

Conference “Revving up revenue for development – the role  
of domestic resource mobilization”

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# The GTED: a “global public good”

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# Introduction to the GTED

## Tax expenditures – not a minor issue

- Tax expenditures are **preferential tax treatments** such as exemptions, deductions, credits, deferrals and reduced tax rates that are implemented by governments worldwide to promote different policy goals.
- Over the last 30 years, the global average of reported revenue forgone from tax expenditures was 3.7 percent of GDP and 23.5 percent of tax revenues.
- Yet, real numbers are probably significantly higher → **widespread underreporting.**

## **Our ambition: Contribute to a rational use of tax expenditures worldwide**

- First global database covering the whole universe of tax expenditures
- Available free of charge online, complete dataset fully downloadable
- Improve transparency, deepen analysis and foster policy debates on the costs and benefits of tax expenditures

## What data does the GTED gather?

1 **Official**

2 **Publicly-Available**

3 **Following Country-Specific  
Benchmarks**

## Scope of collected data:



**Types of Info:** Revenue Forgone, Tax Type, TE Type, Beneficiaries, Policy Objective, Legal Reference, etc.



**Period Covered:** 1990-Present



**Countries Covered:** All 218

# Current Key GTED Statistics

**105**

Reporting countries

**113**

Non-reporting countries

**24,128**

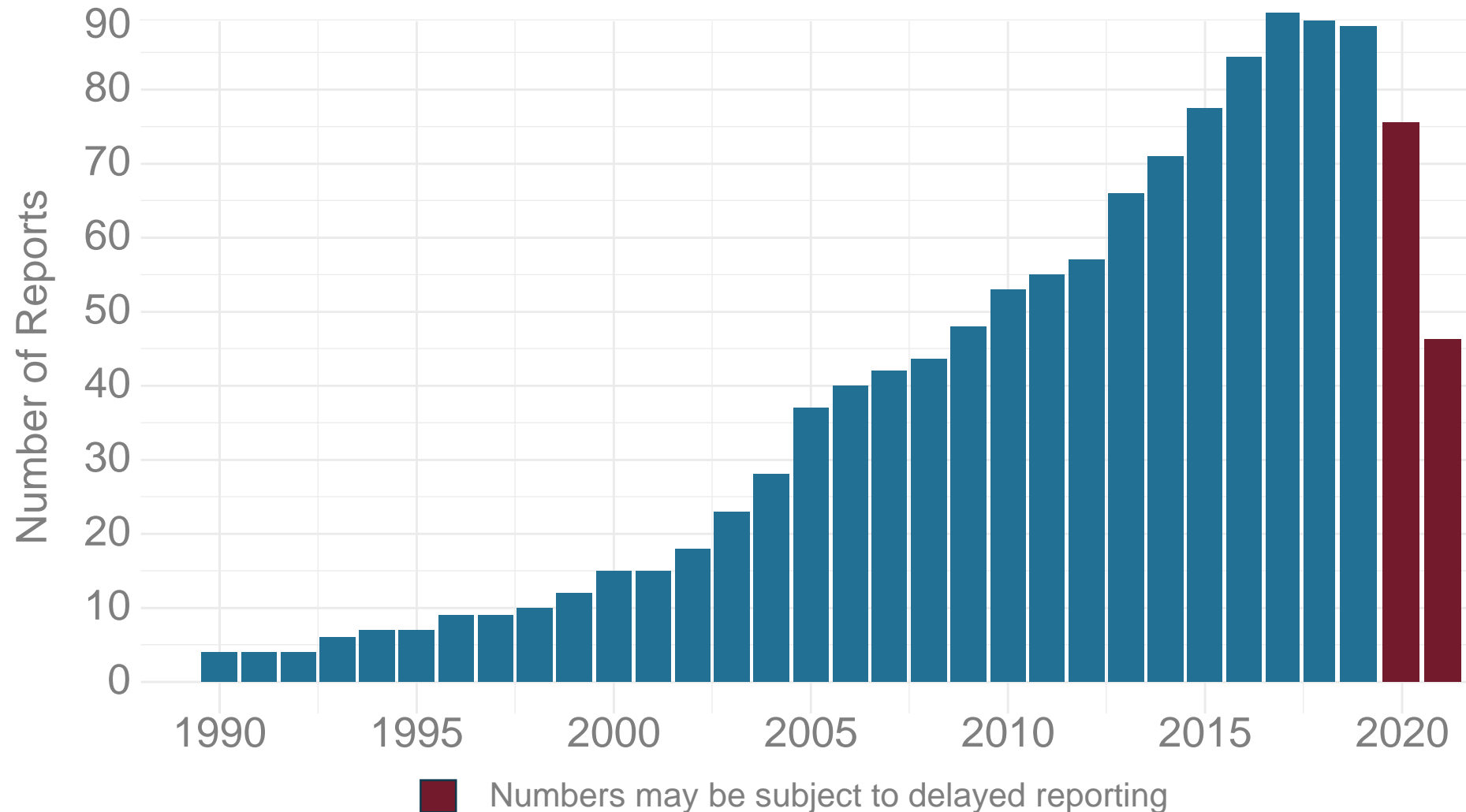
TE Provisions

**114,045**

RF Estimates

# Tax Expenditure Figures & Trends

# Increasing numbers of countries have been reporting on TEs since the 1990s





# The revenue forgone as a share of tax revenue large for low-income countries is large

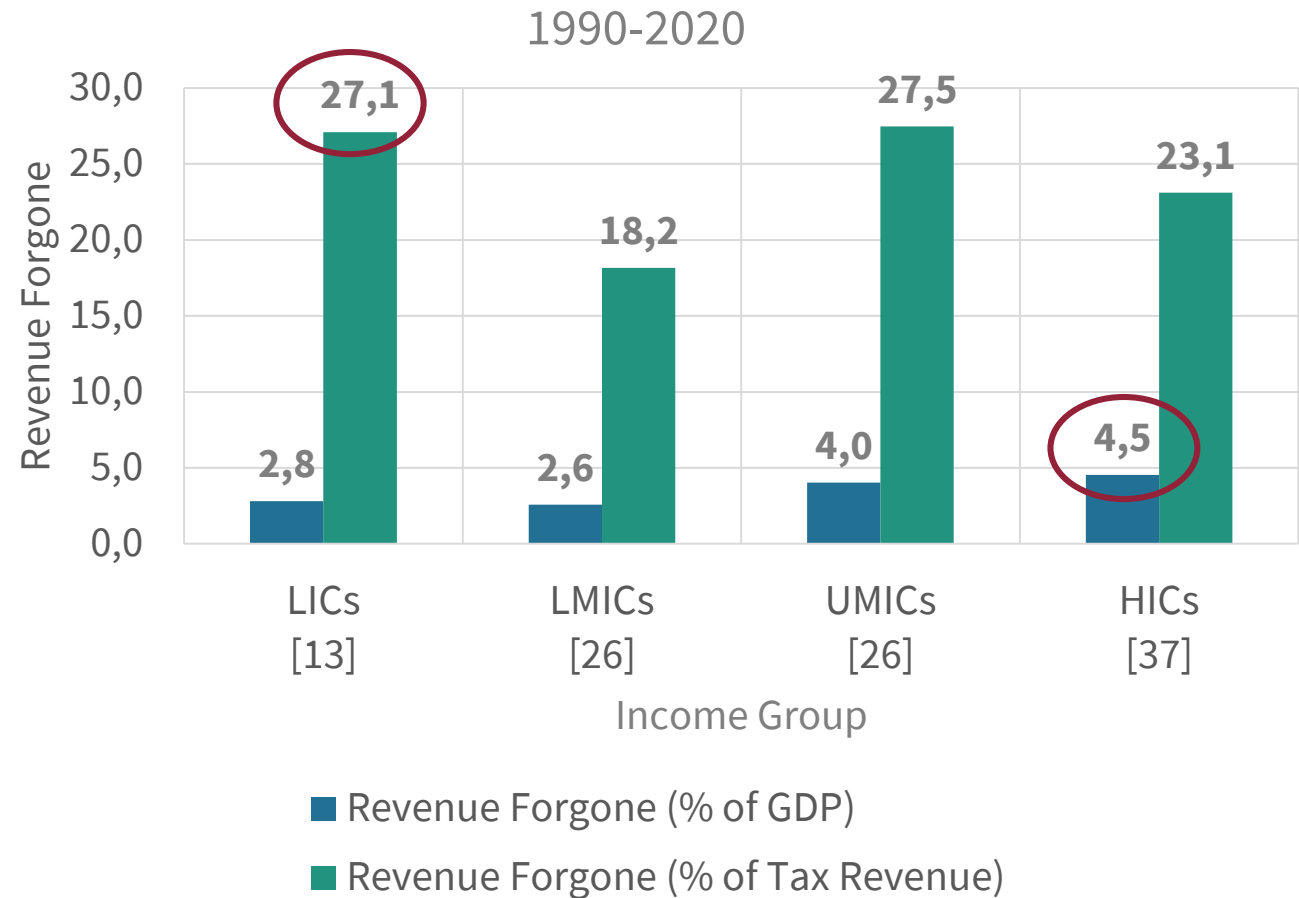
