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## Highlight

- Getting to know the Project
- Mr. OTAKE, former commissioner of NTA conducted consultation mission at GDT and Siem Reap and provided Public Lecture at National Tax School
- Application of Joint Japan/WB graduate scholarship program for tax officers is open now

## Greetings

It is our great pleasure to issue this first newsletter to reach all tax officials working for the General Department of Taxation (GDT). Through our newsletter, we would like all readers to understand and involve in our project as much as possible to achieve the project target. Therefore, we actively share information to make this project more transparent and successful as well as us to be responsible. To this end, we report our activities done in the previous months and inform upcoming events. Please get to know our project and let us connected to you.

### Who we are

**IMAI Takako**, Chief Advisor: Dispatched in May 2012. Worked for the National Tax Agency (NTA) for



more than 20 years, mainly as a tax auditor and an assistant professor in charge of Cambodia and Vietnam at the National Tax College (NTC).



**OIKAWA Masanori**, Program Coordinator: Dispatched in Sep.2011. Experienced several JICA Projects since 1991.

**AUN Seiha**, Project Staff: Experienced project staff since the second phase of JICA Project for the GDT.



**VONG Chan-ratanak**, Project Staff: Just joined at the end of 2012



## Getting to know the Project

Agreement for “the Project for Capacity Building of GDT under the frame work of PFMRP” (the third phase of JICA Project) was signed on 23<sup>rd</sup> June, 2011 between GDT and JICA Cambodia Office. This project started in September 2012 for the period of three years and it aims to increase tax revenue by promot-

ing Self-assessment System. To achieve this goal, the project is especially focusing on capacity building of two areas, Tax Audit and Taxpayer Service.

