

Round-table Talks on International Cooperation Programs

National Tax College, National Tax Agency

The year 2008 was a year for commemoration, as it marked 40 years since the establishment of the International Seminar on Taxation (ISTAX), a training program aimed at tax officials from developing countries. This is organized by Japan International Cooperation Agency (JICA) and implemented by the National Tax College (NTC). In addition, one of the year's themes of "Think about Tax Week" was "International Cooperation." Taking this opportunity, the NTC invited participants taking part in the programs in which the NTC provides lectures, the university professors instructing them, and JICA personnel to exchange their impressions on international cooperation programs.

For further information on international cooperation by the National Tax Agency (NTA) and the NTC, please visit the NTC's International Cooperation Activities page; <http://www.nta.go.jp/ntc/english/inter/index.htm>

■ Moderator: I'm Yanagisawa from the National Tax College. Today, I am serving as moderator.

I was dispatched as a JICA long-term expert from 2005 to 2008 to the Directorate General of Taxes in Indonesia, which is equivalent to the NTA in Japan. I have known Ms. Dwi, who is in attendance at this meeting, since then. In addition to Indonesia, now the NTA dispatches its staff as long-term experts for JICA to Malaysia and Vietnam. The NTA also dispatches short-term experts to various countries in Asia that have strong economic ties with Japan, and we provide lectures in Japan to many tax officials who come as participants from developing countries. To begin with, I'd like Mr. Hayashi, the President of the National Tax College, to give us a brief explanation of this meeting's background and an outline of ISTAX and the NTA Practical Training Course (Practicum).

■ President Hayashi: Thank you for attending today's round-table talk. As the host, I very much appreciate your being here

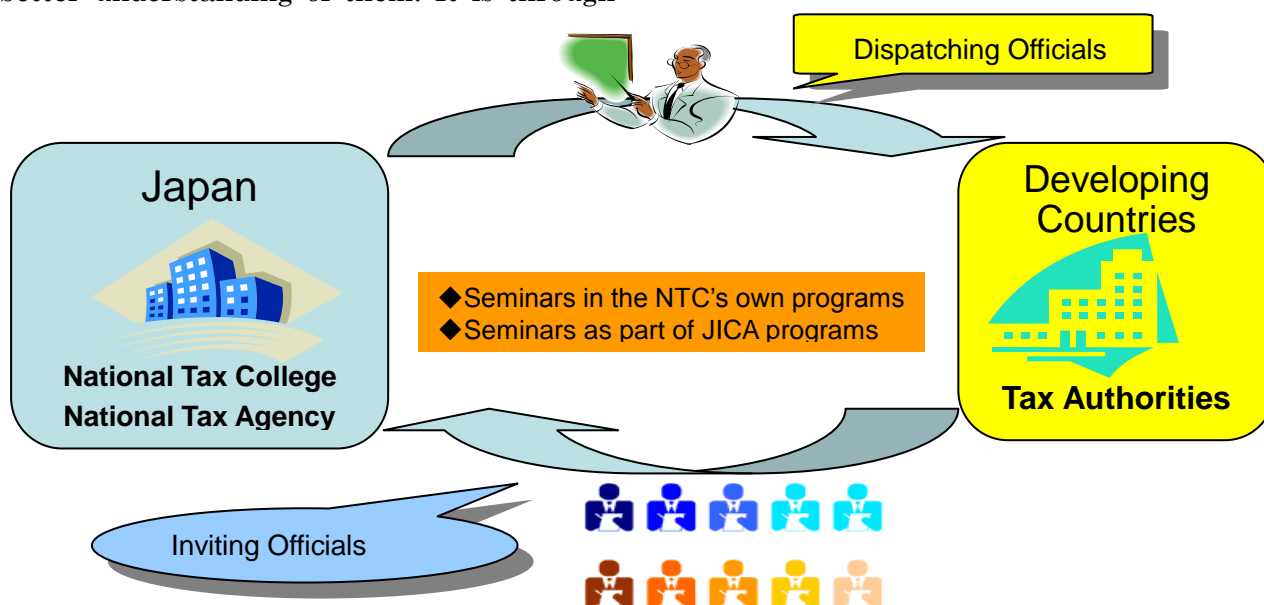
in response to our request at such short notice. To begin with, I would like to provide some explanatory background on today's round-table talk. First of all, this year is the 40th anniversary of the ISTAX General Course, as the program was started in 1968. The ISTAX Senior Course was started in 1974, and including this year's participants, until now 1,266 participants from 82 countries have taken part in both courses. It is no exaggeration to say that the participants have spread around the world. Secondly, as you may know, the NTA sets up a



