Keynote Address by Dr. Bhishma Kumar Bhusal, Director General, Inland Revenue Department, Nepal and Immediate Past Chair of the BRITACOM Council in an opening Ceremony of the Seventh Belt and Road Initiative Tax Administration Cooperation Forum (BRITACOF)

Theme: "Smart Taxation, Shared Prosperity"
Hotel Mulia Senayan, Jakarta, Indonesia | 13 October 2026

Excellencies,
Distinguished Heads of Tax Administrations,
Representatives of International Organizations,
Esteemed Business Leaders,
Distinguished Delegates,
Ladies and Gentlemen,

Selamat datang ke Jakarta — welcome to Jakarta.
It is a great honor and privilege to stand before you today at the opening of the Seventh Belt and Road Initiative Tax Administration Cooperation Forum.

On behalf of the Inland Revenue Department and the Government of Nepal, and as the representative of the previous host jurisdiction and Immediate Past Chair of the BRITACOM Council, I extend my sincere appreciation to our gracious hosts, the Directorate General of Taxes of the Republic of Indonesia, under the leadership of Director General Mr. Bimo Wijayanto, and to the BRITACOM Secretariat for their warm hospitality and outstanding arrangements.

I also extend my sincere congratulations to Director General Mr. Wijayanto on assuming the Chairmanship of the BRITACOM Council. I am confident that, under Indonesia's leadership, BRITACOM will continue to strengthen its institutional relevance, technical cooperation, and contribution to the international tax community.

From Kathmandu to Jakarta
As we gather in here Jakarta, we resonate the outcomes of the Sixth BRITACOF hosted by Nepal in Kathmandu last year.

Despite a challenging environment, the Kathmandu meeting demonstrated our collective determination to advance resilient, efficient, and taxpayer-centered tax administration. The debate and discussion in Nepal during that period also underscored the importance of good governance, accountable institutions, effective public service delivery, and a fair and equitable fiscal governance.

These very principles are directly relevant to our work as tax administrators. Modern tax administration is not simply about the exercise of statutory authority and pursuing hard enforcement. It is about delivering services efficiently, administering the law fairly, protecting taxpayer rights, and maintaining public confidence towards overall fiscal architecture.

In this regard, Nepal was pleased to formally adopt the **Tax Administration Product Portfolio (TAPP) 1.0** and the **Taxpayer Service Product Portfolio (TSPP) 1.0**. These practical and modular frameworks provide useful guidance to tax administrations at different stages of national development and institutional capacity.

Our experience in Kathmandu reaffirmed an important principle: **public trust in taxation is built through fairness, tax justice, transparency, professionalism, efficient service delivery, and ethical governance.**

Smart Taxation for Shared Prosperity

The theme of our deliberation, **"Smart Taxation, Shared Prosperity,"** is both timely, relevant and pertinent.

In today's world, taxation is not merely an instrument for raising revenue. It is fundamental to financing public investment, supporting social and economic development, creating a predictable business environment, and promoting fairness within society. More importantly it has been a toolkit for diplomacy and bilateral cooperation among nations for which we are here today.

The smartness of any tax system depends largely on how efficiently it is designed and delivered. A tax system that is complex or disproportionately burdensome or creating large deadweight loss can stifle investment and retard growth. Conversely, a fair, transparent, predictable, and service-oriented tax system can strengthen voluntary compliance, facilitate investment, and support sustainable economic growth.

Hence, Smart taxation is not the blind use of technology alone. It requires sound policy, agile institutions, skilled professionals, effective governance, and an unwavering commitment to reform.

Moreover, reform in tax administration is not a short-term exercise. It is a long-term process that requires national commitment, stakeholder engagement, institutional learning, and robust international cooperation. Continuous improvement must remain at the heart of our collective efforts.

The Role of BRITACOM

The establishment and continued development of BRITACOM reflects the collective commitment of its member jurisdictions to cooperation in addressing the increasingly complex challenges facing tax administrations.

Over the years, BRITACOM has provided a valuable platform for dialogue, experience sharing, capacity building, and practical cooperation. It has enabled tax administrations with different economic circumstances, institutional capacities, and stages of development to engage on an equal footing.

