



IAFEI Weekly Update

Knowledge, Resources, News, and Announcements

This is an issue of IAFEI Weekly Update for the week of February 26, 2024.

Valued All IAFEI Board members, ExCom members & Advisory Committee members:

The following interesting and useful articles and information await you in this issue. We hope you enjoy reading them. My special thanks to Piergiorgio for his contributions.

Below are the titles of this week's articles ...

- **CFE's Tax Top 5 - 19 February 2024** (Contributed by Mr. Piergiorgio Valente) → [Read the article](#)
- **OECD 🌐 Register now for the 2024 Global Anti-Corruption & Integrity Forum** (Contributed by Mr. Piergiorgio Valente) → [Read the article](#)
- **World Bank New Crisis Response Tools** (Contributed by Mr. Piergiorgio Valente) → [Read the article](#)
- **EESC: Public debate on Business in Europe Framework for Income Taxation** (Contributed by Mr. Piergiorgio Valente) → [Read the article](#)

Please feel free to circulate this within your organization. I am hoping that this Weekly Update may increase the value of IAFEI membership. If you have any suggestions, or recommendations, or would like to participate to provide articles. Please do not hesitate to contact me.

Thank you for your continuous support and we would love to hear from you.

Tsutomu Mannari
Chairman of IAFEI

(Total 19 pages)



BRUSSELS | 19 FEBRUARY 2024

OECD Releases Pillar 1 Amount B Report

The OECD has released a [report on Amount B of Pillar One](#), providing a simplified approach to apply the Arm's Length Principle to baseline marketing and distribution activities. The report has been published in line with the Outcome Statement released in July 2023 concerning the further work needed to be completed prior to the Pillar 1 MLI entering into force.

Content from the report has been incorporated into the OECD Transfer Pricing Guidelines, providing the option of applying straightforward rules to baseline marketing and distribution activities to ensure tax revenue. The inclusion of the Amount B guidance into the OECD Transfer Pricing Guidelines is accompanied by conforming changes to the Commentary on Article 25 of the OECD Model Tax Convention.

According to the OECD, the approach "*answers the call of low-capacity countries for what the African Tax Administration Forum (ATAF) has described as "vital" changes to the OECD Transfer Pricing Guidelines*". Amount B provides a "*simplified and streamlined pricing framework that determines a return on sales for eligible distributors*". It is hoped the approach will reduce disputes, increase certainty and minimise compliance costs. The report introduces two implementation options concerning when a distributor is within scope of Amount B, and sets out which activities excludes a distributor from the scope of

the approach.

The report is available [here](#).

US, UK, Austria, France, Italy and Spain Extend Agreement on Transition from DSTs to Pillar One

Austria, France, Italy, Spain, the United Kingdom and the United States have issued a joint [statement](#) extending the agreement reached by the jurisdictions for a transitional approach to walking back the existing unilateral digital taxes in those countries. The countries first issued a Statement in October 2021 following the [agreement](#) reached by 136 jurisdictions on global minimum corporate tax and the partial reallocation of profit to market countries. The new statement sets out an extension of the compromise until the end of June 2024, in line with the updated timeline of the G20/OECD Inclusive Framework for adoption and signature of the Pillar 1 MLC.

In the [initial statement](#), Austria, France, Italy, Spain, the US and the United Kingdom set out that they have agreed that the unilateral measures will remain in force until Pillar 1 is implemented, but that if the amount of tax collected in the jurisdictions exceeds the equivalent amount that would be due under Pillar 1 in the first full year of implementation, that the excess amount will be creditable against the portion of the corporate income tax liability associated with Amount A as computed under Pillar 1 in these countries, respectively. Further, the United States undertook to terminate any proposed trade action and refrain from taking any further action against Austria, France, Italy, Spain, and the United Kingdom in relation to their unilateral digital taxes until the implementation of Pillar 1 takes place.

The initial agreement noted that although the United States had argued for a

immediate withdrawal of unilateral measures, effective as of the date of the political agreement, i.e. 8 October 2021, the countries with unilateral digital taxes preferred for the withdrawal of these measures to come into effect upon implementation of Pillar 1.

Save the Date: CFE Forum 2024 | Sharing the Tax Pie | 18 April 2024 | Brussels

CFE Tax Advisers Europe will hold its 2024 Forum on 18 April 2024 in Brussels on the topic of "*Sharing the Tax Pie: Revisiting the Role of the UN, EU & OECD in Tax Policy; and Taxable Presence Threshold (Fixed Establishment) in Indirect Taxation*".

