

IOTA STRATEGY

2018 – 2022



IOTA

Intra-European Organisation
of Tax Administrations

IOTA STRATEGY

2018 – 2022

**In Partnership
for Advancing Tax Administrations**

29 June 2017



IOTA

Intra-European Organisation
of Tax Administrations

STRATEGY TEAM MEMBERS

COUNTRY	NAME
BULGARIA	Mr. Nikolay Getov
CZECH REPUBLIC	Mr. Emil Vojta
DENMARK	Mr. Ronnie Nielsen
ITALY	Ms. Chiara Putzolu
REPUBLIC OF AZERBAIJAN	Mr. Orkhan Musayev
ROMANIA	Mr. Octavian Deaconu (Team Leader)
UK	Mr. Peter Starling/ Mr. Jeffrey Davenport
IOTA	Mr. Miguel Silva Pinto

Contents

Message of the Executive Secretary	7
Vision	8
Mission	8
Values	8
Objectives.....	8
Objective 1 – Services	9
Objective 2 – Governance, processes, capability	10
Objective 3 – Engagement	11
Inter-relation between the 3 Objectives	12
Annex I - Implementation plan	13
Description of the strategic action lines.....	13
Key performance indicators.....	17
Resources estimation	17
Monitoring and evaluation arrangements	17
Annex II – Key performance indicators.....	19
Strategic objective no.1 – Delivering effective services and practical solutions catering for the needs and particularities of the membership	19
Strategic objective no.2 – Improving the governance internal processes and capability of IOTA.....	22
Strategic objective no. 3 – Strengthening the engagement of the membership and developing stronger partnerships with key stakeholders	23
Annex III- Abbreviations list	26

Message of the Executive Secretary

In 2016 IOTA celebrated its 20th anniversary in the General Assembly held in Bucharest. It was a time to take stock of the results of the organization, established in 1996 by seven Central European founding members. Twenty years later, IOTA has increased the number of its members significantly, covering almost all the European Region, including a considerable number of Eurasian countries.

IOTA has established a sound reputation as a reliable partner of its members' tax administrations, contributing to multilateral co-operation and providing inspiration when member countries' tax officials look for practical solutions to address domestic issues. Moreover, IOTA made progress in using new technologies to offer better services to its members, setting up a new website and modern, online formats for its products. Communications have been used as to raise the profile of the organization and IOTA is constantly contributing to the international taxation framework.

However, the world is changing rapidly and so are the needs of tax administrations. IOTA needs to keep pace and be able to adapt to an environment characterized by globalization, digital economy and rapidly evolving new technologies.

When consulting the membership on the new Strategy, through surveys and interviews with high level representatives of our membership, significant support was voiced for keeping the initial scope of IOTA. In particular, members were especially keen that IOTA should continue to act as a forum to exchange their experiences on practical aspects of tax administration. But, even though the mission of IOTA will not change, the portfolio of activities, the way IOTA works and its relations with different stakeholders need to be revised in order to allow for better performance, flexibility and an enhanced participation of experts and senior management.

IOTA should gradually shift from a focus on mainly delivering technical training and events to working in a more agile and project-oriented way to address issues of mutual interest and meet the changing needs of its large and diverse membership. The internal functioning rules of IOTA need to be reviewed in order to improve its performance and to continue ensuring a high level of quality for its products and services. Hence, it is time for a new Strategy, reaffirming IOTA's role for the membership and the external partners.

I am confident this Strategy will provide IOTA with the necessary direction and guidance to face the challenges for tax administration in the years to come.

Miguel Silva Pinto
Executive Secretary of IOTA
Budapest, June 2017

▶ VISION

IOTA is recognised by the membership and partner organisations as the key forum for practical collaboration and sharing of experience between European tax administrations.

▶ MISSION

Contributing to the progress of European tax administrations by delivering practical solutions, enhancing collaboration and facilitating the sharing of experience.

▶ VALUES

Professionalism

IOTA is a forum dedicated to professional co-operation. IOTA is focused on delivering expertise, practical solutions and knowledge to its members. Policy decisions are out of IOTA's scope.

