

EBIT

Input to Europe's direct tax policy

**Annual Work Programme
2018**

www.ebit-businessstax.com

2018 EBIT “Light” - Annual Work Programme

INTRODUCTION

Dear Sir / Madam,

In the European Union (EU) there is still no internal market on taxation. In practice, multinational companies doing business in Europe need to navigate through 28, and from March 2019, 27 different sovereign national tax regimes and administrative requirements, and widely differing interpretations of EU law and Directives.

As the previous two years, EU direct tax policy-making and international tax competition will continue to be hot topics in the EU in 2018.

Corporates and financial institutions are therefore advised to closely monitor and actively input on behalf of business to the ongoing activities and legislative and regulatory initiatives coming out of the EU's Institutions, the EU Member States and the U.S., the OECD's CTPA, the G20/G7, the UN, and NGOs, and any other relevant stakeholders on issues such as:

- Tax Transparency - Public CBCR, MDR
- EU BEPS / “Aggressive” Tax Planning
- Harmful Tax Competition (Code of Conduct Group (Business Taxation) and the FHTC)
- Implementation of BEPS in Europe
- EU Fiscal State Aid investigations (tax rulings / tax schemes)
- EU Tax Directives (CCTB, CCCTB)
- EU common ‘blacklist’ of non-EU non-cooperative tax jurisdictions
- CJEU direct tax case law & doctrine
- European Parliament special inquiry committees on Tax Evasion, Tax Avoidance and Money Laundering
- Tax Certainty (EU and OECD)
- Digital Transformation of Tax Administrations & Cooperative Compliance

- EU JTPF and Forum on Tax Good Governance
- Geopolitical sphere: U.S. Tax Reform, BREXIT
- EU Decision-making process around Direct Taxation + understanding Brussels Tax policy & Politics

Do you also want to help modernise Europe's direct tax policy but don't find the time? Then joining EBIT may be just what you were looking for!

WHAT IS EBIT ALL ABOUT?

Established in 2001 with the help of PwC at the request of a number of companies, EBIT is a high-level but informal cross-industry working group of around 20 Senior VPs of Tax and Tax Directors from European based companies (see Annex).

EBIT works to eliminate tax barriers and offers practical solutions to EU and OECD policy makers to help businesses operate more efficiently across Europe.

EBIT spans the following business sectors:

- aerospace and defence
- airlines
- asset management
- beverage products
- commercial building
- conference organisers
- consumer packaged goods
- earth moving equipment
- electronics
- food & feed
- food containers
- global internet and entertainment
- healthcare equipment
- medical devices
- oil & gas
- pharmaceuticals
- publishing
- retail
- tobacco products.

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BENEFITS OF JOINING EBIT:

- Receiving daily email alerts enabling you to keep really up to date on the latest EU and OECD direct tax developments: A ‘must’ for businesses in the current game-changing context!
- Being part of a high-level, influential pan-European business working group which helps large corporate taxpayers from across a considerable number of different industry sectors to collectively input to EU and OECD initiatives
- Regular access to and meetings with key EU and OECD tax policy-makers
- Time and cost efficient dedicated project-management by PwC, and a flexible approach
- Regular networking with business peers
- Easy access to PwC specialists and networks

EBIT also enables you to develop a better understanding of the Brussels environment i.e the EU’s decision- and policy-making on TAX, Brussels politics and the story behind the story.

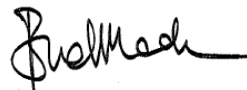
JOINING EBIT IS VERY EASY!

It suffices to send an e-mail to EBIT’s Secretariat (see below) with your contact details, your company’s VAT number and invoicing address. You can become a member straight away or opt for a free trial membership. More information can be found in the present Annual Work Programme 2018 and on the [EBIT website](#).

EBIT can be contacted via its Secretariat PwC: Tel.: +31 6 13 09 62 96; or Email: bob.vandermade@pwc.com

I hope to see you soon in Brussels!

Yours sincerely,



Bob van der Made | EBIT Secretariat | PwC

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EBIT - A TRIED AND TESTED APPROACH

EBIT’s Members have been engaging in ongoing technical Dialogue & Cooperation, and a mutually-beneficial “two-way education” process with EU and OECD tax policy-makers since December 2001.

EBIT WAYS OF WORKING

The “EBIT *Light*” approach developed by PwC is time and cost efficient and highly flexible.

EBIT works on the basis of a proposed Annual Work Programme with an ex ante budget for the next calendar year, which is prepared by EBIT’s Secretariat (PwC). The Annual Work Programme builds on our extensive experience with this project. The Annual Work Programme serves as the only EBIT framework engagement letter and Membership is immediately activated after a confirmation email to the Secretariat, which informs the other Members of EBIT. Membership can easily be terminated by sending an email to the Secretariat to this effect, and you will only be asked to pay the normal fee for the last running quarter during which you terminated your membership.

The proposed Annual Work Programme is first sent to EBIT’s Members for their review and approval within an agreed indicated timeline. If no objections are raised by or comments received from EBIT’s Members by the proposed deadline, the proposal is assumed to have been tacitly approved and adopted by common agreement of the Members of EBIT.

All of the above is geared towards keeping the EBIT project management and administration as “light” as possible, hence the EBIT “*Light*” approach, which was developed and adopted by PwC in 2004 at

the specific request of the Members of EBIT.

EBIT membership is a corporate membership. EBIT works through regular e-mail communication, conference calls and two round-table meetings which are usually held at PwC’s Brussels office for purely practical reasons. EBIT always operates on a consensus basis: the Members remain at all times in full control of the project. EBIT’s collective input or messaging to policymakers, the press, etc., always reflects the collective views of EBIT only and cannot be construed as an opinion or point of view of any individual Member of EBIT or PwC.