President Hayashi, National Tax College

“Think about Tax Week” every year in November as a part of our public relations, taking up specific themes for the week. One of the main themes of this year is “Globalization and Taxes” including technical cooperation for developing countries. In fact the NTA and the NTC have been quite actively engaging in technical assistance for years, and we want to let people know more about our activities in this area and gain a better understanding of them. It is through

these activities that we transfer specialized knowledge on Japan’s tax system and tax administration, as well as on international taxation issues, to developing countries (please refer to the diagram and the chart). Namely, we have intended to improve tax administration in these countries, to develop a common awareness on the rules of taxation among us and to enhance our cooperative relations.



Overview of training programs held in Japan

Relevant party	Programs	Overview
JICA	International Seminar on Taxation (ISTAX)	Targeting tax officials from developing countries for training to understand the Japanese tax system and tax administration. The program consists of two courses; a General Course (two months) for middle ranking tax officials and a Senior Course (one month) for senior tax officials.
	International Taxation for Asian Countries	Targeting tax officials from developing countries in Asia, the program provides specific knowledge on international taxation. (3 weeks)
	Country-Focused Training Courses	Targeting specific countries and focusing on specific themes in tax administration. (1-2 weeks)
Other	The NTA Practical Training Course (Practicum)	Providing practical training on the Japanese tax system and tax administration for World Bank scholars, etc. enrolled in Japanese graduate schools who are also tax officers in developing countries. (15 months)

【Impressions and Points of Interest in Each Course】

■ Moderator: Now let's begin with topic of your impressions on ISTAX and the Practicum before and after you participated, and on any aspects of the courses which particularly piqued your interest.



Mohd Zaiki Ariffin
Director, Kuching Branch Office,
Inland Revenue Board of Malaysia
ISTAX Senior Course 2008 Participant

■ Mr. Zaiki: First, I'd like to extend my personal appreciation to the Japanese government. Before participating, I didn't know about tax administration in other countries, but in this course, I learned about each country's strong and weak points through discussions among the trainees. In particular, under the direction of Professor Komamiya (Niigata University), I was able to learn about consumption taxes. He gave us excellent ideas that can be used to improve the tax administration in my country. In the future, it would be wonderful if so many trainees would continue to participate in this program.

■ Ms. Dwi: I'd like to express my gratitude

to the government of Japan, the NTA, and the NTC for giving me this opportunity for training. At the NTC, for over a year, we gained experience in practical skills from lectures on the Japanese tax system and tax administration, and from simulated tax treaty negotiations. Thanks to these training courses, all of the trainees, with distinct backgrounds and experiences, were able to gain the same level of knowledge in such areas as the NTA's method of human resource management and utilization of IT, the importance of developing and maintaining good relationships between taxpayers and tax consultants, and tax treaties. We were also able to visit NTA's facilities such as the KSK data center and the office of tax collection call center. Through the Practicum, we saw a reaffirmation of the need to build an efficient and effective tax administration system, and I believe that the knowledge derived from the Practicum will be useful in making improvements in my country.



Dwi Wulandari Astuti
Tax examiner, Central Jakarta Medium Taxpayer Office,
Directorate General of Taxes, Indonesia
Practicum Participant (12th cohort: '07-'08)

Reaching out to the World ①

In addition to providing training programs in Japan and dispatching officials to developing countries on long-term assignments, the NTA and the NTC also dispatch officials on short-term assignments (one to two weeks). In the operation year ending June 2008, the NTA dispatched a total of 50 officials to 10 countries. The dispatched officials' missions included describing their experiences in Japanese tax administration at seminars as lecturers, identifying problems in developing countries' tax administration systems and proposing improvement plans. In this column, three officials dispatched to developing countries on short-term assignments in the operation year of 2007 shared their experiences and impressions.

