform Plan**.
- The Fiscal Reform Plan mandates the FRC to lead efforts in :
  - Domestic Revenue Reform
  - Expenditure Reform
- The FRC develops and coordinates policy proposals and legislation for consideration by the **Inter-Ministerial Council** for submission to the Council of Ministers and Parliament.
- The FRC works in coordination with the implementing institutions:
  - **Directorate General of Revenues (DGR)**
  - **Directorate General of Customs (DGC)**
  - **Other Ministries and States institutions that collect revenue**

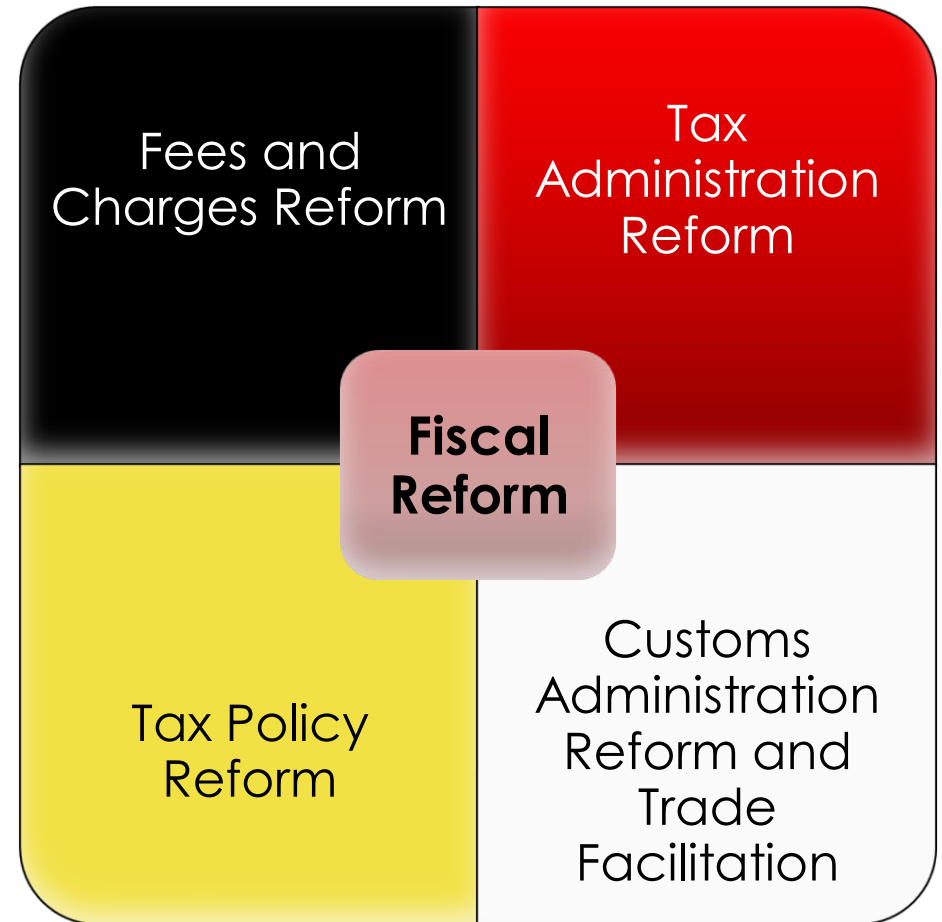
# Fiscal Reform Overview

- The work of the Fiscal Reform has concentrated on the **Domestic Revenue Reform**.
- The main **objective** of the Domestic Revenue Reform is **to improve the ability of the government to collect domestic revenues** in an efficient and effective manner, subject to **five guiding principles**:
  - Economic Efficiency
  - Fairness and Equity,
  - A Level Playing Field
  - Administrative Simplicity
  - International Compatibility
- The main **target** is to **increase domestic revenue to 15% of non-oil GDP by 2020**.