Partnership

IOTA offers a platform where tax administrations and other international stakeholders can meet and voluntarily engage in an exchange of best practice and experience, on an equal footing. The relations inside IOTA are based on trust and the aim is to develop mutual benefits. IOTA promotes partnership both between its members as well as with other international organizations.

Transparency

IOTA is delivering its activities in a transparent and ambitious way, disclosing all relevant information to its members. IOTA is also committed to be accountable to its members in relation to the organization's internal processes, decisions and performance.

▶ OBJECTIVES

In order to answer the challenges and to take advantage of the opportunities ahead, for the 2018-2022 period, IOTA is pursuing three inter-related objectives. The objectives aim to answer the three major challenges for IOTA: (i) the need to improve its services, (ii) the need to improve governance, processes and increase capability and (iii) the need to enhance the engagement of membership and the international position.

Each objective is to be achieved through a series of action lines. The description of each action line is set out in the implementation plan (Annex I).

▶ Objective 1 – Services

O.1.

Deliver effective services and practical solutions catering for the specific needs of the membership.

Why?

IOTA remains a forum for exchanging experience and best practice but IOTA's products and the working methods are in need of review. The needs of the membership are diverse and quality requirements for products are rising. New technology should be used to increase outreach and lower the costs of some of IOTA's services. More and more project based activities are needed to cope with the different requirements of the membership.

KPI

Overall satisfaction of the membership concerning IOTA services.

Action lines

- 1.1. Identify the priorities of the member tax administrations in respect of their particular needs for development and practical experience,
- 1.2. Offer a flexible work programme, including tailored events for regional or specific priorities and inter-member collaboration projects,
- 1.3. Develop targeted post event feedback,
- 1.4. Offer the members benchmarking and quality practical guidelines,
- 1.5. Increase the outreach of IOTA technical events and projects,
- 1.6. Improve the functioning of the technical enquiry service;
- 1.7. Increase the outreach of IOTA's website.

Membership's needs

Annual priorities

Annual work programme

Products Services

► Objective 2 – Governance, processes, capability

O.2.

Improve governance, internal processes and capability of IOTA

Why?

The capability of the Secretariat is still limited. It needs more resources, in line with the rising expectations for products and quality. The decision making process of IOTA and some of the working processes in the Secretariat are in need of revision. Effective strategic steer, an active involvement of high level decision makers and clarifying the PCPs role are necessary.

KPI

Satisfaction of the membership concerning the functioning of the Secretariat

Action lines

- 2.1. Increase the capability of the Secretariat in terms of human resources,
- 2.2. Streamline internal processes and create a more productive and stimulating working environment in the Secretariat,
- 2.3. Enable more flexibility in terms of rules of functioning of IOTA and further empower the Executive Secretary,
- 2.4. Make further use of technology to enhance the decision-making processes, and
- 2.5. Clearly define and strengthen the role of the PCPs.

Strategy impl. plan

Other activities

Annual work programme (WPA)

Budget

► Objective 3 – Engagement

O.3.

Strengthen the engagement of the membership and the partnerships with key stakeholders.

Why?

The engagement of the membership is key for the success of IOTA. The perception of IOTA among member tax administrations, other international organizations or various tax organizations needs to be raised. More targeted communications are needed. The relations with the large organizations involved in tax policy need to be strengthened in order to secure IOTA's role as reliable partner for policy implementation. Top managers in the member tax administrations should rediscover their interest for participating in IOTA's activities.

