



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

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SPEECH BY DEPUTY MINISTER OF FINANCE

KEYNOTE ADDRESS DEPUTY MINISTER OF FINANCE — MR ASHOR SARUPEN OECD — FORUM ON TAX ADMINISTRATION (FTA) — 18TH PLENARY 2025 CAPE TOWN

DATE: 18 NOVEMBER 2025

Thank you, Commissioner Kieswetter, for that introduction.

All protocols reserved.

Ladies and gentlemen,

As we gather here today, I am reminded of the words and spirit of President Nelson Mandela, who taught the world that “our human compassion binds us to one another.” His life embodied the essence of Ubuntu — the belief that “I am because you are” — a reminder that our strength lies in our shared humanity. It is this same spirit of interconnectedness and collective responsibility that underpins our work as tax administrations, where collaboration across borders enables each of us to better serve our people.

This gathering could not come at a more pivotal moment. South Africa is approaching the conclusion of its Presidency of the G20, led under the themes of Solidarity, Equality, and Sustainability — themes that speak directly to the global tax agenda and the work we pursue together.

Over the past year, meaningful progress has been achieved on several fronts. And while the OECD operates independently from the G20, it remains a long-standing and indispensable partner. Since the elevation of Domestic Resource Mobilisation (DRM) by the G20 Finance Track and the Development Working Group in 2010, multilateral organisations have contributed significantly to advancing global thinking and cooperation in this domain.

This year has been no exception. A suite of significant contributions to the G20 agenda, including five major reports from international organisations and the outcomes of the G20 Ministers of Finance - Tax Side Event on Domestic Resource Mobilisation (DRM) held in Cape Town. The Inclusive Framework’s stocktake report reflects on a decade of progress under the BEPS initiative, highlighting gains in coherence, substance, transparency, and certainty, while



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emphasising the need to ensure developing countries fully benefit through strengthened participation and tailored capacity support. Reports from the OECD and the Global Forum underscore continued advances in tax transparency and information exchange, including a new framework for the automatic exchange of readily available information on immovable property, which South Africa has encouraged jurisdictions to join. Complementing these, the IMF's background note reinforces revenue administration as a cornerstone of DRM, while the Platform on Cooperation for Tax (PCT) capacity-building report stresses coordinated, country-owned reforms and the central role of regional organisations. The Moderator's Report from the DRM side event calls for prioritising DRM as the most effective and sustainable funding source, investing in modern and resilient revenue administrations, and deepening international cooperation.

Furthermore, we are grateful for the OECD's insightful reports on Tax Certainty and on the Automatic Exchange of Readily Available Information on Immovable Property for Tax Purposes. The latter, in particular, offers countries the opportunity to join a Multilateral Competent Authority Agreement on a voluntary basis — a further step toward transparency and effective international cooperation.

These contributions demonstrate the true value of partnership, innovation, and shared purpose—qualities that continue to strengthen the global tax ecosystem.

Ladies and gentlemen,

The work of the Forum on Tax Administration (FTA) — your forum — has grown from being immensely valuable to truly indispensable. Many achievements stand out, but allow me to reflect on just two that capture the Forum's evolution and impact.

First, the collective response to the COVID-19 pandemic remains a defining moment. A moment in which more than 54 tax administrations around the world had come together in solidarity to fight a common purpose. In the face of a global crisis, tax administrations across the world ensured continuity of service, protected revenue flows, and enabled vital emergency measures, including grant payments to vulnerable households and businesses. This period forced all of us to modernise rapidly — and many of the innovations born out of necessity have now become permanent features of our operating models. The agility and leadership of the FTA during this unprecedented time will be remembered as one of its greatest contributions.



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Second, the Forum's pioneering work on Tax Administration 3.0 continues to shape the future. By reimagining tax systems as seamless, digitally enabled, and embedded in the natural flow of life and commerce, TA 3.0 sets out a blueprint for making compliance simpler, more efficient, and increasingly voluntary. It challenges us to think boldly and act collaboratively.

As tax administrators, your work is central to the well-being of the societies you serve. By ensuring the effective and efficient collection of revenue, you empower governments to deliver essential services and uphold the social contract that binds citizens and the state.

Tax administration does not operate in isolation. Its effectiveness is intrinsically tied to the quality, coherence, and credibility of tax policy. A well-designed tax policy framework is only as strong as the administration that implements it, just as even the most capable administration cannot fully compensate for policy misalignment or structural gaps. The alignment between policy intent and administrative execution is fundamental to nurturing trust, driving voluntary compliance, and upholding the social contract on which our democracies rely. Even the best-designed tax policies will fall short without empowered, modern, and well-resourced tax administrations. A strong partnership between policy and administration is essential to securing the revenue that sustains our nations and strengthens trust in the social contract.

Global progress is evident, but disparities persist. The OECD Revenue Statistics 2024 show that in 2023, the average tax-to-GDP ratio among OECD countries was 33.9%, broadly in line with pre-pandemic levels. Encouragingly, the gap between the highest and lowest ratios within the OECD has narrowed to its smallest point in decades.

In contrast, the African Tax Outlook 2024 reports an average tax-to-GDP ratio of 15.1% across 39 African countries. This stark difference highlights the scale of the challenge faced by developing countries — and underscores why DRM remains a central priority of South Africa's G20 Presidency.

Here, international partners like the FTA play a vital role. Their work extends far beyond statistics and policy advice. They support capacity building, digitalisation, and skills development — all essential components of a smart modern tax administration with unquestionable integrity that is trusted and admired. The contributions of the FTA and other multilateral international organisations remain invaluable in this regard.



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Yet we must acknowledge that there is no universal blueprint. Each country faces distinct realities. But developing nations hold an advantage: by leveraging technologies and models already proven elsewhere, they can leapfrog stages of development and accelerate reforms.

Ladies and gentlemen,

This is the essence of the Ubuntu spirit that must guide our work — a spirit of partnership, knowledge-sharing, and mutual upliftment. Together, we can bridge gaps, strengthen DRM, modernise our systems, and advance toward more equitable and resilient global tax architectures.

The FTA has already achieved much. But as we gather here, let us challenge ourselves with an even bolder question:

What more can and must we do to build the smart modern tax administrations of the future in the age of artificial intelligence — administrations that are trusted, capable, digitally empowered, and fully resourced to fulfil their mandate?

As Deputy Minister of Finance, I wish you every success in your deliberations in the coming days. I look forward with great anticipation to the outcomes of your work and the contributions you will continue to make to a fairer and more sustainable global tax order.

Thank you.