



**REFERENCE FRAMEWORK FOR ENSURING  
INTEGRITY AND VALUES IN THE TAX  
ADMINISTRATIONS**

9th MEETING OF THE CIAT ETHICS COMMITTEE  
Madrid. March 2018

**Globalization of the economy and technology has been imposed throughout the world to the point that it is ever more withdrawn from the control of a global policy and is completely unjustified in global ethics.**

***Hans Kung.***

***“A global ethics for global politics and economics”***

**A good professional is not only the one who masters techniques, but he who does so based on values and for his own profession's benefits.**

***Adela Cortina.***

***“Hasta un Pueblo de Demonios”***

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## PRELIMINARY CONSIDERATIONS

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## CORPORATE PUBLIC INTEGRITY SYSTEM

## BASIC BIBLIOGRAPHY USED

| Key issues   | Instruments and tools   |
|--|---|
| <p>How to establish within tax administrations a framework to promote integrity and combat corruption?</p>   | <ul style="list-style-type: none"> <li>➤ Laws and regulations</li> <li>➤ Clear statements of values and ethical standards</li> <li>➤ Risk-based strategies (risk assessment, risk maps)</li> <li>➤ Internal control design</li> <li>➤ Existence of an independent Internal Audit Service</li> </ul> |
| <p>What role can be played by the Taxpayer Rights, transparency, the fair application of Taxes, accountability in the (re) construction of citizens' <b>trust</b>?</p> | <ul style="list-style-type: none"> <li>➤ Support for Voluntary Tax Compliance</li> <li>➤ Anti-fraud programs</li> <li>➤ Taxpayer Advocacy Council</li> <li>➤ Open government and access to information</li> <li>➤ Litigation management</li> <li>➤ External scrutiny</li> </ul>                     |

| Key issues  | Instruments and tools  |
|---|--|
| <p>What <b>preventive</b> measures can tax administrations take to strengthen ethical performance and reduce the scope of corruption?</p> | <ul style="list-style-type: none"> <li>➤ Selection based on merit and other human resource management techniques</li> <li>➤ Training in Ethics and its dilemmas</li> <li>➤ Declaration of interests, assets and net worth</li> <li>➤ Regulation of Conflict of Interest</li> <li>➤ Simplification, Process Analysis and controls</li> <li>➤ Administrative automation</li> </ul> |
| <p>What can tax administrations do to <b>detect and act</b> on corruption when it occurs?</p>   | <ul style="list-style-type: none"> <li>➤ Regulation of complaints, channels and protection</li> <li>➤ Disciplinary regime</li> <li>➤ Investigation and sanctions</li> <li>➤ Risk profiles</li> </ul>   |

# SEVEN BASIC ACTIONS FOR A CORPORATE INTEGRITY PROGRAM

| RULES AND STANDARDS   | RESPONSIBILITIES   | INTEGRITY  | COMMUNICATE   | MONITOR   | ALIGN  | RESPOND   |
|---|--|--|---|---|--|---|
| <p>The organization must formally establish the behaviors expected from its employees in relevant matters of ethics and integrity by using the rules and standards from CIAT and from International Organizations</p> | <p>Management must monitor the effectiveness of the integrity compliance program.</p> <p>Those responsible for process management must ensure follow up / Internal Audit must assume its Control responsibility.</p> | <p>Tax administrations should avoid assigning positions of responsibility to persons who have incurred in malpractices or behavior incompatible with an effective compliance and ethics program.</p> | <p>Communicate periodically and practically and train with the aim of ensuring that employees know and understand what is expected of them.</p> | <p>Periodic evaluation and audit of the elements implemented in ethics and compliance.</p> <p>Periodic evaluation of the effectiveness of the program implemented.</p> <p>Determine a confidential system for reporting malpractices.</p> | <p>Evaluate risks and align the program accordingly.</p> <p>Establish incentives and ensure the adoption of disciplinary measures, with disincentives in case of non-compliance.</p> | <p>Once a malpractice is detected, the organization must do everything possible to eradicate it and prevent it from happening again in the future, ensuring that the ethics and compliance program remains updated.</p> |

# Corporate Public Integrity System