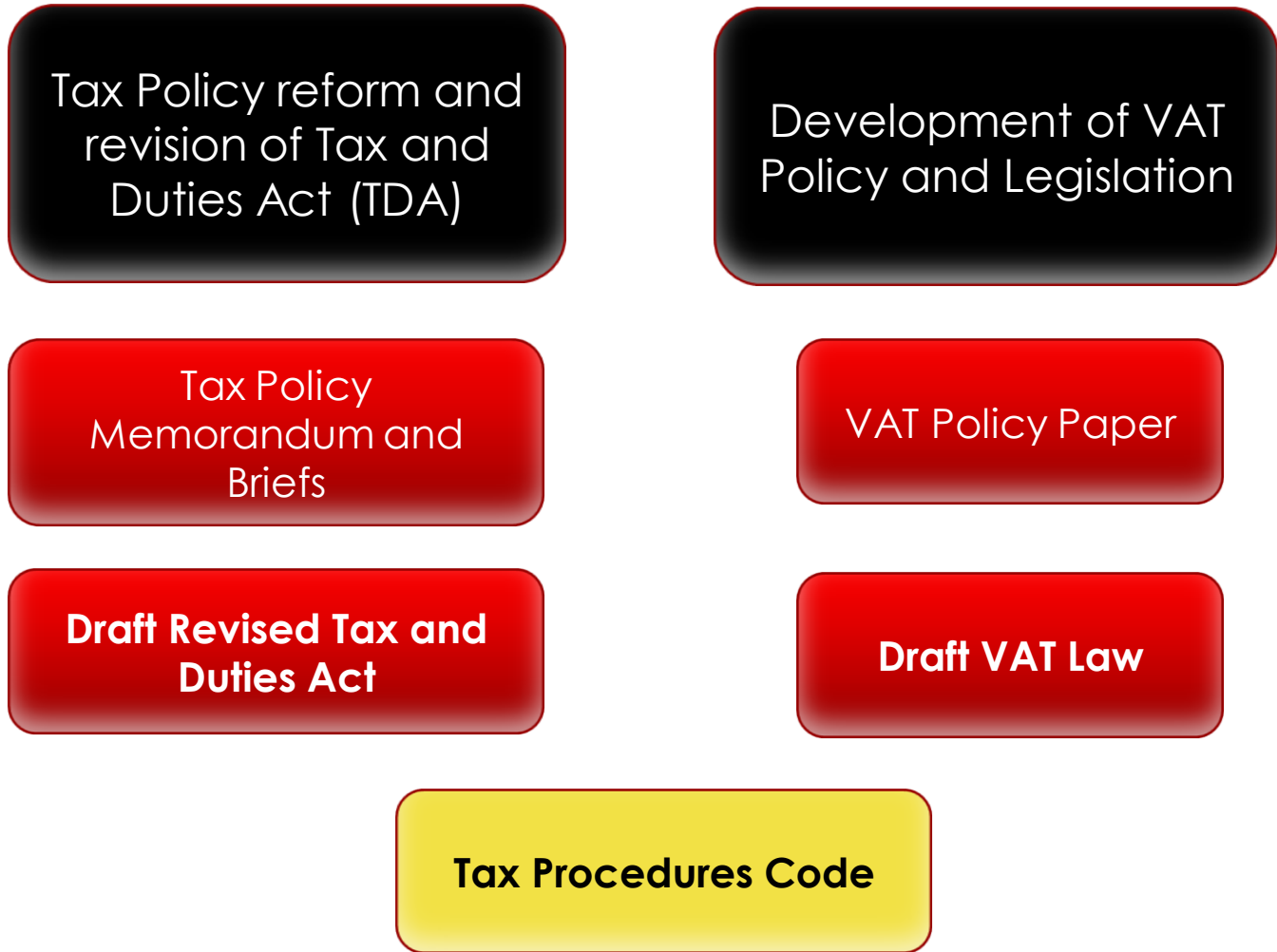
# Domestic Revenue Reform Areas of Work

- The Domestic Revenue reform is organized in **four** main areas:

- Tax Policy reform
- Fees and Charges Reform
- Tax Administration Reform
- Customs Administration Reform and Trade Facilitation