Its strength lies in translating broad international principles into practical administrative solutions.

Through technical cooperation, the BRITACEG network, knowledge sharing, and operational toolkits, BRITACOM contributes to strengthening tax administrations while respecting the unique legal, economic, and institutional circumstances of each jurisdiction.

This represents the true spirit of multilateral cooperation: **sharing knowledge, building capacity, respecting diversity, and ensuring that progress in tax administration is inclusive.**

I therefore express my sincere appreciation to all member jurisdictions for their continued commitment and contribution to this important platform.

Digital Transformation and Emerging Challenges
We are living through a period of unprecedented technological innovation and disruption.

Artificial intelligence, cloud computing, data analytics, automation, digital platforms, and real-time information exchange are fundamentally changing the way economies operate—and consequently, the way tax administrations must function.

Technological innovation offers significant opportunities. Real-time e-invoicing, advanced analytics, automated services, robotic and artificial intelligence can reduce compliance costs, improve taxpayer services, strengthen risk management, and enable tax administrations to make better use of their resources.

At the same time, technology must be applied responsibly. Data security, taxpayer privacy, transparency, accountability, and appropriate human oversight must remain fundamental principles of digital transformation.

The international tax environment is also evolving rapidly. Traditional concepts developed around physical presence under Permanent Establishment (PE) face increasing challenges in an increasingly digitalized economy where services, platforms, intellectual property, and economic activity can transcend geographical boundaries virtually. This development has raised the question of international tax fairness and fair allocation of taxing rights.

These new normal warrants the importance of international tax cooperation and global consensus than ever before. Fragmented approaches may increase compliance burdens, create uncertainty, and contribute to risks of double taxation in cross-border investment. Cooperative approaches can instead promote greater certainty, consistency, and fairness.

Priorities of the Seventh BRITACOF
The agenda of this Seventh BRITACOF reflects these emerging realities.

First, we will advance our **Product Portfolios**, including the unveiling and strategic outlook of **TAPP 2.0 and TSPP 2.0**. These updated frameworks can provide practical and modular approaches to improving compliance, risk management, automation, and taxpayer services.

Second, we will explore **digital transformation and responsible use of artificial intelligence**, with particular attention to data governance, cybersecurity, taxpayer privacy, and transparency.

Third, we will consider **new economic models**, including digital platforms, remote services, and the evolving gig economy, and examine practical approaches to ensuring predictable and equitable administration.

Fourth, we will focus on **reducing the cost and complexity of compliance**. Taxpayers should be able to understand their obligations and fulfill them as simply and efficiently as possible.

Fifth, we will strengthen **capacity building** through BRITACEG, peer learning, specialized training, and technical cooperation, ensuring that all participating administrations can benefit from shared knowledge and experience.

Finally, we will continue to promote **constructive public-private dialogue**. Engagement with business and industry is essential to understanding practical challenges, improving tax certainty, preventing disputes, and developing workable administrative solutions.

A Shared Commitment
Distinguished delegates,

Global tax cooperation is not created by declarations alone. It is built through professional relationships, practical cooperation, technical exchanges, mutual respect, and trust.

As Nepal transfers the Chairmanship of the BRITACOM Council to Indonesia, we do so with sincere gratitude to all member jurisdictions for their friendship, solidarity, and cooperation throughout our tenure.

Nepal remains fully committed to the BRITACOM family and to advancing our shared objectives of administrative excellence, fairness, innovation, capacity building, and international cooperation.

Let us use the next three days to exchange experiences openly, learn from one another, identify practical solutions, and strengthen our collective capacity to respond to the changing global tax environment.

Let us work together toward a tax administration that is **smarter, simpler, fairer, more transparent, and more responsive to the needs of taxpayers and society.**

In doing so, we will not only strengthen our revenue systems; we will contribute to stronger institutions, sustainable economic development, and ultimately, **shared prosperity**.

Once again, I extend my best wishes to Director General Mr. Bimo Wijayanto, the Directorate General of Taxes of Indonesia, the BRITACOM Secretariat, and all distinguished delegates for a successful and productive Seventh BRITACOF.

I look forward to the valuable discussions and cooperation that lie ahead.

Terima kasih.
Thank you very much.