Mr. Hara, Regional Commissioner of Kumamoto Regional Taxation Bureau

(Vice President of the NTC at that time)

Dispatched to Indonesia as a JICA short-term expert

I visited Jakarta as a JICA short-term expert for a week in November 2007, following requests from the Indonesian Tax Authority (Directorate General of Taxation: DGT). At that time, I was vice president of the NTC, which provides technical cooperation to developing countries, but I had never imagined that I would be dispatched as an expert myself. However, I decided to accept the opportunity, seeing it as a rare experience. As part of their efforts to modernize tax administration, the DGT was carrying out reforms in human resources management that included cultivating professional staff and allocating the right personnel in the right jobs. In view of this

situation, I was asked to offer advice on the various problems faced by the authority in the reform process and share my experiences in Japan.

I received numerous questions on staff training and other topics from officials at the division chief and section chief-levels in the human resources management reform project team of the DGT, and we had intensive discussions every day, from morning to evening. The discussions covered a wide range of personnel issues, from staff recruitment to training, assessment, appointment, and so on. The DGT's high expectations towards Japan's NTA and their strong enthusiasm for reform were evident, and the discussions gave me a strong sense of fulfillment that I was serving a useful purpose through Japan's technical cooperation.

At the same time, my experience in Indonesia broadened my perspective. I only stayed in Jakarta, but by seeing the mosque in the courtyard of the DGT's building and the staff going in and out of it, I learned how the Islamic religion penetrated deeply into people's lives. Also, the huge number of people and the horrific traffic jams blocking four lanes each way gave me insight into the



Regional Commissioner Hara, giving advice to DGT officials
(Second from right)

troubles and strengths of this country, the fourth most populated in the world.

Although it was a short stay, this technical assistance assignment gave me the opportunity to exchange views with national tax officials

outside of Japan, and was a valuable experience that made me realize anew the importance of mutual understanding and the NTA's responsibility.

◆.....◆

■ Mr. Gondavale: There are three main things that make me happy to have participated in ISTAX. First thing was being able to learn, through exposure to the Japanese tax system and tax administration, things such as what the Japanese tax system looks like and how Japanese tax officials perform their basic duties. The second thing was being able to interact with other participants from different countries and backgrounds. The third thing was being able to see tax administration in Japan directly with my own eyes through observation. To be specific, I am in charge of the Value Added Tax, but in ISTAX, I learned about international taxation, an area in which I had no experience. In India, we never have any opportunity to see work in fields other than our own, so this was a new experience.



Gondavale Mangesh Manohar
Deputy Commissioner of Department of Sales Tax,
Finance Department, Government of Maharashtra, India
ISTAX General Course 2008 Participant



Dhakal Harischandra (Haris)
Tax Officer, Inland Revenue Department, Kathmandu,
Nepal
Practicum Participant (12th cohort: '07-'08)

■ Mr. Haris: First, the 15 month-long Practicum really exceeded my expectations. The most interesting thing to me was the lectures on the use of IT in tax administration, and being able to learn about how e-Tax is used as a convenience to the taxpayer was also very informative. It would be wonderful if Nepal had a website and e-filing system like NTA's. Second, professor Komamiya's intensive course on tax treaties was very useful. When we were doing the simulated negotiations, it really felt as if we were negotiating with another country, and I believe that this will be very helpful in the future if I have the chance to participate in tax treaty negotiations.

■ Mr. Kyande: I think there are two points in the training that were of particular interest to me and that have the possibility to be of help in my mother country in the future. Computerization is not so advanced in Kenya, but when I return to my country, I would like to teach my colleagues about these things such as e-Tax. Also, I had personally never been exposed to international taxation, and so the course on tax treaties was very interesting, in particular. I believe both of these will become areas of concern for international taxation in Kenya as well, and I intend to consider for myself what the relevant units of our department can do at the time.



Kyande Stephen Kivindu
Assistant Commissioner,
Domestic Taxes Department, Kenya Revenue Authority
ISTAX General Course 2008 Participant



Florendo Gerardo Reyes (Gerry)
Asst. Regional Director,
Bureau of Internal Revenue, Philippines
ISTAX Senior Course 2008 Participant

■ Mr. Gerry: For me, the most interesting thing was the high level of concern with improving the capacity of all personnel and that the training system is in order. We don't have a suitable training facility at present, and it'll take so much investment, but we must begin this right away. Also I was very much impressed by the efforts to improve taxpayer services as a way to increase the level of taxpayer satisfaction and I feel that my home country is lacking in this. When I return to the Philippines, I will tell the commissioner about the things I have learned in Japan.