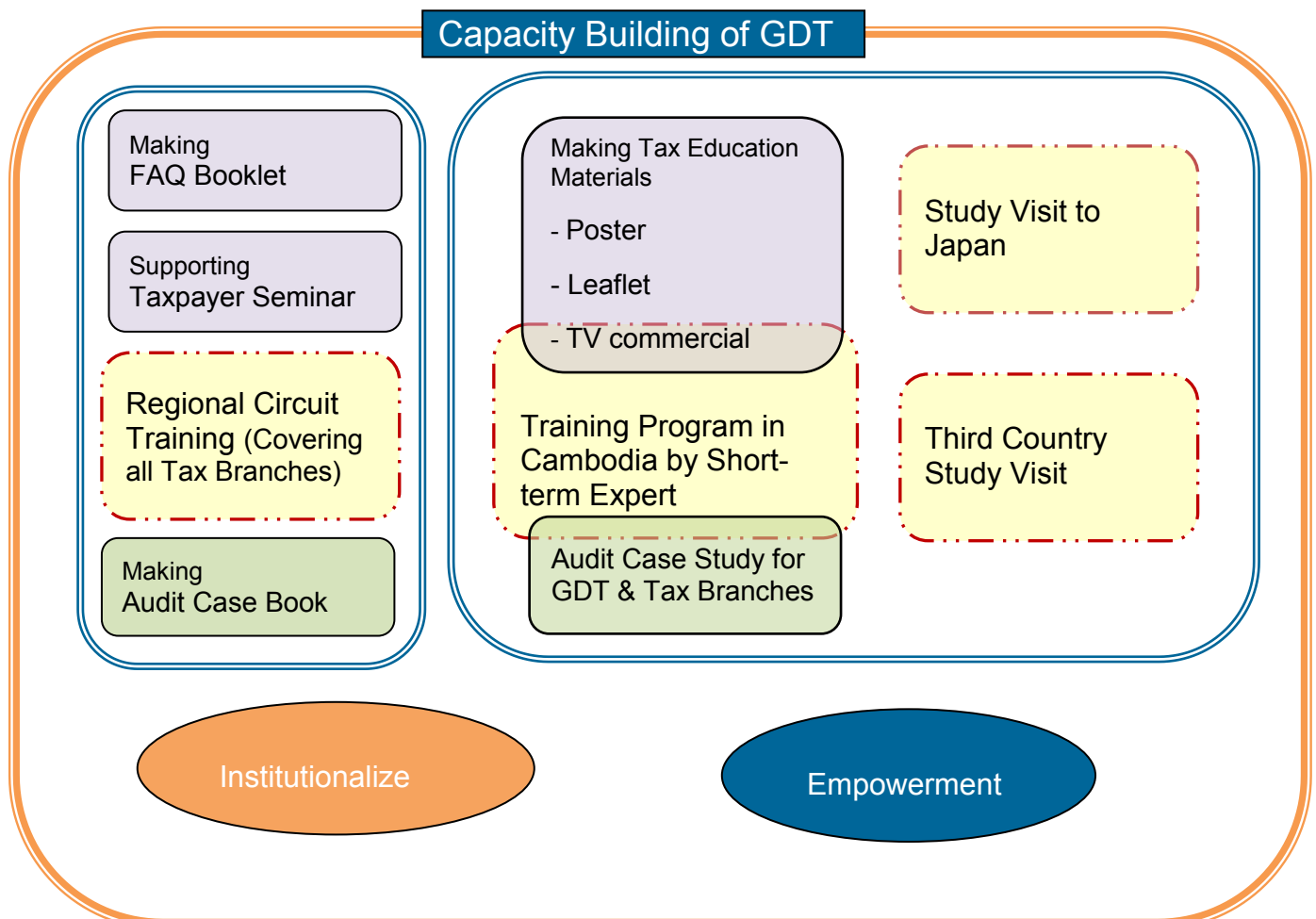
## Current Project Members of GDT

Current project member was approved by DG in Sep. 2012. 49 officials in total were appointed from GDT and tax branches including;

- Project Director / H.E. Kong Vibol, Director General
- Project Manager / H.E. Kim Sopheak, Deputy Director General
- Project manager / H.E. Yos Simarath, Deputy Director General
- Chairperson of Project Coordinator / Mr. Him Bunthoeun, Director of PAFD
- Chairperson of Taxpayer Service Taskforce group/ Mr. Chem Veasna, Director of TSTAD
- Chairperson of Tax Audit Taskforce group/ Mr. Hean Treng, Director of EAD

Each taskforce group is working on making materials to enhance long-term capacity of GDT

## Annual Plan for Sep. 2012-Aug. 2013



## Major Activities of the Project in the Past

### Sep. 2011-Mar. 2012:

Feb.: Provided “Third Country Training Program in Malaysia” (16 officials participated)

Mar.: Provided “Training Program in Japan” (7 officials participated).

Mar.: Conducted “*Perception Study on Tax Obligation in Cambodia*” (the report was published in July 2012)

### Apr.2012 -Aug. 2012:

Jun.: JICA team visited 7 Khan, Kandal and Kompong Cham Tax Branches to understand their business operation and challenges

Aug.: Held the first Joint coordinating Committee (JCC) with the presence of H.E. Sim Eang, Project Director and H.E. Yos Simarath, Project Manager at that time, JICA Senior Representative and a representative of the NTA. During the meeting, Chief Advisor presented challenges of the Project issues and the proposal of the next annual plan for Sep. 2012-Aug. 2013.



The first JCC at Phnom Penh Hotel on the 2nd Aug.

Aug: Attended Taxpayer Seminar hosted by Khan Daun Penh Tax Branch and Property Tax Semi-

nar for local government officers hosted by Khan Toulkork Tax Branch.

Aug.: Supported Taxpayer Seminar hosted by Large Taxpayer Department (Evaluation Report was prepared by the Project for the future improvement and reference for other branches)

### Sep. -Nov. 2012:

Sep.: JICA Chief Representative paid a courtesy call on the New Director General, H.E Kong Vibol

Sep.: Submitted a draft report of “*Analysis (of Tax Administration in Cambodia) and Action Plan of the Project*” to GDT

Oct.: Provided “Third Country Training Program in Indonesia” (14 officials participated)

Oct.: The first Project Manager Meeting was held to discuss the Action Plan

Nov.: Action Plan for Sep.2012-Aug. 2013 was approved

Nov.: Circuit Regional Training Program (pilot) was conducted at Khan Daun Penh Tax Branch (Evaluation Report was prepared by the Project)

Nov. : On the Job Discussion (OJD) was initiated by EAD as a part of Capacity Building Activities

The Project marked one year from the commencement, and JCC was held successfully



OJD with the presence of DG



## Previous Month Activities

December, 2012

| Sun       | Mon | Tue        | Wed                 | Thu | Fri | Sat |
|-----------|-----|------------|---------------------|-----|-----|-----|
|           |     |            |                     |     |     | 1   |
| 2         | 3   | 4          | 5                   | 6   | 7   | 8   |
|           |     | Battambang |                     |     | TE  |     |
| 9         | 10  | 11         | 12                  | 13  | 14  | 15  |
|           |     |            | OTAKE Mission ----- |     |     |     |
| 16        | 17  | 18         | 19                  | 20  | 21  | 22  |
| --Mission |     |            | TE                  |     |     |     |
| 23        | 24  | 25         | 26                  | 27  | 28  | 29  |
|           |     |            |                     | TS  | TS  |     |
| 30        | 31  |            |                     |     |     |     |

◆ TE: Tax education sub-group meeting  
◆ TS: Taxpayer Seminar

### Regional Circuit Training at Battambang

75 officials in total participated from Battambang, Pailin and Pursat Tax Branches.

