



THE OECD, A VALUABLE PARTNER FOR CHILE

The OECD helps Chilean policymakers evaluate, compare and understand domestic policy options for their constituents. It creates opportunities for Chilean businesses and workers throughout the world, boosts prospects for economic growth and well-being, and helps save billions of dollars for Chilean taxpayers. Here are just a few examples of such savings.

The OECD's initial Part I budget for 2021, mostly financed by Members' contributions, is EUR 206.6 million. Chile's contribution to the OECD's Part I budget is EUR 2.5 million in 2021 equivalent to **EUR 0.13 per person per year**. Chile's share of Part I Budget contribution for the PWB 2021 has slightly decreased by 1% on average compared to its level for the PWB 2019-20.

SAVING MONEY FOR CHILEAN TAXPAYERS AND BUSINESSES: EXAMPLES

- ✓ The implementation of the **Automatic Exchange of Tax Information (AEOI)** amongst other international and domestic tax measures, has transformed the landscape for international tax cooperation. **Voluntary disclosures and offshore investigations led to the identification of over EUR 107 billion in previously-undeclared tax globally since 2009.** Chile has identified **more than USD 1.5 billion¹ in additional tax revenues through these efforts, equivalent to 562 times your OECD assessed contribution.** **In 2019, tax authorities exchanged information** under the OECD standard **regarding over 84 million bank accounts with a total balance of EUR 10 trillion**, double the balance of the accounts reported in 2018.
- ✓ The implementation of the **Base Erosion and Profit Shifting (BEPS)** measures in more than 135 countries helps **to tackle tax avoidance costing governments EUR 218 billion a year.**
- ✓ Our work to develop a **global solution to the tax challenges raised by the digitalisation of the economy** could result in **additional revenues of around EUR 100 billion** that may be used to support countries' COVID-19 response measures.
- ✓ **At least EUR 16 billion in sanctions were imposed** by the Parties of the **OECD Anti Bribery Convention** through foreign bribery enforcement actions (from 1999-2019).
- ✓ The **OECD Recommendation to Counter Illicit Trade: Enhancing Transparency in Free Trade Zones** was adopted in October 2019 and is currently implemented, setting out a series of transparency and accountability principles to help **reduce the illicit trade in counterfeit goods in certain Free Trade Zones.** **Only in 2016, imports of fakes from key Free Trade Zones to the EU was estimated at EUR 6.7 billion.**
- ✓ The **OECD trade facilitation indicators (TFIs)** provide crucial evidence in support of the continuous implementation of the WTO Trade Facilitation Agreement, which could further **reduce trading costs for Chilean companies by 13.10%.**
- ✓ **Full implementation of the OECD Guidelines on Corporate Governance of State-Owned Enterprises (SOEs)** would generate **USD 44 billion per year of potential savings OECD-wide**, by helping to close at least half of the productivity gap of SOEs.
- ✓ **More than USD 340 million of savings per year** for member governments and chemical industry (industrial chemicals, pesticides and biocides) owing to the **OECD Mutual Acceptance of Data system**, equivalent to one and a half times our annual Part I budget. Actual savings are higher when considering pharmaceuticals, food and feed additives, and cosmetics.

¹ Information in the public domain or provided on a non-confidential basis.

- ✓ In 2017-2018, the **OECD Seed Schemes** certified **1.3 billion kg of seed, which represents roughly a third** of the total global exports of field crops (pulses, cereals, industrial crops and forages). The weight of seed certified by the Seed Schemes has **more than doubled in the last 10 years**, and more than 62,000 varieties of agricultural crops are currently registered under the Schemes.
- ✓ Our latest biennial **“Value for Money” (V4M)** report confirms our commitment to delivering the best value for our Members. Efficiencies from past structural reforms are continuing in the current biennium. **The budget pressure of USD 26.4 million in 2019-20 would have been higher without the past structural reforms, which helped to reduce the cost base by USD 17.3 million in this period. This is on top of the USD 189 million in efficiencies achieved since 2008.**