Voice from the World ①

The former participants, who are actively playing a part in their respective countries, also contributed articles, and told us about their memory and how they have utilized the knowledge gained through our programs.

From Mongolia

One of the major objectives of Mongolia, since it began to take the initial steps of transition to a market economy in the 1990s was to create a new tax administration system conducive to a market economy. Since its establishment, General Department of National Taxation (GDNT) has implemented

a number of measures with assistance of international organizations, including JICA to enhance tax administration and train the staff to meet modern developments. Therefore, both ISTAX General and Senior Courses were very important for GDNT and me. Participating in both courses allowed me

to learn and understand the current situation regarding the enforcement of tax administration in Japan, and gather general and managerial knowledge of tax administration as well as current developments in participating countries.

As I am working at managerial level at GDNT, I focus my efforts on improving legal



Baljinnyam Erdenebaatar
Head, Tax Administration and Methodology Division,
General Department of National Taxation, Mongolia
ISTAX General Course 2001 Participant
ISTAX Senior Course 2005 Participant

environment of tax system and administration and work closely with JICA on technology transfer.

Recent years, we have implemented technical assistance projects with JICA on personnel education system, including distance learning and strengthening regional training centers, introducing tax collection notification system on trial basis, as a means of dealing with arrears, establishing and refining third party information system for tax audit and establishment of “Model Taxpayer Service Center”. From 2002 onwards about 80 Mongolian participants have attended training courses conducted by JICA and the National Tax College.

As a result, GDNT is taking steps towards service-oriented organization, and will be more responsive to taxpayers’ needs and efficient in serving taxpayers.

【Thoughts from Lecturers】

■ Moderator: Professor Komamiya, you were in charge of the thematic debates entitled “Pressing Issues in Each Country” in the ISTAX Senior Course and the intensive course on tax treaties in the Practicum. Could you let us know your impressions of the participants and the training? Also, would you mind telling us about any special techniques that you might use in your courses?

■ Professor Komamiya:
I have been moderating the ISTAX Senior Course and teaching Practicum course for almost ten years. Most participants of ISTAX are senior officials with sufficient experiences through their careers as well as a lot of knowledge both of their own country and the other countries since they have attended various seminars in the past. So, what I try

to do in this course is to let them frankly express their practical problems or issues that they are actually facing on their daily work. Then, all the participants discuss about the issues together by sharing their own experiences and views. Through it, I am expecting that we can find some fruitful hints on how to deal with the issues. From this viewpoint, I think that we could have made good discussion in the past. With regard to discussion topics, I usually choose four topics. I choose topics from those which can be future tasks or difficulties that developing countries’ tax administration may face in the future, based on the Japanese experiences. Even when tax system between developed countries and developing countries appears the same, the administration or the implementation is quite different. So, the important thing is how to match the system with its actual

implementation for developing countries. In order to ensure proper implementation of tax system introduced from developed countries, the tax officials must have an ability to modify the system so that it can be certainly implemented in a way matching their level of tax administration. For example, in a country where there is no bookkeeping practice among small businesses, it is impossible to implement the tax system with bookkeeping practice given. I always emphasize to participants that one of the reasons why Japan could succeed is because Japan modified systems of western countries well to match the Japanese situations at that time whenever she introduced it, instead of imitating them as they are.



Professor Komamiya, Niigata University

As for the Practicum course, I have taught an intensive tax treaty courses for almost ten

years. Participants are tax officials studying at Japanese graduate schools with scholarships such as World Bank scholarship. The students who usually study at different universities all get together and study only about tax treaty for one entire week from Monday through Friday while staying at the National Tax College dormitory. During the week, they literally consider only tax treaties. We start discussing from Article one of the OECD Model Treaty and United Nation Model Treaty. We discuss the notion behind each clause and possible interpretation on concrete cases. Purpose of this course is to let participants acquire the ability to work as a tax treaty negotiator soon after they complete the course. After the one week intensive course, quasi-tax treaty negotiation is scheduled, in which students are divided into four negotiation teams, and carry out two quasi-tax treaty negotiation, through which it is expected that they learn negotiating skills for tax treaties as well confirming the knowledge that they have learned in the intensive course. It is my great pleasure to have heard that some of the ex-participants who completed this course in the past are now serving as a tax treaty negotiator representing their countries.