#### Contents:

1. Taxpayer Service (3 hours): Presented by Mr. Chem Veasna, Director, TSTAD
2. Tax Education (1.5 hour): Presented by IMAI Takako
3. Basic Accounting for Trainers (4 hours): Lectured by Ms Pich Bophaleak, Officer, PAFD
4. Tax Audit in Japan (1.5 hour): Lectured by IMAI Takako
5. IT Consultation (10 hours) : Consultation done by Mr. NUON Monirath, Deputy-chief and Mr. KHUL Chan Rattana, Deputy-chief, ITD



Basic Accounting for Trainers



☆ Report of the training was issued on 20th Dec.



IT Consultation



OTAKE Mission was conducted as a kickoff of seminars in this Project Year. He encouraged tax officers as the National Hero.

## OTAKE Mission

Mr. Otake, a former Commissioner of NTA, visited GDT and Siem Reap Tax Branch for the Consultative Mission on the basis of tax administration. He encouraged tax officials as the national hero due to the important role to collect taxes for the country. He explained how Japan gradually transferred from Estimated Regime to Real Regime (SAS) tax-

ation system by addressing numerous challenges in the past by contrasting to tackle corruption and establish incentives for tax officers, and to publicize large delinquent taxpayers' name and implement incentives for compliant taxpayers. He said, "providing both 'Carrot and Stick' will be effective for good tax administra-



OTAKE Mission at GDT



## OTAKE Mission cont. and Public Lecture

Regarding bank information, since 9/11, norm of whole world is changing as to maintain security by capturing suspicious fund which likely to be sourced by tax evasion. Therefore, Cambodia should be able to obtain information with this reason. In addition, he responded to a question of IT and recommended that the priority should be an IT implementation within GDT by tax items by taxpayers rather than providing taxpayer service by IT. He also paid a cour-

tesy call on the Deputy Prime Minister, Keat Chhon.

Mr. Otake provided a public lecture, “Cool Japan! The Key to Economic Growth and the Role of Taxes,” at National Tax School on the 14th to about 250 students, taxpayers and tax officials. (Video record is available)



Public Lecture at National Tax School

## Taxpayer Seminar

LTD organized taxpayer seminar on “the Dissemination on Cambodian Tax System” for the members of Garment Association of Cambodia (GMAC). Director General delivered opening remarks and announced the new policy of providing free tax return forms to taxpayers from the beginning of 2013.

Khan Russay Keo Tax Branch conducted taxpayer seminar on the 28th morning for about 50 taxpayers. The

branch distributed copies of “Obligations and Rights of Taxpayer” to all participants.

According to the evaluation from the participants and observation of JICA experts, Large Taxpayers have much more knowledge on taxes than Small and Medium enterprises. Common requests from all groups are disseminating one topic in each seminar and explaining details/calculation method with examples.

“The Key to Economic Success” is SMEs to continue and grow their business by understanding profitable and non-transactions by the result of Double-entry Bookkeeping (Mr. OTAKE)

## Activities Planned for Jan.-Feb. 2013

8-11 Jan: Training Program in Cambodia, “Critical Thinking: Application for Tax Administration.” Two lecturers from Japan, a Certified Public Tax Accountant and an Associate Professor of a University, will provide lectures and lead discussions in Phnom Penh.

17-18 Jan: Regional Circuit Training at Svay Rieng Tax Branch. Officials

from Prey Veng Tax Branch are invited to join.

13-14 Feb: Regional Circuit Training at Banteay Meanchey Tax Branch. Officials from Odor Meanchey Tax Branch are invited to join.

27 Feb-1 Mar: Workshop for “Taxpayer Service, using Media” at GDT. Taskforce members will join.



Taxpayer Seminar at Khan Russay Keo Tax Branch

JICA HP

<http://www.jica.go.jp/english/index.html>

## JICA Project at GDT

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F O R G D T a n d f o r t h e P e o p l e o f C a m b o d i a

JICA Project team will publish this newsletter once every two months and distribute to all readers. If you wish to receive by email, please send us an email to register.

All reports mentioned in this newsletter can be obtained upon request.

## Important Information

There are graduate scholarship programs for tax officers in Japan. Currently, applications of following two universities are open. Please contact to JICA Chief Advisor and PAFD at GDT by the end of January, 2013 for the interview and recommendation letter.

1. Public Finance Program at National Graduate Institute for Policy Studies (GRIPS) in Tokyo  
<http://www.grips.ac.jp>
2. Public Policy and Taxation at Yokohama National University (YNU) in Yokohama  
<http://www.igss.ynu.ac.jp/wb->

[ppt/howtoapply01.html](http://www.igss.ynu.ac.jp/wb-ppt/howtoapply01.html)

This program is a joint program of Japan and WB and lectures are provided by the National Tax College. As for the participating universities for the tax course, Practicum, and NTC international cooperation activities under the framework of JICA, please see;

<http://www.nta.go.jp/ntc/english/inter/index.htm>