CFE's 2024 Forum will bring two excellent panels of speakers to discuss the allocation of tax base (Pillar 1 and the role of the UN, the EU and the OECD in international tax matters). Secondary taxation rights, in particular the subject to tax rule (STR) in the UN Model Tax Convention and OECD's Pillars bring up issues of divergent aspirations in tax policy between jurisdictions.

Further details concerning the panels, speakers and registration is available [here](#).

Next Meeting of the EU Parliament FISC : The Future of European & International Tax Policy

The next [meeting](#) of the FISC Subcommittee will take place on 19 March 2024, where an exchange of views will take place with the Commission, OECD and UN on the state of play and the future of European and international tax policy.

Last week, on 13 February 2024, from 15:00 to 17:15, a public hearing on the topic of "Tackling tax obstacles in the internal market and the role of tax policies in promoting economic growth" took place. A study commissioned by the FISC Subcommittee on "Good tax practices in the fight against tax avoidance - the signalling role of FDI data" was also presented after the hearing.

OECD Tax & Development Days - 12 & 13 March

The OECD is holding the 2024 edition of its [Tax & Development Days](#) on 12 and 13 March 2024, virtually via Zoom, to provide an update on the OECD's tax capacity and policy initiatives in developing countries. Members of the OECD Inclusive Framework and key stakeholders are invited to participate, with sessions open to public.

Topics to be discussed across the two days include: developing countries perspectives on the Two-Pillar Solution; COVID-19 impact on revenues; taxation and inequality, transfer pricing and international taxation capacity; realities of carbon pricing; tax morale; tax transparency and co-operation; tax crime; Tax Inspectors Without Borders; VAT on e-commerce in developing countries, and more.

Further information and registration can be located [here](#).

The selection of the remitted material has been prepared by:
Aleksandar Ivanovski & Brodie McIntosh

Save the date: 2024 Global Anti-Corruption & Integrity Forum to take place on 26-27 March

Registrations for the 2024 Global Anti-Corruption & Integrity Forum are now open! The event will be held at the OECD in Paris under the theme Designing our Future with Integrity.

For more Information >>>

<https://www.oecd-events.org/gacif2024>

Anti-corruption news

Romania and Croatia join the OECD Anti-Bribery Convention

Romania and Croatia have completed the process to become the 45th and 46th Parties to the OECD Anti-Bribery Convention demonstrating their commitment to international co-operation and the fight against corruption. As a Party to the Convention, both states will undergo systematic peer-led reviews to assess their implementation of the Convention and the effectiveness in practice of their anti-bribery legislation and institutions.

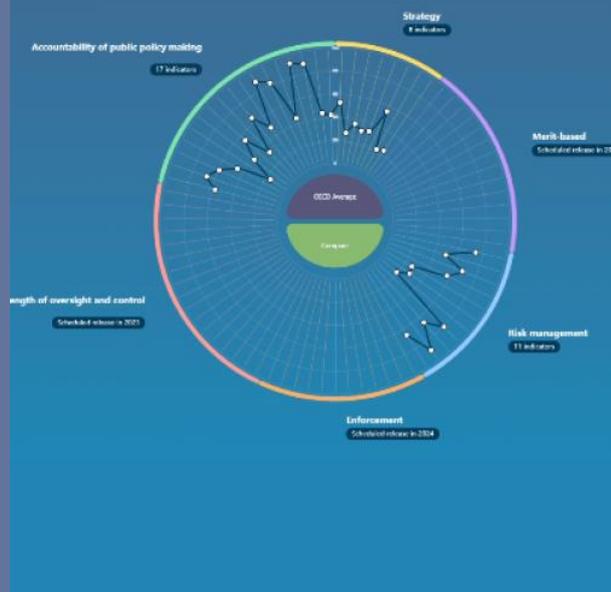
[Read more on Romania](#)

[Read more on Croatia](#)





OECD Public Integrity Indicators



New data on the effectiveness of internal control and corruption risk management now available on the OECD Public Integrity Indicators Portal

Robust internal control and audit systems help to ensure that all public bodies are taking effective measures to prevent corruption. OECD countries have strong regulations in these areas, and generally audit coverage and implementation of recommendations are high. However, not all public bodies effectively implement integrity safeguards in practice, reducing the effectiveness of the integrity system.

[Explore the data](#)

Misuse of Citizenship and Residency by Investment Programmes

This report highlights the risks and vulnerabilities of residency by investment programmes and proposes measures and examples of good practice that can help policy makers and those responsible for managing investment migration programmes address these risks.