## Global revenue forgone averages

3.7%

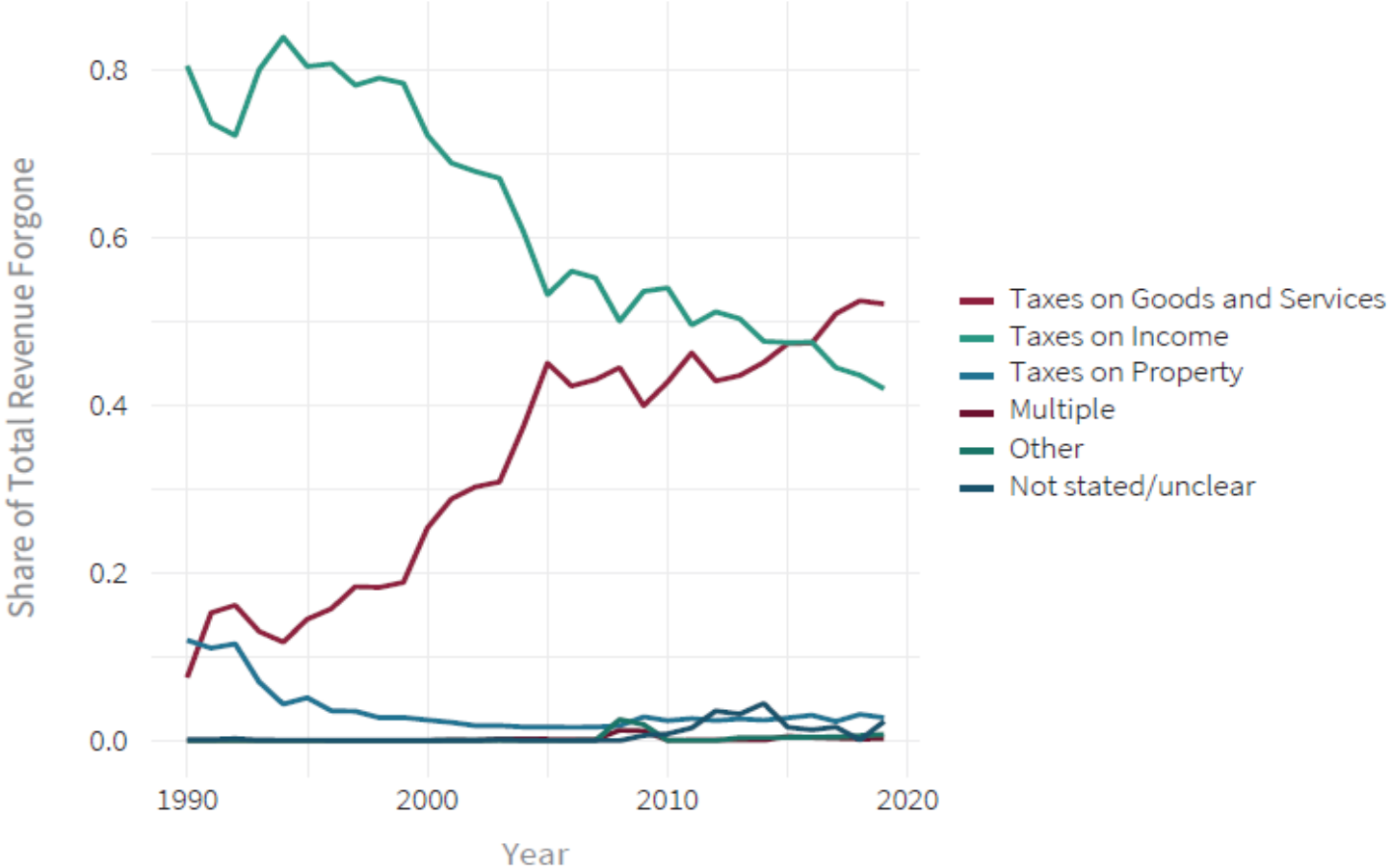
of GDP

23.5%

of tax revenue



# Global composition of tax expenditures changes over time



Note: Only provisions with revenue forgone estimates are included

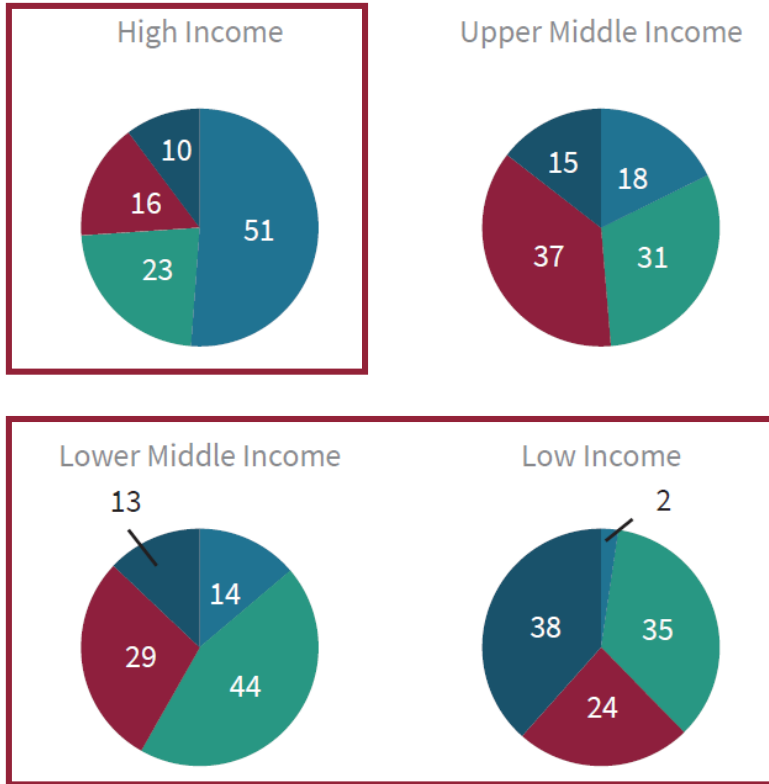
Share of RF from Taxes on Goods and Services: **HICs**  
**37.0%**  
of Total RF

Share of RF from Taxes on Goods and Services: **LICs and LMICs**  
**77.8%**  
of Total RF

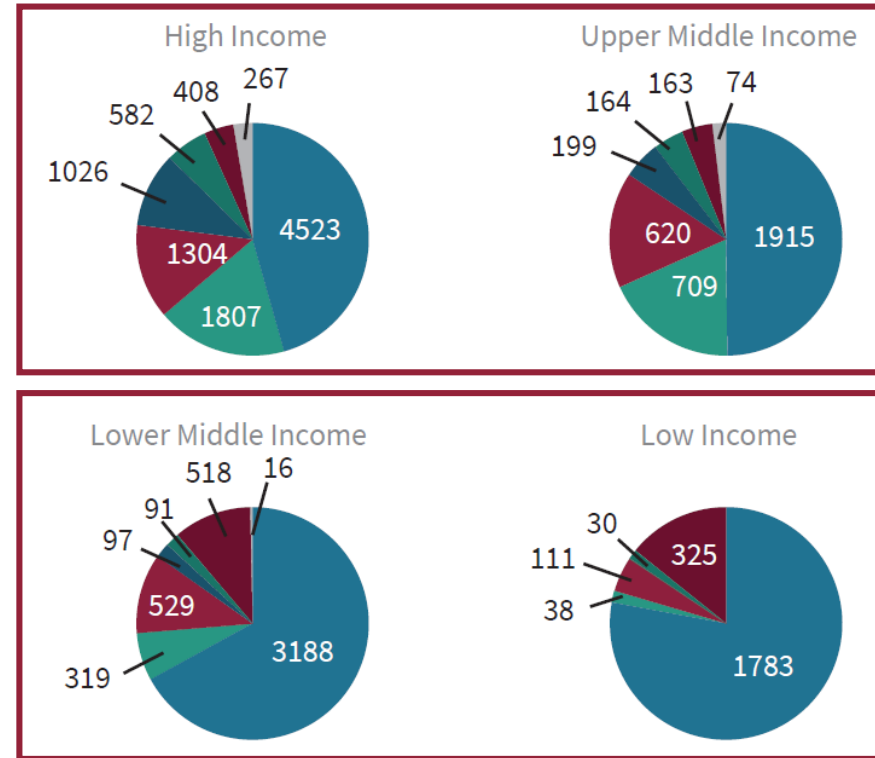
# Countries use tax expenditures differently