Reaching out to the World ②

Ms. Ide, Assistant Professor of Research Department, the NTC

Dispatched to Vietnam as a lecturer for a seminar hosted by the Asian Development Bank (ADB)

Following a request from Vietnamese Tax Authority (General Department of Taxation: GDT) through the ADB, I was dispatched from the NTC as one of the lecturers for a training program in Hanoi, Vietnam, for five days in November 2006. The training program, aimed at improving basic knowledge of

international taxation, was designed for around 70 officials of the GDT.

At the time, I belonged to the International Cooperation Group of Research Department, the NTC, which was responsible for providing training for officials of developing countries, so I had explained about Japan's tax

administration to tax officials of developing countries through ISTAX and other programs, but I had no experience outside of Japan. Thorough advance preparations were made, since, unlike training programs in Japan, it



Assistant Professor Ide, lecturing to the GDT officials (Second from left)

would be difficult to answer questions from the participants at a later date.

I discussed with senior lecturers in the dispatched team how we could be best

understood by the GDT officials, and we decided to conduct a group discussion to deepen the participants' understanding.

Throughout the training program, the participants asked many questions and lively discussions took place. The group discussion, in particular, encouraged participants to take part in the program proactively and to think for themselves, and this helped them deepen their own understanding.

Some of the participants had tendency towards easy taxation based on incorrect knowledge. We corrected their views in front of the other participants in an effort to impart proper and fair taxation rules.

This training program enabled me to deepen exchanges with the participants as well, and was a valuable experience for me. I hope that this program was useful to the future of the GDT in some way, and I look forward to seeing the participants again in the future.

◆.....◆

【Evaluation from the Universities at which the Practicum Participants Studied】

■ Moderator: The Practicum participants study in master's programs at universities in Japan such as Yokohama National University, among others. Professor Arie, you have been involved in the Practicum from its establishment. Would you please share with us any anecdotes you have or special techniques you use in giving lectures to students at your university?

■ Professor Arie:
I have been involved in this program since its establishment in 1996, but since my field of specialty is 18th century British intellectual history, I have been contributing to this program as a director, focusing on course

management. It is from this differing point of view that I'd like to talk about my experience. Three weeks ago, I met with the Director General of the Inland Revenue Department in Kathmandu, Nepal. In the past, we have had four Nepalese students at our university and currently we have two Nepalese students studying with us. During my meeting with the Director General, he expressed that the NTC's training program, the Practicum, has made a big contribution to the modernization of the Nepalese tax system. For developing countries, it is very important to learn how Japan was able to establish its tax system in such a short period of time. In the course of the 140 years since the Meiji restoration in 1868, Japan adopted not only the tax system

from western countries, but also various other systems. The Director General emphasized the necessity for Nepalese tax officers to study how Japan has successfully established a modernized system by modifying the Western systems according to Japan's culture and history.

In developing countries, it is difficult to assess factors such as money flow and the value of real estate, but in the Meiji era Japan went to the trouble to assess these figures and then went on to establish its tax system. The Director General believes that learning about this kind of real-world success story through the Practicum is very useful, and that learning about the success Japan has had made for a positive experience. Although it has only been 12 or 13 years since the Practicum began operating under the cooperation of the NTC and the universities, it has been quite effective in its contribution to developing countries' efforts to modernize their tax systems, and that is perhaps precisely why so many wish to take part in this program.

One of the challenges we faced was not in the Practicum itself, but the fact that when the master's course for tax officials from developing countries was first started, our post-graduate department of Social Sciences had little experience teaching in English, and because of this, some professors were quite

reluctant to accept the program. However, my insistence during a meeting that we should accept it was the beginning of my involvement in this program.