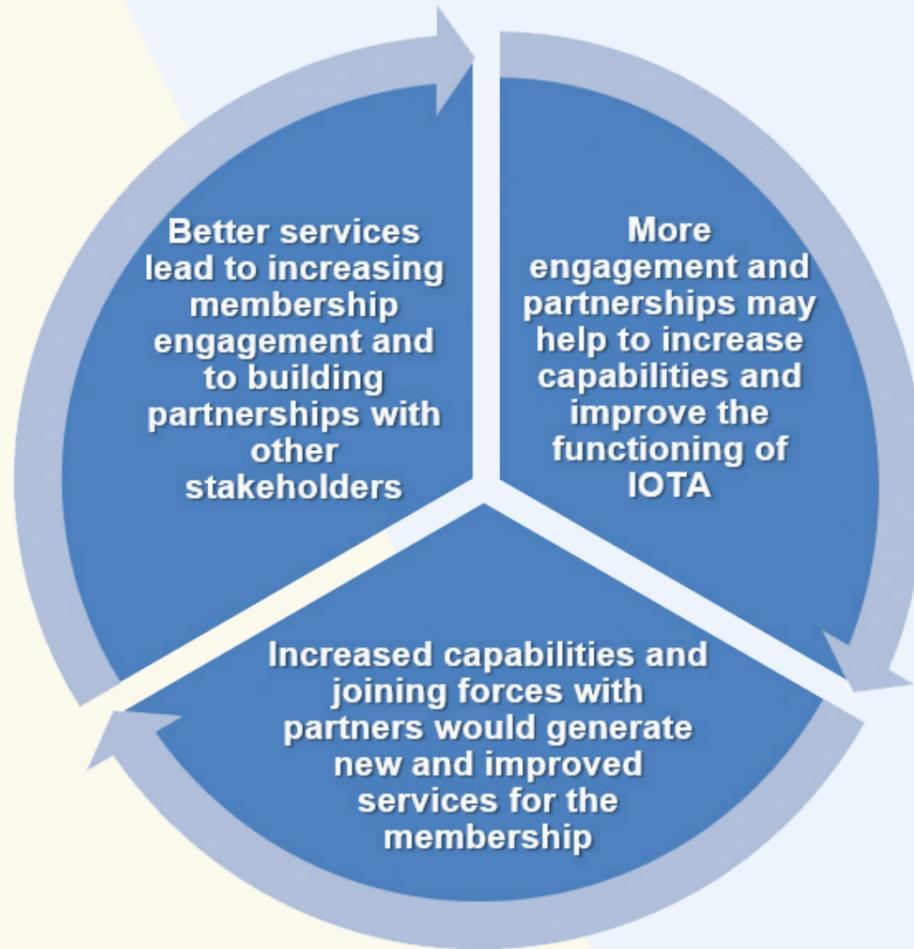
KPI

Membership's perception of the relevance of IOTA in the international framework

Action lines

- 3.1. Increase the visibility of IOTA at the level of the member tax administrations,
- 3.2. Increase the presence of IOTA on professional social networks/ media
- 3.3. Make IOTA events more appealing for top management,
- 3.4. Enhance co-ordination with partner international organizations and
- 3.5. Facilitate technical assistance projects for member tax administrations in partnership with other stakeholders.

Inter-relation between the 3 Objectives



▶ ANNEX I - IMPLEMENTATION PLAN

The annual implementation plan of the Strategy 2018-2022 is prepared in advance by the Secretariat, accepted by the EC and included in the annual work programme, which is to be approved by the General Assembly.

In order to prepare the annual implementation plan of the Strategy a special team is created inside the Secretariat. One of the most critical jobs of this team is to find support among the membership and other partners for sponsoring different projects or offering other types of resource like “in-kind” contributions, seconded experts or funding tied to specific projects.

Description of the strategic action lines

Objective no.1 – Services

- 1.1. Identify the priorities of the member tax administrations in respect of their particular needs for development and practical experience

This is a core issue for IOTA, requiring the active and full involvement of the membership through an annual inclusive consultation process. The annual priorities proposed by the Secretariat and endorsed by the EC are approved by the General Assembly.

- 1.2. Offer a flexible work programme, including tailored events for regional or specific priorities and intra-membership collaboration projects

The process of formulation of the work programme is to be revised no later than the first year of the Strategy, in order to allow for more flexibility and to speed up the decision-making process. The work programme is based on both predetermined events (individually and precisely defined by the General Assembly) and the so called “hot topics”, which are to be decided by the EC during the year, based on proposals from the Secretariat. In order to increase flexibility and capacity to respond to urgent needs, the proportion of “hot topics” is expected to rise during the Strategy implementation timeline. Hot topics and other events are in line with the previously agreed annual priorities.