[Read the report](#)



Misuse of Citizenship and Residency by Investment Programmes

November 2023



Developing Anti-Corruption Programmes in State-Owned Enterprises: OECD Manual for compliance officers in Croatia and Serbia

This Manual has been developed to help compliance officers in Croatian and Serbian SOEs to introduce or strengthen their anti-corruption programmes. It is designed as a practical, easy-to-reference tool offering a variety of practices that an SOE could consider implementing.

[See the manual](#)

Raising Awareness of Dividend Stripping Schemes

This report showcases country experiences with the prevention, detection, investigation, and enforcement of dividend stripping, a harmful phenomenon that continues to erode the tax base of countries around the globe.

[Read the report](#)



Dividend Tax Fraud
RAISING AWARENESS OF DIVIDEND STRIPPING SCHEMES



Tackling disinformation: Strengthening democracy through information integrity

13 - 14 November 2023

OECD, Paris

Tackling Disinformation: Strengthening democracy through information integrity

The OECD hosted a conference on tackling disinformation on 13 -14 November. The event brought together representatives from government, media, the private sector and civil society to discuss responses to the current challenges democracies face in the information space.

[Watch the replays](#)

Promoting transparency and exchange of information for tax purposes

The Global Forum on Transparency and Exchange of Information for Tax Purposes, a leading international body bringing together 169 jurisdictions on the implementation of global transparency and exchange of information standards around the world, held its 16th plenary meeting between 29th November and 1st December.

[Watch the replays & access the reports](#)

GLOBAL FORUM ON TRANSPARENCY AND EXCHANGE OF INFORMATION FOR TAX PURPOSES



NEWSLETTER SU LINKEDIN



World Bank Weekly Update

✉ Subscribe to our newsletter to get the latest development news plus data, digests, and videos on the most interesting



The World Bank

[Vedi cosa si dice di questo argomento: Apri su LinkedIn](#)



New Crisis Response Tools

Building a more resilient future, new green jobs Development Podcast

EDITOR'S PICK



CRISIS PREPAREDNESS & RESPONSE TOOLKIT

WORLD BANK GROUP

An expanded crisis toolkit to help developing countries better prepare for and respond to crises.

More Flexible Funding Reallocation

- The Rapid Response Option (RRO), allowing governments to quickly repurpose a portion of their unused World Bank financing across the loan portfolio for emergency response.
- The RRO will ensure swift access to financing within the first few days of a disaster, enabling countries to provide their citizens with food, water, medicine, and to save lives.

Expanded Catastrophe Risk Transfer Solutions

- Countries can embed catastrophe bonds, insurance, and other risk management products into Bank financing operations.
- Mobilizes private capital and transfers risks to international reinsurance and capital markets.

Substantially Scaled up Access to Contingent Resources and Immediate Crisis Response Financing

- New flexibility to improve access to contingent financing for both budget support and investment projects.
- Expedite access to new financing for budget support when disasters strike.
- Countries undertake associated crisis preparedness reforms and build capacity as part of accessing this financing, strengthening resilience for the future.

Climate Resilient Debt Clauses (CRDC) for Small States during Crises

- The CRDC give small states the option to defer payments on Bank loans after a crisis occurs.
- Small states can then prioritize disaster recovery over debt repayment when catastrophes hit.

The expanded toolkit builds on existing World Bank Group crisis response tools, filling gaps based on lessons learned from previous crisis response and helping ensure comprehensive protection for countries in times of need.

Groundbreaking crisis response tools launched. The World Bank's expanded toolkit will help countries better respond to crises and prepare for future shocks, with fewer trade-offs between their development priorities and emergency financing needs. **LEARN MORE - [English](#), [Español](#), [Français](#), [العربية](#)**

WEEK'S HIGHLIGHTS



Unlocking crisis response tools to build a more resilient future. The World Bank's Managing Director of Operations [Anna Bjerde](#) reflects on how the new crisis toolkit will help to empower countries amid the current intertwined global crises. **READ MORE** - [English](#), [Français](#), [Español](#), [العربية](#)



Development Podcast: What Is a Green Job? Transitioning away from fossil fuels could create as many as 300 million 'green' jobs in clean energy and low-emissions technologies by 2030. But what exactly is a 'green job'? Find out in this latest Development Podcast episode. [TUNE IN](#).



