ESCWA organized an advanced national workshop for the Kingdom of Bahrain in Manama (23 to 26 April 2018), to provide a fresh outlook on ‘Fiscal Policy and Taxation’. The workshop was attended by 20 high-level officials, in addition to legal advisors from front-line Ministries (Finance, Trade, Commerce, Tourism and Justice) as well as senior officials from the Central Bank.

During the workshop, ESCWA showcased its recent findings over ‘The State of Financing for Development’ and the stakes of running undue exposures to ‘illicit financial flows’. ESCWA demonstrated that in order to normalize the current fiscal deficit in Bahrain, there would be a need to see a rise in international oil prices and in Bahrain’s resource-based revenues, otherwise it may be compelled to resort to cuts in social expenditures and/or raise the tax base which would aggravate many macro-economic ails and indicators, including measures of economic (in)justice.

The workshop involved detailed assessments on Base Erosion (tax evasion), Profit Shifting (PS) and Aggressive Tax Planning (tax avoidance) practices by permanent establishments including, Multinational Corporations. It also witnessed several comparative assessments and covered the following topics:

- The State of Financing for Development and Technical Assistance Capacities provided by ESCWA;
- The OECD Base Erosion Profit Shifting (BEPS) Project and its 15 action points;
- The BEPS Inclusive Framework and the minimum standards requirements;
- Details of the BEPS minimum requirements;
- The requirements of the EU Code of Conduct Group on business taxation and the criteria used to set the list of non-cooperative jurisdictions for tax purposes;
- Impact of the BEPS project on the national legal system in Bahrain;
- The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (MLI) and possible impact on Bahrain tax treaties.