# Tax Policy Reform Progress



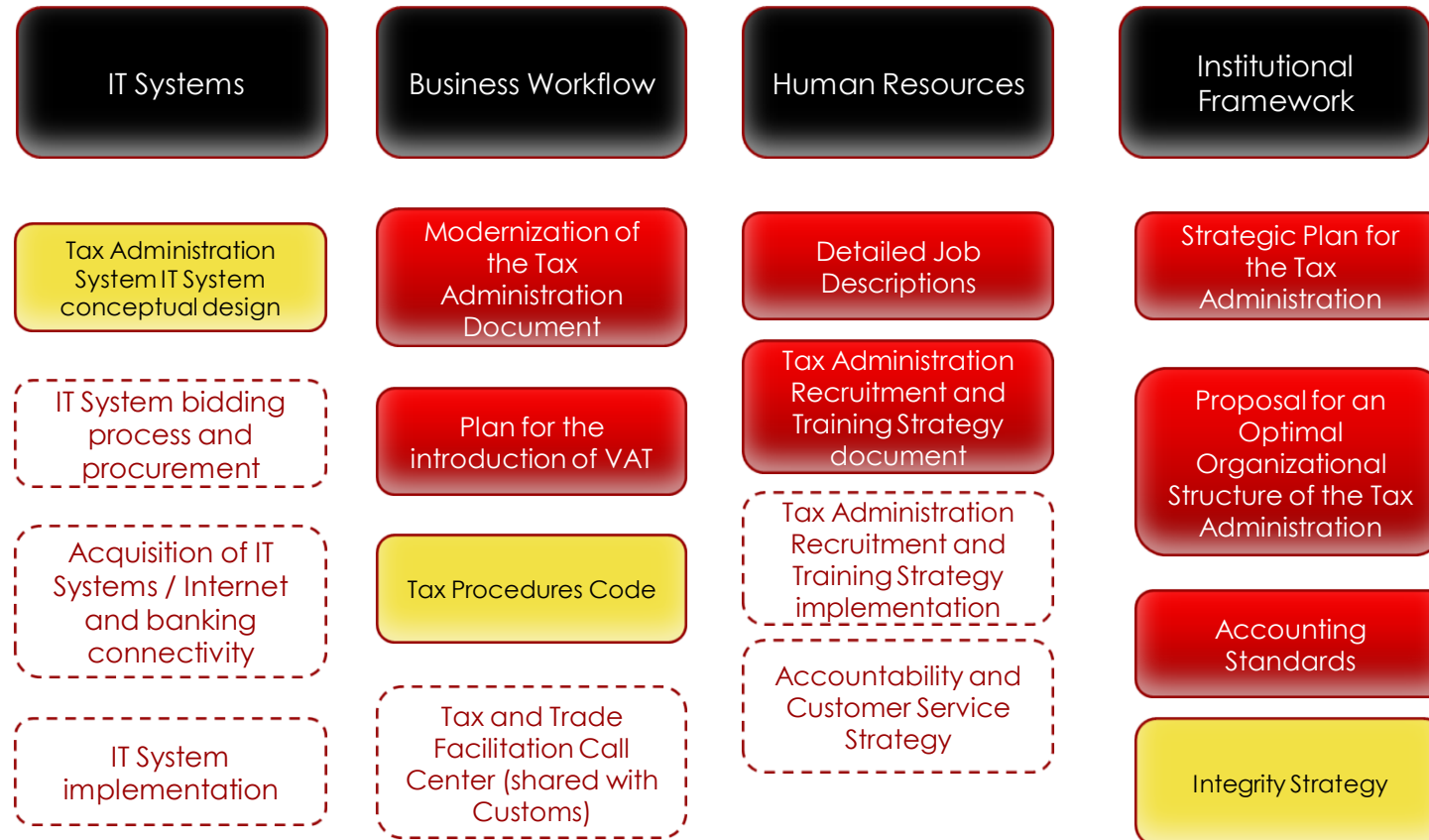
Legend:



# Fees and Charges Reform Progress

- FRC and ADB have signed an Aide-Mémoire for a Technical Assistance (TA) to develop a Fees and Charges Policy that is pro-poor.
- The new Fees and Charges Law will be developed based on this policy.
- The TA will develop a framework to evaluate the welfare impact of revenue and expenditure policies, and create the capacity at MoF and other state institutions to implement it.
- The TA will also improve capacity at MoF and other state institutions for revenue forecasting and fiscal sustainability analysis.

