ROLE OF PRIVATE SECTOR IN TAX REFORM

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The private sector could be induced to support the installation and maintenance (appropriate support/training) of automated administration systems (AAS) for land, mining and general government functions.

- Land system registration can enhance the value of holdings by creating more reliable title and allowing for borrowing and contracting in an efficient, trustworthy environment.
- Mining enterprises could also benefit from accuracy of modern survey systems and valuation techniques.
- Government Systems for all aspects of administering more effective, transparent, and equitable government, can become catalyst for an investment climate leading to growth and prosperity.
- Cost of AAS can be supported by private sector consortiums with a vested interest in the potential outcome, international donors could provide security and authentication.

Emerging countries are rich in resources, vast sums of capital are invested off-shore (money centers, tax havens, unproductive real estate and other holdings) while they could render the investors a much greater return in their own home turf.

Installation of effective AAS can be accomplished piece meal and the results “showcased”.

The multiplier effect of viable AAS (building local competence) can be verified.

Highways and other infrastructure ventures have been funded with private capital.

At a time of commodity (low export prices), and a looming financing crisis in emerging countries (currency devaluations, high interest costs), the role of the private sector (with support of international donors) could become a determining factor in obtaining the desired outcome of improving tax revenues and the general economic results of Latin American and African countries (in particular as to marginalized citizens in these countries).