The work programme includes the projects decided on to be implemented. The results from all those projects are made available for the whole membership when a project is implemented.

The work programme and the budget should allow and support multi-annual project implementation.

- 1.3. Develop targeted post event feedback

The creation and dissemination of post event reports, or any other form of feedback to the membership, are devised to deliver relevant, in time and targeted information to the membership. The template of the post event report is updated and a formal deadline for delivering it is adopted.

1.4. Offer the members benchmarking

IOTA follows the implementation of ISORA, facilitating the access of its members to comprehensive and reliable benchmarking information. Besides that, if equipped with the adequate resources, IOTA creates and offers, on request, benchmarking studies on relevant topics.

1.5. Increase the outreach of IOTA technical events and projects

The number of staff from the member tax administration who participate in events or projects, getting directly in contact with IOTA activities, increases whilst minimising costs (e.g. by the adoption of new formats for events, such as webinars, podcasts and videoconferences).

IOTA should gradually shift from a focus on mainly delivering technical training and events to working in a more agile and project-oriented way. Projects will focus on areas of mutual interest where a clear value proposal aligned with IOTA's mission can be articulated. Projects may be sponsored or otherwise supported by individual administrations, but their deliverables will always be shared with the full membership.

1.6. Improve the functioning of the technical enquiry service

In order to get the most benefit out of this service, starting with the second year of the Strategy, the Secretariat will conduct a review of the functioning of the quality of the technical enquiry service with a particular emphasis on: improving the quality and relevance of questions posed, reducing the burden on responding administrations and ensuring the greatest possible value added to the membership as a whole. Appropriate implementation measures should follow.

1.7. Increase the outreach of IOTA's website

IOTA's website is to be reviewed no later than the second year of the strategy in order to improve its design, functionality and content. The aim is to create a "must go to", user friendly and attractive site that will be a valuable resource for the staff of member tax administrations, partner organizations and other stakeholders alike. There is also scope for continuously promoting the site amongst the membership with support from PCPs. Starting with the second year of the Strategy implementation, the website will include rich site summary (RSS) services and, possibly, a newsletter service to keep both registered users, as well as the interested public, informed about and engaged with IOTA activities. Collaborative digital spaces could be created for tax officials with specific expertise to support others as part of a wider ambition to develop capacity building.

Objective no.2 – Governance, processes, capability

2.1. Increase the capability of the Secretariat in terms of human resources

As the Secretariat increases the diversity of products offered, this requires an increase in the number of staff (for the positions of technical taxation expert) and the acquisition of new competences. Thus, the Secretariat enhances its competences in areas such as project management, developing technical assistance projects and obtaining and managing international or donor financing.

2.2. Streamline internal processes and create a more productive and stimulating working environment in the Secretariat

The Secretariat is required to focus more on high value activities, to avoid duplication of effort and to reduce bureaucratic activities. The revision of internal processes is carried out in consultation with the staff from the Secretariat, aiming to move the focus from the delivery process to the outcome of the Secretariat's activities. Finally, the working conditions and the compensation system for the staff is revisited starting with the first year of the Strategy, namely by clarifying the internal regulations of IOTA. A new Regulations Task Team is appointed and tasked with this mission.

2.3. Enable more flexibility in terms of rules of functioning of IOTA and further empower the Executive Secretary

The rules of functioning of IOTA become more flexible, allowing quicker decisions on the allocation of resources and the work programme. The competences of the Executive Secretary are clarified and the possibility to delegate to him/her more representation powers is assessed. The Regulations Task Team, mentioned above, will proceed with the preparation of those changes, starting in the second year of the Strategy.

2.4. Make further use of technology to enhance decision-making processes

IOTA increases the use of new technology such as video-conferences, e-voting or on-line surveys in order to speed up the decision-making process and to save costs. The Regulations Task Team, mentioned under point 2.2. above, will be asked to recommend solutions on this.