Today, the program holds a pivotal position in our university's international education, and I am very proud that it has been receiving high external evaluations. The chancellor of the university has expressed appreciation for the program, particularly because it contributes to the improvement of international education and gives a good opportunity for the younger associate professors to teach in English. I believe it could be said that not only our university, but also other universities as well see this program, conducted in close coordination with the NTC, as a good example of the successful internationalization of university education.



Professor Arie, Yokohama National University

◆.....◆

■ Moderator: Training programs such as ISTAX, the International Taxation for Asian Countries program that started in 2007, and most of the dispatching of experts from the NTA are conducted under the framework of JICA. Because of this, the NTA's technical assistance activities are carried out in close cooperation with JICA. On behalf of JICA,

do you have any thoughts and impressions on the training in the field of tax administration?

■ Director Kimura:

JICA conducts ISTAX and Country-focused or Counterpart trainings, and I think implementation system of the NTC and the NTA is well organized, from curriculum

design to actual implementation of the training. And as for the training itself, some participants say that the site visit is not



Director Kimura,
Industrial Development and Finance Division
JICA

enough, but I'd like participants to understand that the duration of the training is limited, but it's very important to exchange views with the staff of the NTA or the NTC directly, and to conduct site visits such as to tax office and taxpayer call center, and we are working toward better programs. JICA has been cooperating with the NTC and the NTA in the tax related training for a long time and I think that contributes the recent development of other technical assistance. In fact, among in the field of finance, the tax related project is the most implemented, and we will continue to focus on that area.

Voice from the World ②

From Sierra Leone

Little did know that I was destined for the greatest things in life when I applied and got admission into the Masters Program in Public Policy & Taxation (MPPT). Many factors influenced my choice; with an M. Phil. degree in Economics at the time, I believed in diversifying my academic portfolio, especially when my country Sierra Leone had fewer tax experts who needed to help create the fiscal space to meet the country's huge development challenges.

The two-year course required candidates to do a 15-month practicum at the National Tax Agency (NTA) every Monday. On arrival at my university (Yokohama National University) I saw my room, which was far smaller than the room I was accustomed to at the various universities that I had studied. However, unlike the latter where I shared a room, this room was all to myself.

Unlike Europe and America where the black people were often discriminated against, in Japan, Africans were few but very much liked

by Japanese. Staffs at the NTC were very helpful and their level of commitment and organization was phenomenal. My academic experience was rewarding and gratifying. The theories we learnt were enriched by practical experiences of a broad range of countries.

We benefited from study tours to local governments and regional taxation bureaus, etc. to learn about the roles and responsibilities of the diverse stakeholders in the areas of tax policy and tax administration.

My project was on Value Added Tax (VAT) and I benefited from support of friends and colleagues whose countries had a VAT system. My supervisor's (Prof. Nakamura) experience and guidance helped greatly in producing the paper which formed the basis for the design of a VAT in Sierra Leone. (VAT will become chargeable in Sierra Leone in May 2009).

Time management and courtesy were important aspects of my learning experience in Japan. To crown it all, the program

prepared me well for the positions I have held since returning from Japan.

Unfortunately, I had little time for leisure. Of course winter wasn't my favorite, but I coped with the stress and loneliness.



Allieu Sesay
Commissioner General
Sierra Leone National Revenue Authority
Practicum Participant (8th cohort: '03 –'04)

【Issues in Each Country and the Use of Training】

■ Moderator: Each country's tax administration has various problems and is making effort to solve them. I'd like to hear from all of you about the issues your tax administrations are facing and how you can utilize the knowledge you have obtained in Japan after returning to your own countries.

■ Mr. Haris: In Nepal, public services do not have a good image. Tax administration is a part of public services, and how to improve it is a great issue. In my department, I used to receive complaints from taxpayers that even when they did call us, nobody was picking up the phone. However, from visiting and observing Japanese tax offices, I learned that Japanese tax officials try to fulfill their duties in a responsible manner and make an effort to establish a good relationship with taxpayers.

Another problem in my country is low tax compliance. Introducing an e-filing system would help taxpayers feel more comfortable in the world of taxes. It would be an asset if we could also develop a website that would make it possible for taxpayers to download forms and access information and frequently

asked questions. There are great many challenges, but at any rate, I think that it is important for me to tell the Director General about what I learned in Japan, and to start building towards something, even if it's something small.

