

**Reducing  
compliance costs  
in the financial  
world**

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**Prof Dr. Victor van Kommer,  
Director Capacity Building and  
Tailored Services IBFD**

## What are the possibilities?

- Registration process
- Collection and payment process
- Withholding tax
- Exchange of information
- Data solutions
- Harmonising risks management
- Diminishing cash economy

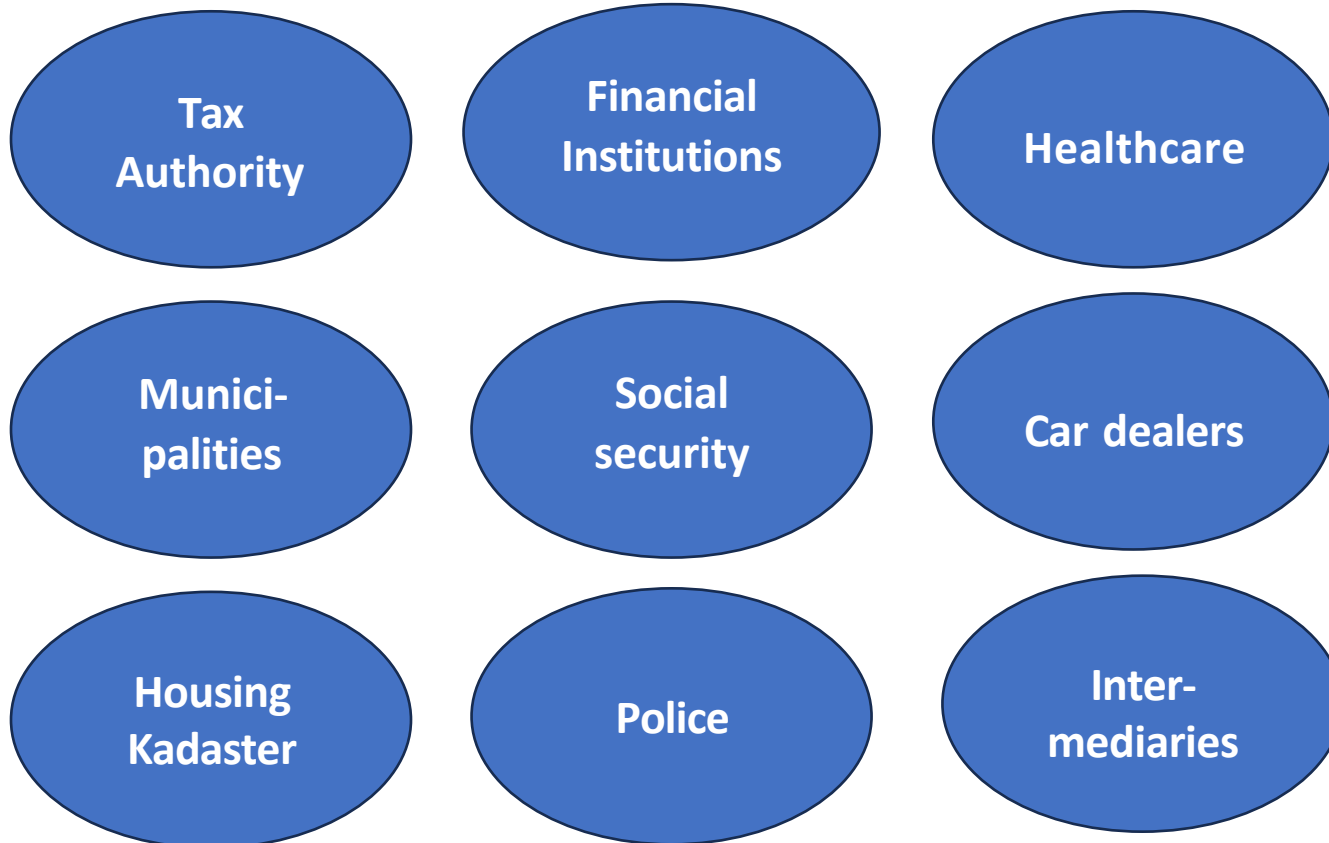
**Financial  
sector as tax  
intermediary**



## RISKS?

- Bank secrecy
- Confidentiality tax information
- Taxpayers rights
- Security issues
- Beneficial ownership of banks
- Different jurisdictions

# Data warehouse



## Data collections:

- Name, address, personalia
- Income
- Taxation
- Assets
- Liabilities
- Purchases
- Disputes
- Transactions
- Etc

## Consequences:

- Duplications
- Actuality
- Different risk profiles
- Complexity

## How to make optimal use of data?

- BY API is the acronym for application programming interface and is an accessible way to extract and share data within and across organizations.
- APIs are used to integrate new applications with existing software systems
- Businesses need to respond quickly and support the rapid deployment of innovative services. They can do this by making changes at the API level without having to re-write the whole code.
- Each system is obliged to make internal changes so that the API is not impacted. This way, any future code changes by one party do not impact the other party, what means easy maintenance

# Example: Fintech

- Financial technology (better known as fintech) is used to describe new technology that seeks to improve and automate the delivery and use of financial services. At its core, fintech is utilized to help companies, business owners, and consumers better manage their operations, processes, and lives. It is composed of specialized software and algorithms that are used on computers and smartphones.
- Fintech refers to the integration of technology into offerings by financial services companies to improve their use and delivery to consumers.
- Companies in the finance industry that use fintech have expanded financial inclusion and use technology to cut down on operational costs.
- Examples of fintech applications include robo-advisors, payment apps, peer-to-peer (P2P) lending apps, investment apps, and crypto apps, among others.