From Earthquake Devastation to Resilient Revival in Türkiye. This week marks one year since devastating earthquakes struck southern Türkiye and Syria. Since then, the World Bank Group has mobilized at record pace to support Türkiye's massive recovery effort. [SEE HOW](#).

IN FOCUS



Building Beyond Tomorrow: Pacific Climate Resilient Transport Program. What does effective climate adaptation actually look like? Learn from experiences of building—and rebuilding—vital transport infrastructure in the Pacific, supported through the World Bank’s IDA. [VIEW STORY.](#)



On the frontline of the climate crisis: Atoll nations and coastal communities also face serious legal implications. In the coming decades, sea level rise in small island developing states and atoll nations will increasingly trigger a host of issues that pose unprecedented challenges to the international legal order. **[FIND OUT MORE.](#)**

NEWS

✓ [COMESA and the World Bank Launch \\$50 Million Regional Platform to Overcome Hurdles to Accelerating Energy Access in Eastern and Southern Africa](#)

✓ [World Bank Urges Action for Gender Equality in Artisanal and Small-Scale Mining](#)

✓ [World Bank's 10-Year EUR Sustainable Development Bond Attracts Strong Demand from Diverse Investors](#)

✓ [READ LATEST NEWS RELEASES](#)

[Unisciti alla conversazione](#)



PUBLIC DEBATE

Business in Europe Framework for Income Taxation (BEFIT)

Challenges at national and EU level

25.01.2024 | 9:30 – 13:00 | Online event

#BEFIT-EESC

FOLLOW-UP

Dear Sir / Madam,

The European Economic and Social Committee would like to thank you for your interest in the online public debate

Business in Europe Framework for Income Taxation (BEFIT) – challenges at national and EU level

organised on 25 January 2024

Discussants welcomed Business in Europe Framework for Income Taxation (BEFIT) and Transfer Pricing (TP) proposals and stressed that the current variety of different national rules results in fragmentation and discrepancies, hindering cross-border activities across the internal market due to the high costs that companies incur to comply with multiple different legal frameworks. Concerns were also raised about the tax returns and compliance costs.

This public debate provided an important input for drafting the EESC opinion on **Business in Europe: Framework for Income Taxation (BEFIT)** (rapporteur: Petru Sorin DANDEA) which is scheduled for discussion at the EESC plenary on 23-24 April 2024. The adopted EESC opinion will be sent to you shortly after.

[Programme](#)

Videorecording

Presentations

Follow us on X : #BEFIT-EESC | @EESC_ECO



DÉBAT PUBLIC

Entreprises en Europe: cadre pour l'imposition des revenus (BEFIT)

Défis au niveau national et à l'échelon de l'UE

25.01.2024 | 9:30 – 13:00 | Événement en ligne

#BEFIT-EESC

Chère Madame / Cher Monsieur,

Le Comité économique et social européen souhaite vous remercier de l'intérêt que vous avez porté au débat public en ligne

Entreprises en Europe: cadre pour l'imposition des revenus (BEFIT) — défis au niveau national et à l'échelon de l'UE

organisé le 25 janvier 2024

Les intervenants ont accueilli favorablement les propositions sur "Entreprises en Europe: cadre pour l'imposition des revenus" (BEFIT) et "L'établissement de prix de transfert" (TP) et ont souligné que la diversité actuelle des différentes règles nationales entraînait une fragmentation et des divergences, entravant les activités

transfrontalières à travers le marché intérieur en raison des coûts élevés que les entreprises supportent pour se conformer à de multiples cadres juridiques différents. Des préoccupations ont également été soulevées concernant les déclarations de revenus et les coûts de conformité.

Ce débat public a apporté une contribution importante à la rédaction de l'avis du CESE sur **Entreprises en Europe: cadre pour l'imposition des revenus (BEFIT)** (rapporteur: Petru Sorin DANDEA), dont la discussion est prévue lors de la plénière du CESE les 23 et 24 avril 2024. L'avis du CESE adopté vous sera envoyé peu de temps après.

[Programme](#)[Videorecording](#)[Présentations](#)

Suivez-nous sur  : #BEFIT-EESC | [@EESC_ECO](#)

ECO | Economic and Monetary Union and Economic and Social Cohesion
Union économique et monétaire, cohésion économique et sociale

European Economic and Social Committee | Comité économique et social européen

Rue Belliard 99, 1040 Bruxelles

Tel. +32 2 546 9215



[Contact us](#)

[Subscription Preferences](#)

[Privacy Statement](#)

European Economic and Social Committee