■ Mr. Kyande: Just as Japan has been stressing the importance of customer satisfaction, we are also currently making efforts in taxpayer services. Last year, we were able to achieve several important matters, and one of them was the attainment of ISO certification, improvements in the level of taxpayer satisfaction were recognized by an international organization. Japan is quite advanced in computerization and the knowledge I've gained here will be a great help in my country as well. After I return, one of the things I plan to discuss with my department is the way that e-Tax is being used in Japan.

Another thing that surprised me when I visited the tax bureau was that the work in one section was dealt with by such a small number as one or two people. In Kenya, there would be as many as 15 people dealing with an equivalent amount of work. Although it's difficult, I think it would be beneficial to

improve our processing system and make it more efficient, as Japan has.

■ Mr. Gondavale: When I came to Japan, the most important thing that I learned was to look at things from a different perspective. I learned the importance of taxpayer service, and came to understand the role of tax education and public relations in enhancing taxpayer compliance. These areas are lacking in our country. We used to think that introducing electronic returns to make our filing system more efficient would solve all of our problems, but by participating in the training, I learned that manual processing is not always uncommon even in advanced countries. After I return home, I think it is important that, as well as computerization, we think about the order of priority in our efforts to build our

system. In any case, many things that I learned will be of use in improving the systems in my country.

■ Ms. Dwi: I believe the issues Indonesia is now facing are to build the public trust in tax administration and also to improve the utilization of IT. I think if we were as honest and disciplined in our work as the Japanese, we would also be able to achieve the same level of trust in our administration. Also, the NTA has shown us that their IT systems play a significant role in the efficient practices of tax administration. I sincerely hope for the continued collaborative relationship between our countries towards improvement of tax administration in Indonesia.

Reaching out to the World ③

Mr. Jouchi, Deputy Assistant Regional Commissioner of Second Large Enterprise Examination Department, Tokyo Regional Taxation Bureau (Director of the International Examination of Large Enterprise Division, First Large Enterprise Examination Department, Tokyo RTB at that time)
Dispatched to India as a lecturer for a seminar hosted by the OECD

The OECD Committee on Fiscal Affairs actively provides support to non-member countries on tax system and administration issues as part of its outreach activities. Two years ago, the Indian Department of Revenue requested the OECD committee to hold a seminar on large taxpayer examination systems (equivalent to the Large Enterprise Examination Department of Regional Taxation Bureau in Japan). Following this request, a seminar was conducted in Nagpur, India, for five days in October 2007 for around 40 senior officials at the Department of Revenue (equivalent to Japan's Tax Office Deputy District Director and Chief Examiner-level officials).

The tax authorities of most OECD member countries have departments similar to the Large Enterprise Examination Department of Regional Taxation Bureau in Japan that are responsible for conducting examinations of large corporations. The OECD Committee on Fiscal Affairs recommends tax authorities of non-member countries to establish/introduce a department for large taxpayers. In 2006, India's Department of Revenue established a large taxpayer department on a trial basis within the tax office in Bangalore, the fifth largest city in India, and is planning to gradually extend the move to other major cities in the future. This seminar was held to explain the

approaches of the U.S. Internal Revenue Service (IRS) and Japan's NTA, which already have large taxpayer departments in place, and the conditions of other OECD member countries. I was dispatched as a lecturer, together with officials from the

OECD Committee on Fiscal Affairs and the IRS, and I described the structure, organization, and management of the Large Enterprise Examination Department of Regional Taxation Bureau in Japan.

【Future Training Programs】

■ Moderator: Thank you very much. We'd like to get some opinions of you for our future programs.

■ Professor Komamiya:

I am always emphasizing to students on the importance of sharing the knowledge and experiences they obtained in Japan with their colleagues at the work after going back to their countries. One of the keys of Japanese success and strength is that Japanese officials, who are sent abroad to study, share their knowledge with their colleagues after they come back to Japan. That way, the knowledge prevails much more efficiently.

In addition, I hope the students who studied in Japan will compete well in their future career with those who were sent to other countries. If they do better jobs after coming back, the reputation of studying in Japan will be higher. Then promising officials will constantly decide to come to Japan in the future.

