

PLATFORM FOR TAX GOOD GOVERNANCE

MEETING OF 15 MARCH 2016

ANNOTATED AGENDA

1. Adoption of the Agenda

2. External Strategy for Effective Taxation

The External Strategy for Effective Taxation was adopted as part of the Anti Tax Avoidance Package on 28 January 2016. It aims to better align the EU's tax policy priorities with its external relation policies and to ensure a more robust and coherent EU stance toward third countries on tax good governance.

The Strategy reflects previous discussions in the Platform on key actions, which include:

- Updating the EU's good governance criteria.
- Improving the negotiation of good governance clauses with third countries.
- Providing stronger support to developing countries on tax good governance issues.
- Developing an EU screening and listing process for problematic third countries.
- Strengthening the EU Financial Regulation to promote tax good governance.

The Commission will briefly explain each element of the Strategy and set out how these different actions will be taken forward. Platform members are invited to share their views on the Strategy.

For more information on the External Strategy, see:

http://ec.europa.eu/taxation_customs/taxation/company_tax/anti_tax_avoidance/index_en.htm

3. Improving Double Taxation Resolution Mechanisms

In the 2015 Action Plan, the Commission announced that it would propose improvements to the current mechanism for resolving double taxation disputes. This proposal is planned for summer 2016 and is part of the agenda to create a fairer and better business environment in the EU.

As part of the preparatory work for the proposal, the Commission has recently launched two consultations:

- A general public consultation, which will run until 10 May 2016. This aims to gather views from a broad spectrum of stakeholders on key questions related to double taxation and dispute resolution in the EU.

- A targeted consultation, which seeks to gather detailed input on the scale and impact of double taxation and direct feedback on the current dispute resolution mechanisms. This has been so far launched through the Joint Transfer Pricing Forum (JTPF) but we would also like to get the views of non-governmental members of the Platform.

The Commission will present its work plan for the Dispute Resolution Mechanism proposal, and will invite Platform members to give feedback on the public consultation questions.

For the public consultation on Dispute Resolution, see: http://ec.europa.eu/taxation_customs/common/consultations/tax/double_tax_dispute_en.htm

4. Study on Aggressive Tax Planning

The Commission published a new study on "Structures of aggressive tax planning and indicators", as part of the Anti Tax Avoidance Package. The study looks at some of the most common aggressive tax planning structures used by companies and the features in Member States' tax systems which may facilitate these schemes. The study contains a detailed analysis on each Member State and describes how multinationals exploit the lack of coordination between countries to avoid taxes.

The Commission will present the study, along with some preliminary conclusions that can be drawn from a policy perspective. Platform members are encouraged to share their views.

For the Aggressive Tax Planning study, see:

http://ec.europa.eu/taxation_customs/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_61.pdf

5. Corporate Social Responsibility

Corporate Social Responsibility (CSR) refers to self-regulated commitments which companies undertake to engage in responsible business behaviour. CSR cannot be a substitute for appropriate public policy and regulation. However, if companies take ownership for implementing best practice themselves, it can reinforce public policy and improve the overall results.

In response to the public backlash against corporate tax avoidance, there is increasing pressure on companies to integrate fair taxation into their CSR agendas. The European Parliament, international organisations and NGOs have also strongly advocated that good tax practices should be an integral part of CSR.

The Commission Services are finalizing, with the main EU private and public stakeholders, the assessment of the 2011 EU CSR Strategy and identifying the possible

measures that could be proposed and implemented by all stakeholders to move forward in the CSR process, in order to facilitate a wider uptake of responsible business practices by a much larger number of EU firms.. As part of the preparatory work, the Commission might consider options to improve companies' voluntary engagement in responsible tax practices. This would complement the ambitious EU programme to reform corporate tax policy, already underway.

The Commission will briefly present the state of play of the CSR process within the EU and would welcome inputs from the participants on the possible companies' engagement in responsible tax practices.

Mrs Amparo Grau, tax law professor and consultant for the UN, will also give a presentation on its work on CSR and taxation.

Platform members are invited to discuss how CSR can be used to best effect to complement the EU's wider agenda for fair corporate taxation. For background information, see:

Commission's CSR agenda:

http://ec.europa.eu/growth/industry/corporate-social-responsibility/index_en.htm

UN global compact on CSR:

<https://www.unglobalcompact.org/>

"Getting to Good"- discussion paper on responsible corporate tax behaviour, published by Christian Aid, Oxfam and Action Aid (February 2016):

https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/dp-getting-to-good-corporate-tax-171115-en.pdf

INVITATION: FAREWELL COCKTAIL

This is the final meeting of the Platform under the current mandate.

**The Commission invites all Platform members for a cocktail lunch,
to thank them for their constructive participation over the past 3 years.**

The cocktail will take place in the Centre Borschette around 12.30.