2.5. Clarifying and supporting the role of the PCPs.

PCPs need to become more visible inside their own administrations and to play an active role in promoting IOTA. Their rights and obligations must be clarified and approved at IOTA level by an internal regulation based on the proposal of the Regulations Task Team, during the second year of the Strategy. Member tax administrations are encouraged to designate and maintain, in the PCPs role, staff with proper experience, skills and a sufficient access to information and top management.

Objective no.3 - Engagement

3.1. Increase the visibility of IOTA at the level of the member tax administrations

IOTA increases its visibility in order to get more support from its members. PCPs play a key role by disseminating information, networking and advising their top management. The number of staff in European tax administrations receiving constant practical information and updates increases.

IOTA expands and raises the profile of the network of tax officials who take part in the events and contribute to IOTA as speakers, authors of publications or as experts involved in different projects. Middle managers are especially targeted by IOTA's technical events and services. Networking is stimulated by creating opportunities and rewards.

3.2. Increase the presence of IOTA on professional social networks/media

IOTA takes advantage of the opportunity afforded by networking and communication on social networks. Besides being present on social networks, IOTA delivers content in a special format, through these channels. IOTA's special app is currently being developed and is aimed mainly at events in its initial phase. By the second year of the Strategy the IOTA app allows a wider access to products and services.

3.3. Make IOTA events more appealing for top management

IOTA creates dedicated events allowing top managers (director general and deputy director general levels) to exchange experience and to decide on priorities for IOTA. IOTA organizes at least every year one special event dedicated to top managers and teams up with other international organizations in the tax field in organizing such events.

3.4. Enhance co-ordination with partner international organizations

IOTA continues to develop its co-operation with other international organizations, based on partnership agreements, ensuring the best use of resources and avoiding duplication and overlapping of activities. IOTA seeks participation in the Platform for Collaboration on Tax.

3.5. Facilitate technical assistance projects for the member tax administrations in partnership with other stakeholders

IOTA finds ways to help deliver technical assistance projects to the membership. The way in which IOTA contributes to such projects is mostly focused on identifying partners and offering a platform for exchange of experience. In order to identify national technical experts who may be involved in technical assistance projects, starting with the second year of the Strategy, IOTA creates a list of experts with support from PCPs. Possible offers for technical assistance have to be confirmed at national level, according to the availability of the national experts.

Key performance indicators

The performance in implementing the Strategy will be reviewed based on a full set of KPIs. Annex II presents the baselines and the targets to be achieved during the Strategy term. The 2017 level of KPIs will serve as baseline. For those KPIs for which IOTA is not already collecting data, the baseline will be considered as the level associated with 2018.

Resources estimation

During the Strategy term 2018-2022 it is anticipated that there will be no change to the current system and level of financial contributions to IOTA's budget. Even though IOTA's financial reserves are at an historic high level, ensuring almost one year of financing at current budget levels, a mid-term plan for balancing the budget must be proposed by the Secretariat, in close co-operation with the EC, including the possibility of funding specific projects by accessing grants or through other contributions of partner organizations.

However, the implementation of the Strategy requires an increase in the human resources available. There are two types of resources needed: technical experts in the Secretariat and "in-kind" contributions.

As per action line 2.1, in order to achieve the targets set for each indicator (KPI) and, at the same time, to keep the current level of quality for a work programme, there is a need to supplement the number of technical experts and to diversify the skills of the staff involved in delivering IOTA's products. The new skills needed mainly concern project management, obtaining financing from donors, negotiating and setting up projects. The volume of work of the Secretariat during the Strategy term 2018-2022 will slightly increase as more timely and quality products (e.g. publications, app and activity on the social networks) are expected. "In-kind" contributions from the members and sponsorship for different projects may be needed in order to cope with those new products.

Monitoring and evaluation arrangements

The monitoring of the strategy implementation will rely on the Executive Council. An annual status report on Strategy implementation, part of the annual report of IOTA, must be prepared, with support from the Secretariat, adopted by the EC and presented to the General Assembly.