Provisions (per cent / numbers) according to

Beneficiaries

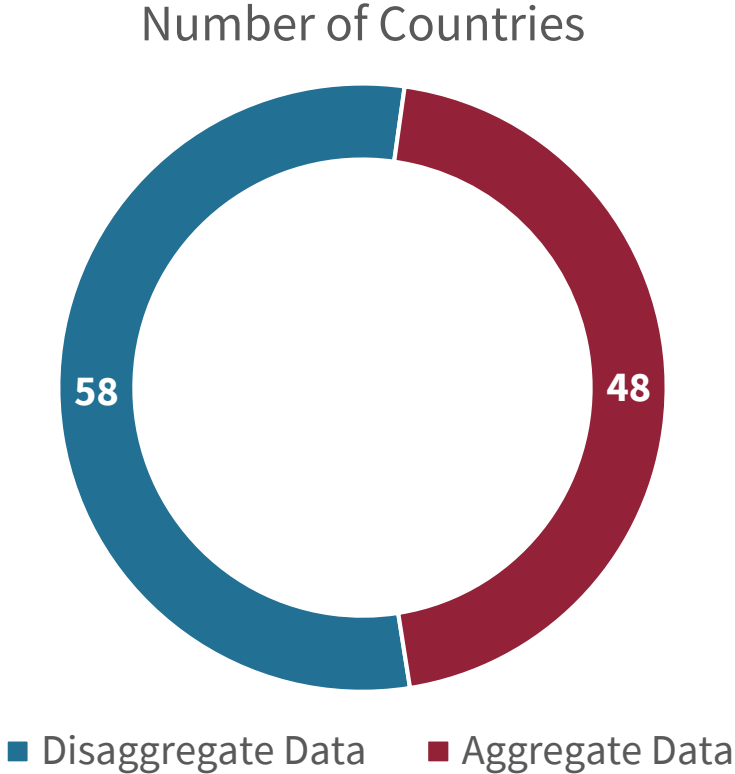
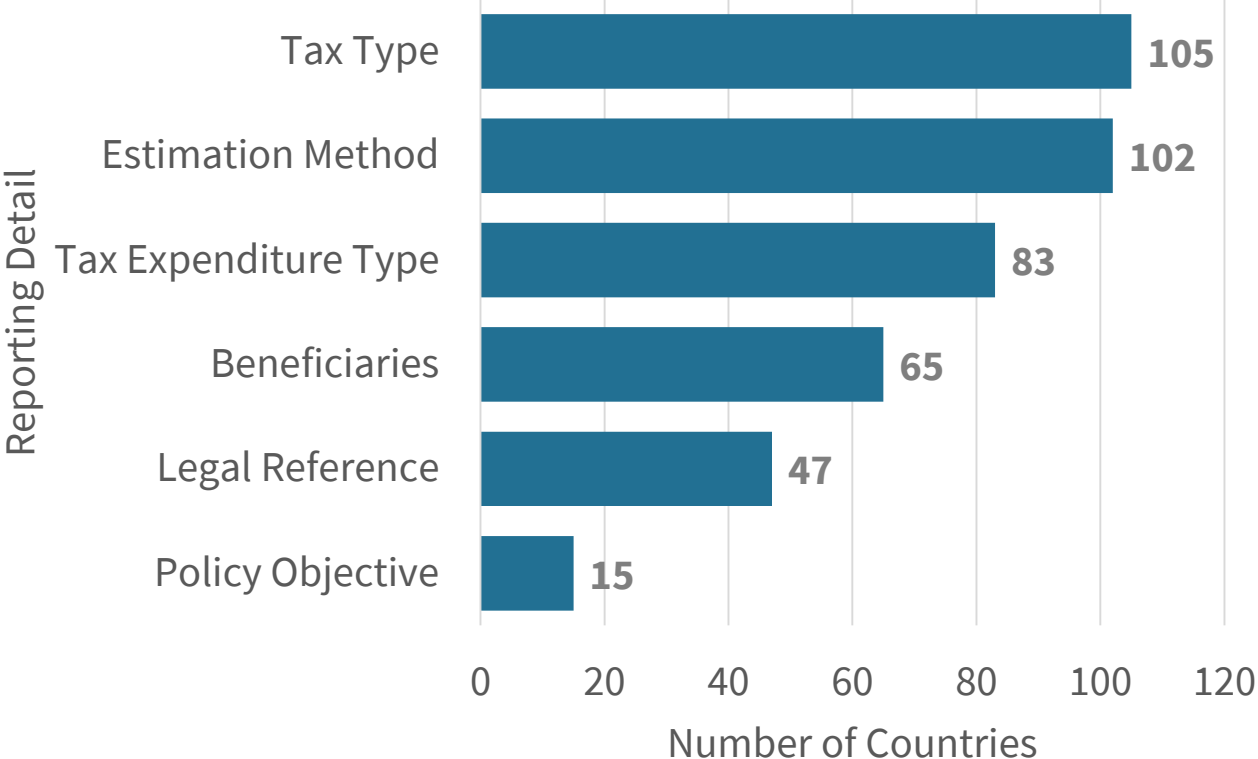