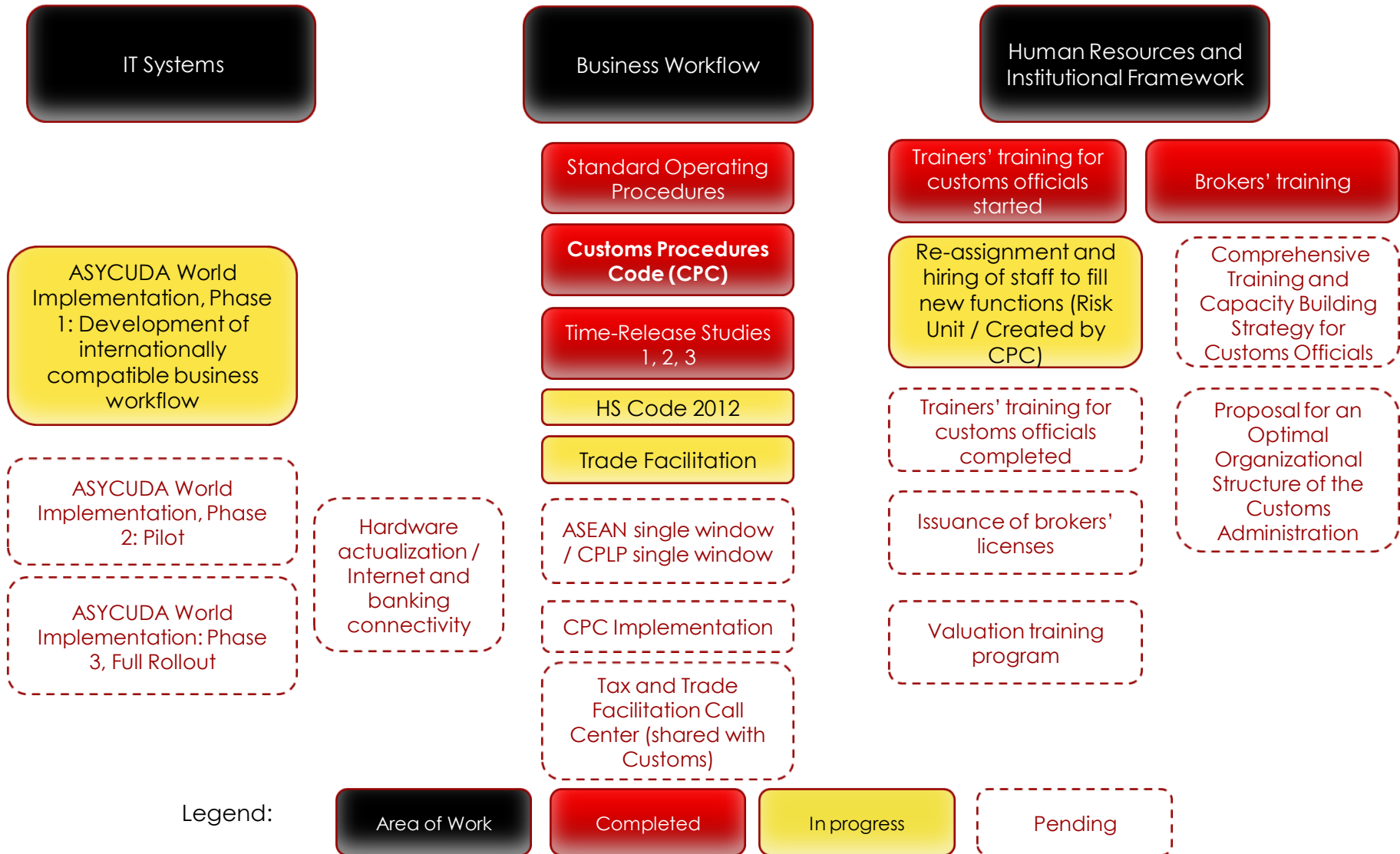
# Tax Administration Reform Progress



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