The EC may take the decision to select from its members one or more representatives (including the Presidency) to gather information and prepare the report.

The report will focus on presenting:

- the progress in implementing the action lines;
- the level of performance measured by KPIs by employing a red - amber - green (RAG) code of colours to present the "RAG-status" of relative performance;
- the level of resources used;
- issues and risks.

A full evaluation report, covering the period 2018-2022, will be prepared according to the same procedure and presented to the General Assembly in 2022. The evaluation report will focus on the relevance, efficiency, effectiveness and impact of the current Strategy.

In order to collect the necessary data for monitoring the Strategy implementation, an annual on-line survey will be prepared and distributed by the Secretariat to the membership, during the first quarter of the next calendar year. The answers to the survey need to reflect the official position of the member tax administrations and not that of the person tasked with providing the response. In addition to the annual surveys, IOTA may collect feedback from the membership and participants on its activities through other means, including through post-event feedback.

Finally, some of the data measuring the Strategy implementation may be collected directly and presented to the EC by the way of Secretariat's reports.

ANNEX II – KEY PERFORMANCE INDICATORS

	Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)		Targets			
					2017	2018	2019	2020	2021	2022
Strategic objective no.1 – Delivering effective services and practical solutions catering for the needs and particularities of the membership										
K.1.	O.1.	Overall satisfaction of the membership concerning IOTA services	Percentage of members satisfied or very satisfied with IOTA services	Annual survey	BS	BS	BS + 5%	BS + 5%	BS + 10%	BS + 10%
K.2	1.1.	Identification of annual member countries priorities	Percentage of the IOTA membership that confirms the relevance of the identified annual priorities	Annual survey	BS	BS	75%	80%	80%	80%
K.3.	1.2.	Overall satisfaction concerning IOTA Annual Work Programme (WPA)	Percentage of members satisfied or very satisfied with IO-TA's WPA	Annual survey	BS	BS	BS + 5%	BS + 5%	BS + 10%	BS + 10%
K.4.	1.2.	Mid-term evaluation of the annual work programme	Evaluation report of the 2019 WPA delivered	Evaluation report	-	-	Yes	Yes	-	-

	Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)		Targets				
					2017	2018	2019	2020	2021	2022	
K.5.	1.2.	Satisfaction level concerning the quality of events	Percentage of participants in events (including webinars, excluding projects) satisfied or very satisfied with the quality of the event	Post-event evaluation sheets	BS	90%	90%	90%	90%	90%	90%
K.6.	1.3.	Timely delivery of post event reports implemented	The post event report is delivered in 2 weeks in more than 90% of the cases	Secretariat report	No	Yes	Yes	Yes	Yes	Yes	Yes
K.7.	1.4.	ISORA data is provided in sufficient detail by at least 95% of IOTA members	Every year, at least 95% of the members upload the answers (quality reviewed by the Secretariat) to the survey for at least 60% of the survey's fields.	Secretariat report	No	Yes	Yes	Yes	Yes	Yes	Yes

	Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)		Targets				
					2017	2018	2019	2020	2021	2022	
K.8.	1.5.	Number of IOTA member tax administrations providing participants in at least 5 annual technical events or projects	Number of IOTA member tax administrations providing participants in at least 5 annual technical events or projects		BS	BS+2	BS+2	BS+3	BS+3	BS+3	BS+3
K.9.	1.5.	Number of tax officials attending events (including webinars) and participating in projects	The number of tax officials from the membership attending events or participating in projects	Secretariat report	BS	800	850	850	900	900	900
K.10.	1.5.	Volume of effort dedicated to projects	Estimated volume of work allocated to projects compared to volume of work dedicated to the whole work programme (in percentage, counted in man/days)	Secretariat report	BS	17%	19%	21%	23%	25%	25%

Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)			Targets		
				2017	2018	2019	2020	2021	2022
K.11.	1.6.	Satisfaction level concerning the technical enquiry service	Annual survey	BS	BS	BS + 5%	BS + 10%	BS + 15%	BS + 20%
K.12.	1.7.	Number of active registered users on the website	Secretariat report	2644	2800	2900	3000	3000	3100
K.13.	1.7.	Number of unique visits to the website per year	Secretariat report	BS	BS + 20%	BS + 50%	BS + 100%	BS + 150%	BS + 150%
Strategic objective no.2 – Improving the governance internal processes and capability of IOTA									
K.14.	O.2.	Satisfaction of the membership with the functioning of the Secretariat	Annual survey	-	BS	BS + 3%	BS + 5%	BS + 5%	BS + 5%
K.15.	2.1.	Number of TACs employed by the Secretariat	Secretariat report		BS	BS + 1	-	-	-
K.16.	2.2.	Satisfaction level of staff in the Secretariat with internal processes and work environment	Annual survey	-	BS	BS + 10%	BS + 15%	BS + 20%	BS + 25%

Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)			Targets		
				2017	2018	2019	2020	2021	2022
K.17.	2.2. 2.3. 2.4. 2.5.	Revisions approved	GA minutes EC minutes	-	Yes	Yes	-	Yes	-
K.18.	2.4.	Number of decisions of the EC taken by VC or written procedure	SEC Report	BS	BS	BS + 5%	BS + 10%	BS + 10%	BS + 10%
Strategic objective no. 3 – Strengthening the engagement of the membership and developing stronger partnerships with key stakeholders									
K.19.	O.3.	Percentage of members considering as relevant or very relevant the role played by IOTA among other international initiatives	Annual survey	BS	BS	BS + 5%	BS + 5%	BS + 10%	BS + 10%
K.20.	3.1.	Number of tax officials providing input to IOTA activities as authors of content, speakers or project team members	Secretariat report	BS	BS	BS + 10%	BS + 15%	BS + 20%	BS + 25%

	Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)		Targets			
					2017	2018	2019	2020	2021	2022
K.21.	3.1.	Number of member tax administrations contributing to IOTA	Number of member tax administrations providing speakers in at least two technical events per year	Secretariat report	BS	BS	BS+1	BS+1	BS+1	BS+2
K.22.	3.2.	Number of followers of IOTA on social media	Followers on LinkedIn, Twitter and Facebook (in aggregate)	Secretariat report	BS	BS + 30%	BS + 40%	BS + 50%	BS + 75%	BS + 100%
K.23.	3.3.	Share of the member tax administrations represented at top level (DG or deputy DG) in general assemblies and annual conferences	Percentage of members represented at top level (DG or deputy DG) in General Assemblies and annual conferences	Secretariat report	BS	60%	60%	65%	70%	70%

	Corresp. Obj./action line	KPI	Definition	Source of data	Baseline (BS)		Targets			
					2017	2018	2019	2020	2021	2022
K 24	3.4.	Co-ordination with other international organizations	At least one meeting takes place each year with senior officials of the key international tax organisations	Secretariat report	-	Yes	Yes	Yes	Yes	Yes
K 25	3.5.	Budget of the implemented projects of Technical Assistance	The amount of budget spent during the year for TA projects (from the budget of the projects, excluding memberships' "in-kind" contributions).	Secretariat report	-	BS	BS	BS + 5%	BS + 5%	BS + 10%

▶ ANNEX III - ABBREVIATIONS LIST

BEPS	Base Erosion and Profit Shifting
EC	Executive Council
ES	Executive Secretary
GA	General Assembly
FTE	Full-time employment
IMF	International Monetary Fund
IOTA	Intra-European Organisation of Tax Administrations
ISORA	International Survey of Revenue Administrations
KPI	Key Performance Indicator
OECD	Organisation for Economic Co-operation and Development
PCP	Principle Contact Person
RAFIT	Revenue Administration Fiscal Information Tool
RAG	Red, Amber, and Green
RSS	Rich Site Summary
TAC	Technical Advisor
WB	Word Bank
WPA	Annual Work Programme



IOTA

Intra-European Organisation
of Tax Administrations