Types of Tax Expenditure

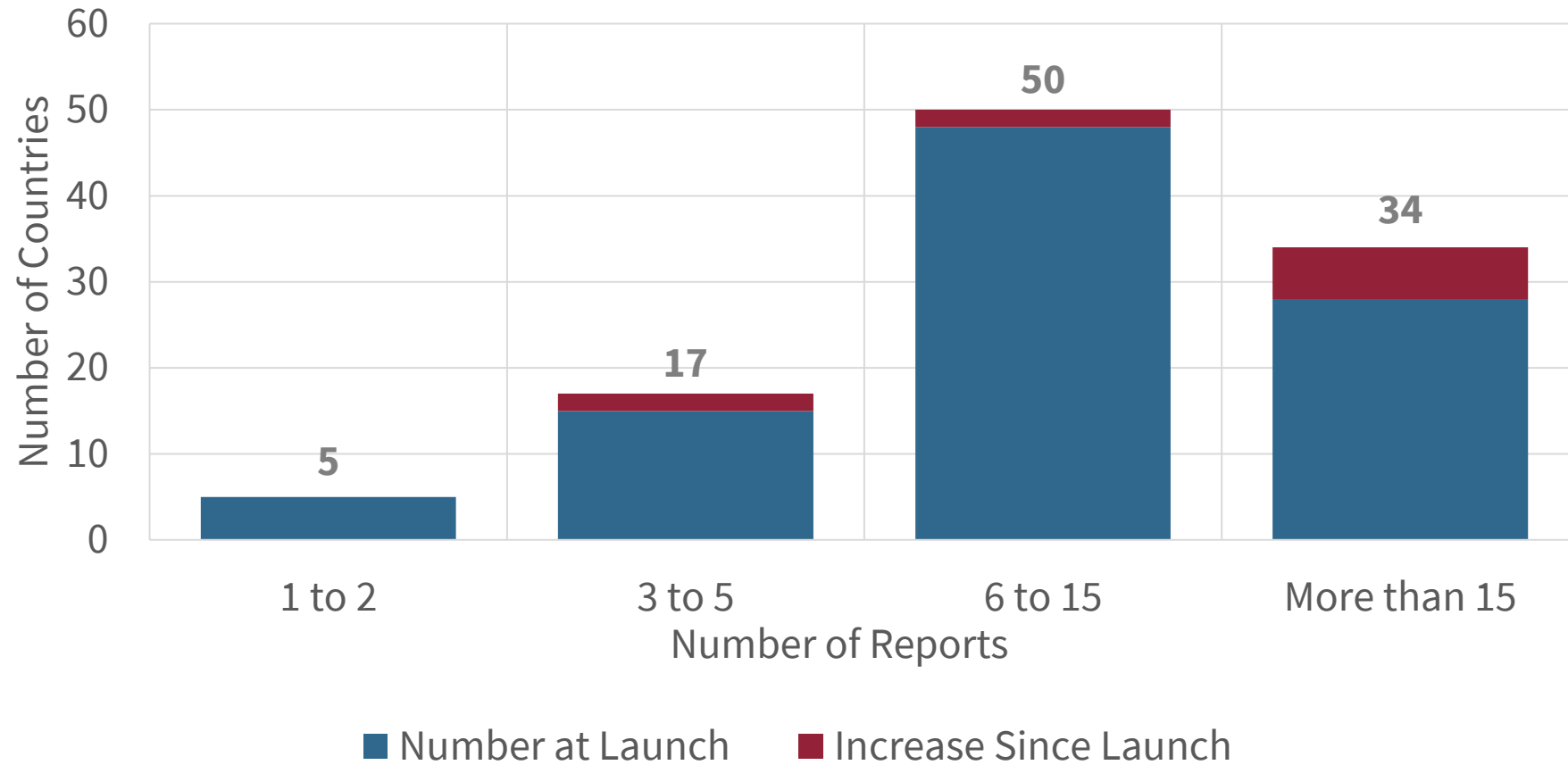


# Quality of TE Reporting

# Quality of reporting still needs improvement



# Many countries only have reported on TEs for a few years



# The variation in the quality of reporting is not a low-income country-specific issue

## 42 countries worldwide

publish reports with **provision-level** data on a **regular** basis, most of them members of the OECD or the EU