# Requirements for systems

✔ Based around customers

✔ Easy

✔ Real-time

✔ Digital

✔ Highly automated

✔ Responsive, flexible and certain

✔ Can change

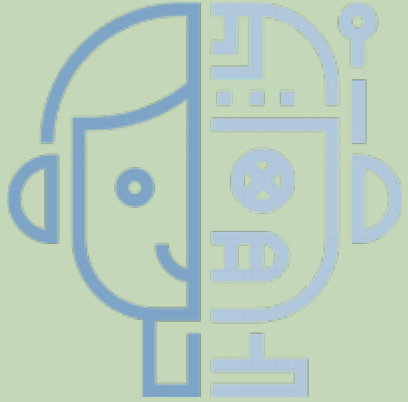
✔ Delivered with others



# IBFD's answer: The eGovernment consists of nine life events with all tax related consequences



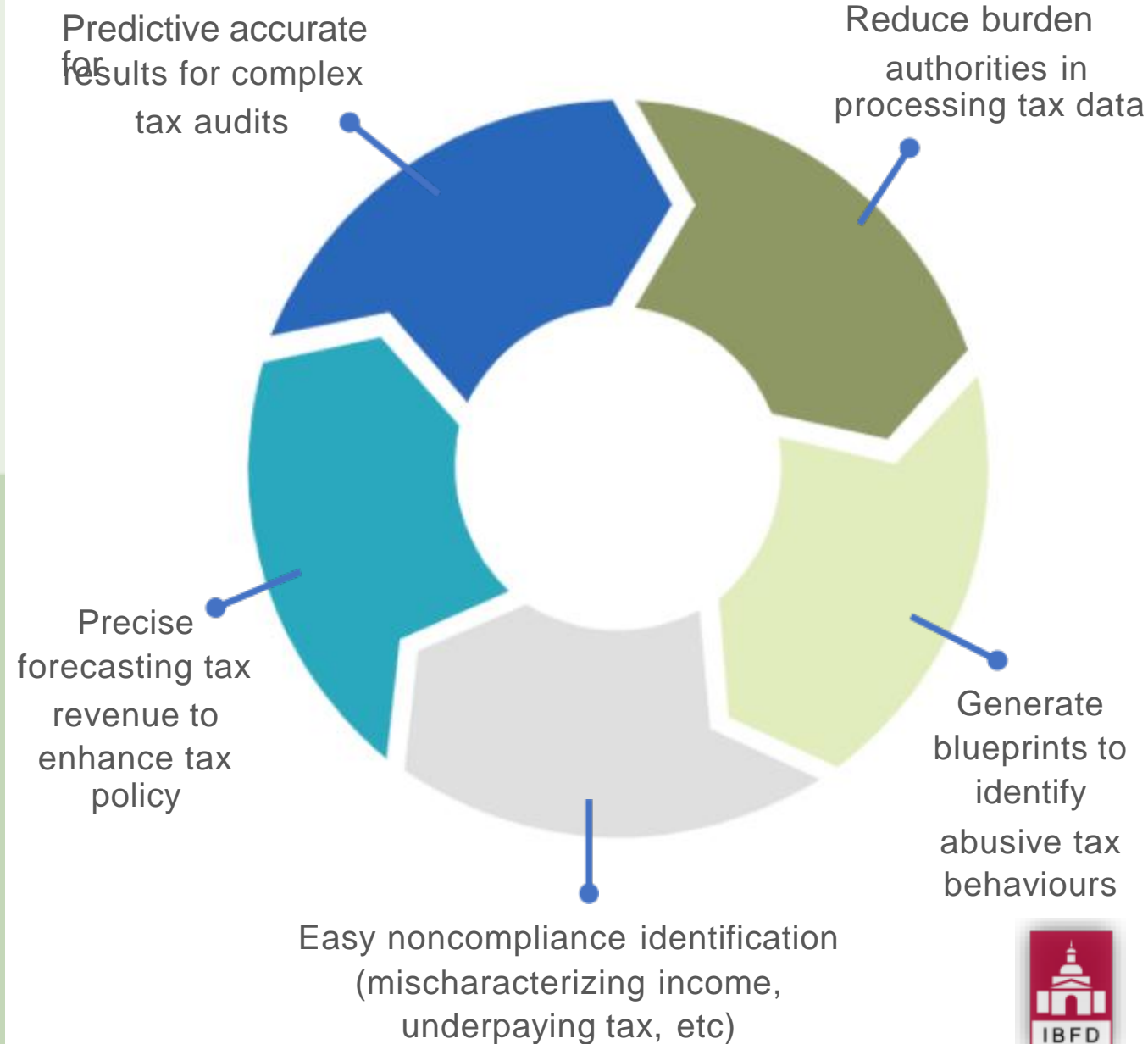




**AI definition** as accepted by the OECD:

The ability of computer systems to perform tasks normally requiring human intelligence, such as learning and problem solving

While its implementation is still not applied uniformly among tax authorities, there are uses of AI for tax purposes



## SOME CONCERNS THAT NEED ATTENTION

1. Artificial Intelligence cannot give an answer or find a solution for moral issues
2. Who is controlling AI and Algorithms?
  - a. Organisational control
  - b. Legal control
  - c. Democratic control
  - d. Taxpayers perspectives
3. Facts checking
4. Resistance by staff (job fear)
5. Different costs structure
6. Internal IT culture
  - a. IT engineers understand data and processes
  - b. Lawyers understand data and rules