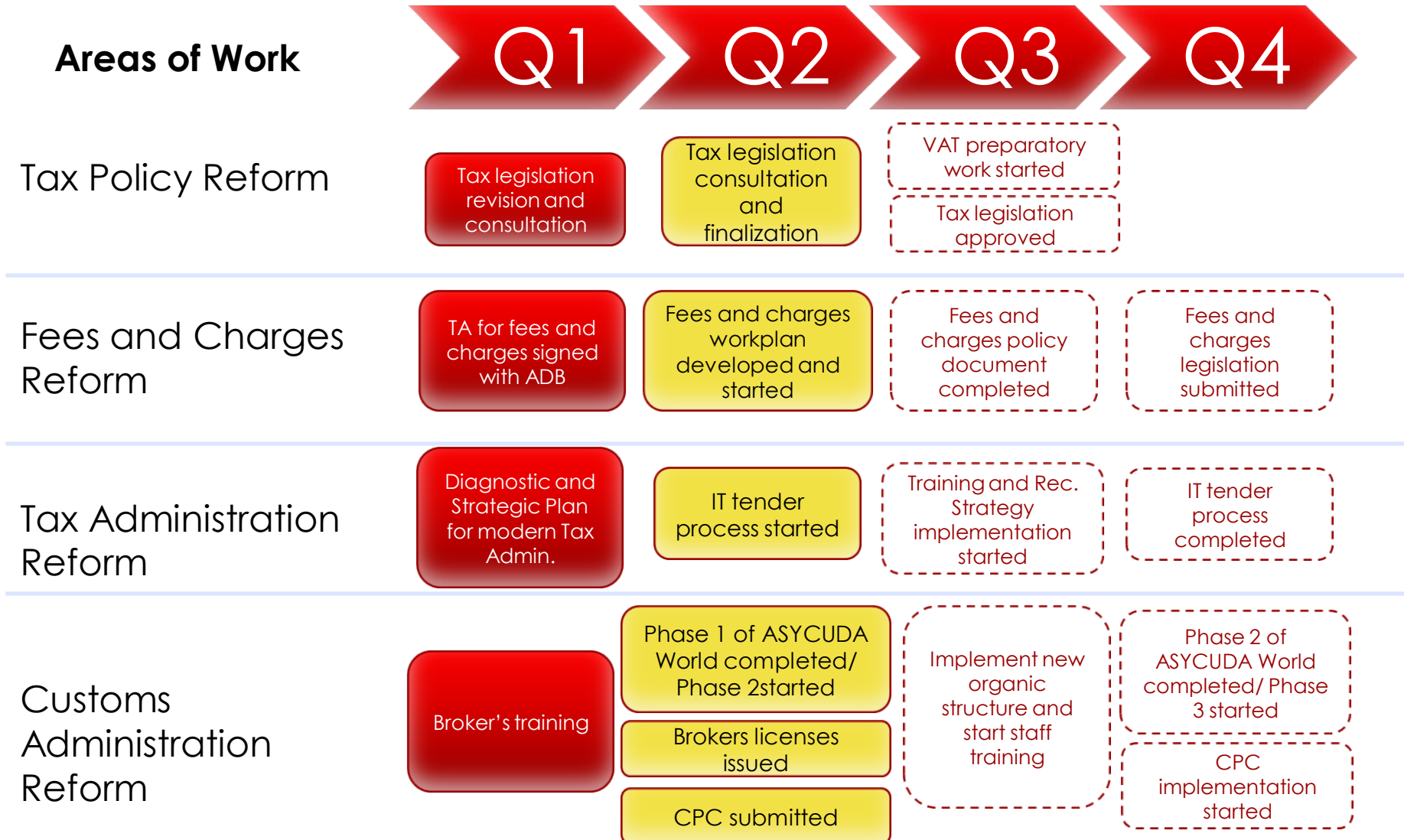


# Customs Reform Progress





# Main Expected Outcomes for 2016



**THANK YOU**