## 46 G20 and OECD countries

**3** do not publish any official tax expenditure information, and **11** only report aggregate estimates

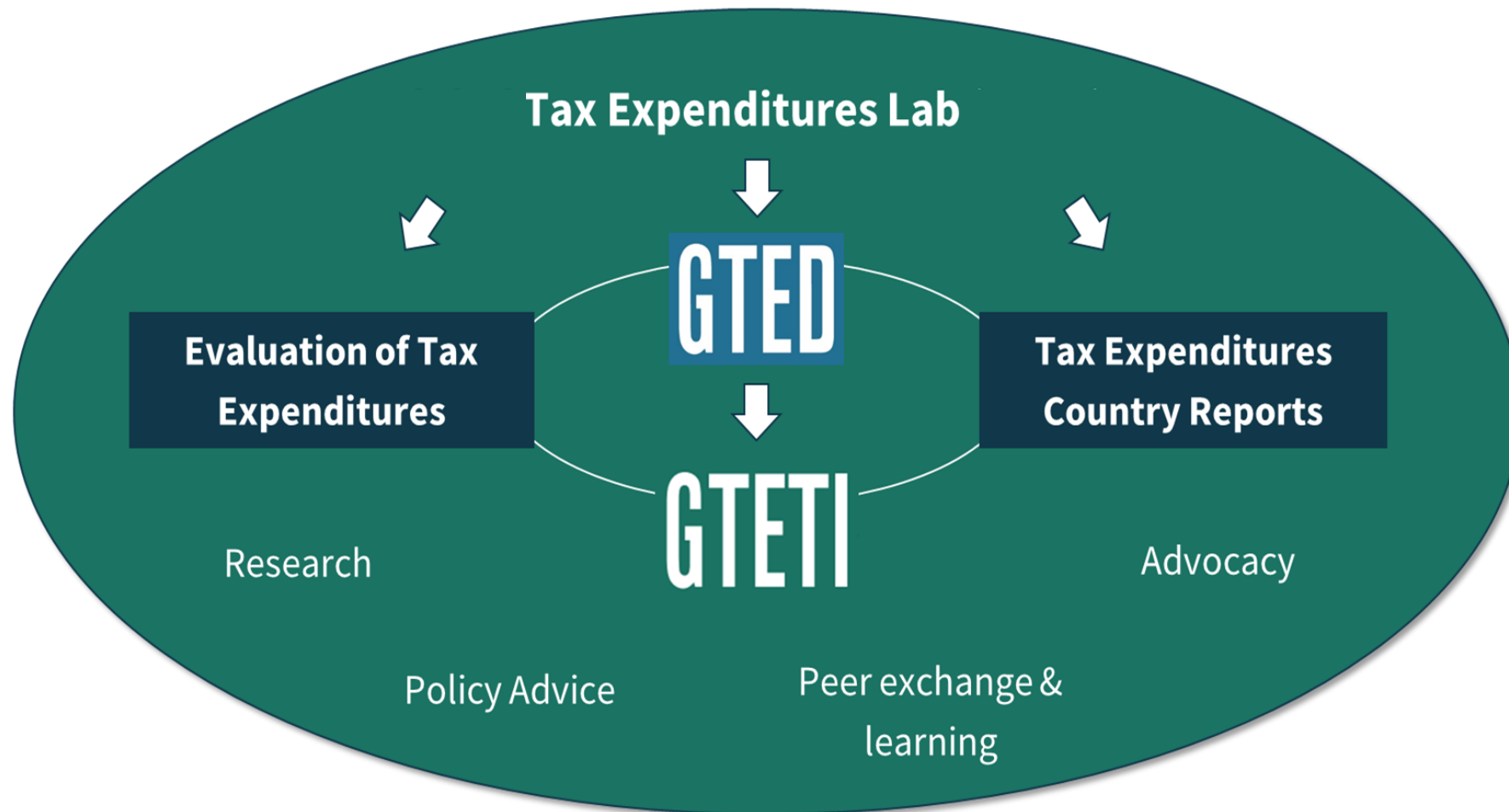
## 27 EU member states

**3** do not report on tax expenditures at all, and **10** only provide aggregate information

## 54 African countries

**22** do not report on tax expenditures, and only **3** report provision-level data regularly

# The Global Tax Expenditures Project – more than a database



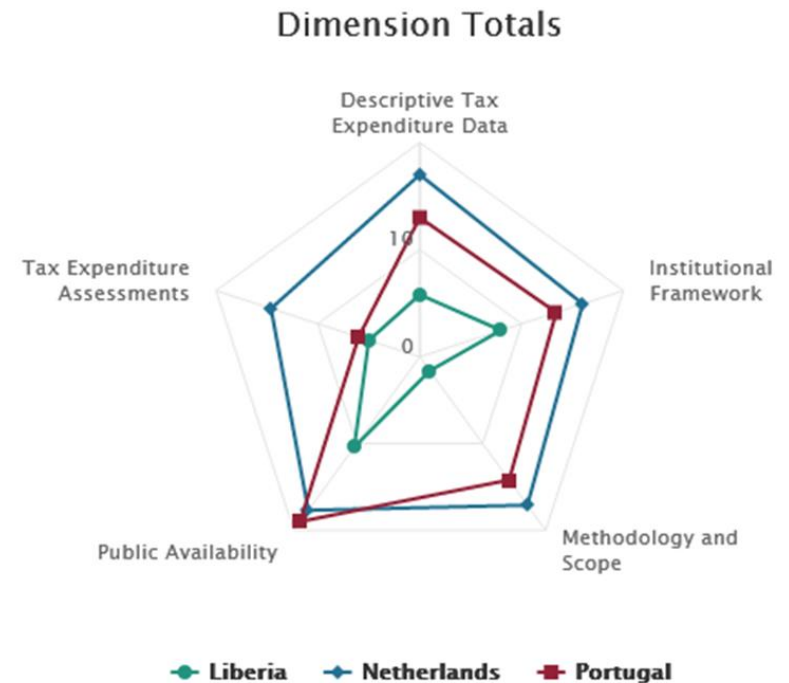


# The Global Tax Expenditures Transparency Index

The GTETI is the **first comparative assessment** of TE reporting, covering countries worldwide.

- Builds on the data made available through the GTED
- Provides a systematic framework to rank countries according to the regularity, quality, and scope of their TE reports

→ **Will be launched on 9 October 2023**



Thank you!

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