From this perspective, I think some kind of supporting system for ex-participants should be established at the NTC. If they get support, such as information or advice from the professors of the NTC by email or letter, they may have better achievements when they face difficulties in their works. That kind of supporting system is not available by other countries. If such a

system is established in Japan, probably it can be a good advantage for the officials who studied in Japan.

■ Professor Arie: Generally speaking, the faculty in the Economics Department tries to train policy makers who are knowledgeable in tax administration. From this point of view, I believe students require practical lectures, but that theoretical training is also very important.

■ Director Kimura: Each country's tax authority is facing the common issues due to the globalization, so strengthening the relationship among the tax authorities is very important, and I hope that this ISTAX contributes to that. On the other hand, the situation around the JICA training is very tough and it is required that training programs to be improved and more outcome oriented. And, I hope that we cooperate with the NTA and the NTC to try our best to deal with the issues.

To the participants, not only for individual capacity development but also for impact on your organization is necessary, so keeping that in your mind, I hope you utilize your skill and knowledge obtained in Japan. Also, I hope you have a good understanding of Japan, and you can be a bridge between your country and Japan. This doesn't change as it has always been.

From Indonesia

It took a lot of efforts to recall my experience during the Practicum at the NTA which I participated from April 1999 to June 2000. In general, I really had a great time. I had never been in that kind of activities before. I gained a cross-cultural experience and obviously learned many lessons.



Yond Rizal
Head of the Fourth Jakarta Gambir Tax Service Office,
Directorate General of Taxation, Indonesia
Practicum Participant (4th cohort: '99-'00)

Gradually, I came to better understand on how to discuss in the class within a limited time. I just needed to think that it would be a long-term program and I would owe myself to study hard and take good lessons from this developed country tax administration. In fact, this Practicum had really given me a chance to see what all goes into it, and helped me to gain a deeper understanding of the Japanese tax system and administration.

There were so much knowledge and experiences that I gained. In the classes I learned the empirical evidence and theory presented by instructor, while in the field visits I observed

the day-to-day operations of Japanese tax administration. The course was definitely challenging, and I think that every aspect of the program was rewarding. There was always something great and valuable happening, whether in lectures given by the NTA/NTC instructor, or in field visits to tax offices, etc. Above all, what struck me was the tax treaty negotiation directed by Professor Komamiya. This one-week session really opened my eyes to where I could improve myself and gave me a better perspective of the importance of tax treaty.

As the Practicum and my study at the host university (Keio University) completed, I felt that I just reached to a stepping stone towards a career success. In fact, it had given me much more determination to make my sequent goal come true: stay longer in Japan for further study, pursuing doctoral degree.

Lastly, I take my hat off to all the instructors, NTC officers and participants. I have a lot of great memories from the Practicum, friends that I made and the amount of the lessons I learned about Japanese tax administration and system. Overall, I think the Practicum has not been only helping me greatly in my workplace but also giving me skills that I actually use in my professional career. I feel truly privileged to have witnessed how tax administration of a developed country such as Japan works. I believe that all the participants also had valuable lessons.

【Final Words】

■ Moderator: Now, we'd like President Hayashi to say a few words in closing.

■ President Hayashi: Thank you very much for today's very interesting and productive talks on technical cooperation. It makes me very happy to know that our program has been of benefit to all of you. I'm very much impressed by your strong will to improve the tax system and tax administration in your countries.

I think it is essential to provide ideas based on experiences of Japan for you to improve it. Of course, each of your countries differs from us historically, socially, and economically, and the solutions will vary from country to country. Therefore, it is important to cooperate while building on discussions about what we

can do to be of assistance in the problems you are facing.

At the same time, within our limited budget and staff capacity, we see the growing need for Japan to dispatch tax officials or the need to accept officials from other countries, and these needs are very important issues to us. Even under such circumstances, as the NTA and the NTC, we are hoping to continue our technical cooperation as efficiently as possible in order to improve all of your tax systems and tax administrations, and would be pleased to contribute to the development of tax administration in your respective countries.

■ Moderator: Thank you very much for your attendance once again.

Note: The original version of this article (in Japanese) was published in Ministry of Finance's magazine, "The Finance," and translated by International Training Section, Curriculum Division of the NTC.