For practical purposes, the Secretariat organises the group’s work but the Members have the last say. The Members are understood to agree to:

- Actively participating in the EBIT Senior Tax Executives Round-tables and conference calls organised by the Secretariat and duly replying to relevant group correspondence
- Co-drafting, reviewing and collective sign off on EBIT output
- Representing EBIT at public consultations of the EU or OECD, international conferences, seminars, workshops, etc.

Importantly, each EBIT Member contributes to EBIT’s activities as a function of their time and availability. If the regular or primary corporate EBIT contact cannot attend themselves, Members will endeavour to put forward an *alternate* to attend the meetings or conference calls. NB: A critical mass of EBIT Members during meetings is crucial for managing the high expectations of EU and OECD tax policymakers of EBIT - and for getting the most out of your corporate Membership!

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EBIT SECRETARIAT - ROLE OF PwC

PwC’s role in EBIT is limited. PwC is not a Member of EBIT, PwC only acts as Secretariat. This role includes:

- Project administration and management, i.e. facilitating all practical aspects of EBIT's work, including organizing roundtable meetings with keynote speakers from the EU’s Institutions, the OECD and other relevant stakeholders, Conference calls, consensus input provided to the EU and OECD, relations with the EU, the OECD and other relevant stakeholders, EBIT marketing, promotion, and online presence
- Operating a daily tax news email alert service
- Providing tax technical assistance (not tax advice) and public affairs/communication advice to the group as a whole, but not to any individual members, and ensuring quality control.

OBJECTIVES & DELIVERABLES FOR 2018

- ☑ Ensuring EU and OECD policy-makers awareness and understanding of direct tax legislative issues from the perspective of large multinational corporate taxpayers from a wide range of industry sectors
- ☑ Building on EBIT’s reputation and credibility as a leading Brussels-based business representative
- ☑ Effective and efficient project coordination
- ☑ Facilitating two productive meetings with key policymakers or politicians from the EU’s Institutions and/or the OECD
- ☑ Reporting on relevant tax policy developments

- ☑ Leveraging on PwC networks and specialists
- ☑ EBIT compliance with EU Transparency Register rules

EBIT’s ACHIEVEMENTS in 2017

EBIT position papers:

- ☑ EBIT submission to the European Commission’s online Public Consultation on Taxing the Digital Economy - December 2017
- ☑ EBIT Key Messages to the European Commission and OECD on Taxing the Digital Economy - December 2017
- ☑ **EBIT pre-meeting cocktail and informal dinner with MEP Paul Tang (S&D, Netherlands) on 9 May 2017**
- ☑ **EBIT Spring Senior Tax Executives Roundtable meeting on 10 May 2017**

- **EBIT project update / meeting chair: Bob van der Made**, EBIT Secretariat | PwC Senior Adviser EU Public Affairs-Brussels (TAX) | EU Direct Tax Group (EUDTG) Network Driver | PwC Netherlands
- **Update by the OECD on the BEPS deliverables and BEPS implementation: Achim Pross**, Head of the International Co-operation and Tax Administration Division, CTPA, OECD
- **Update on the European Commission’s direct tax policy: Bert Zuijendorp**, Head of Unit, Unit D1, Company Taxation Initiatives, DG TAXUD, European Commission

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- **ATAD II - Practical implications for business: Hein Vermeulen**, Senior Tax Manager, EU Direct Tax Group, PwC Netherlands | University of Amsterdam
- **Developments in Fiscal State aid: Emmanuel Raingeard**, Co-Chair PwC’s State Aid Working Group, Partner, EUDTG France, **and Jonathan Hare**, Co-Chair PwC’s State Aid Working Group, Partner, EUDTG UK

OTHER ACHIEVEMENTS IN 2017

- State of the art EBIT Daily Email Alerts Service
- Sharing cutting edge Brussels EU Tax intelligence (‘the ‘Brussels Gossip’)
- Deepening and broadening relations with key European Commission, European Parliament and OECD tax officials and policy-makers, and with other relevant stakeholders.
- Wide distribution of EBIT’s submissions to MEPs, OECD CTPA, EU civil servants, national fiscal attachés to the EU in Brussels
- Several EBIT Conference Calls
- Targeting of interested companies at the request and on behalf of EBIT’s Membership
- Full compliance with the EU’s Transparency Register (regular updates)
- EBIT website: **ebit-businessstax.com** (regular updates)
- EBIT 1-page Flyer (regular updates)

PAYMENT TERMS & CONDITIONS

In 2017, EBIT built further on its reputation as a unique and influential, pro-active business coalition and sounding board for tax policy-makers. EBIT is firmly recognised by several leading EU and OECD politicians and policy-makers and seen as one of the most influential business representations in the area of direct tax in the European Union and wider Europe. The proposed budget for 2018 reflects this major achievement, as well as PwC’s ongoing efforts to improve on our delivery as EBIT’s Secretariat whereby special lower fees for project management and administration apply.

The EBIT Membership fee is payable on a quarterly basis. The basic fee in this proposal is set ex-ante for the time likely to be spent by the Secretariat for running EBIT and is based on prior multi-annual experience.

The proposed annual budget for 2018 is in line with preceding annual EBIT budgets i.e. it has not been raised for the third consecutive year.

To simplify the quarterly invoicing process and for EBIT marketing purposes, the Secretariat works with a fixed basic membership fee since 2016. The proposed EBIT “Light” quarterly membership fee is composed as follows:

1. A fixed basic membership fee of EUR 2,400 per quarter per corporate Member; and
2. A (small) variable fee that is divided equally among all Members for Secretariat expenses reasonably incurred in achieving EBIT’s objectives, e.g.: catering, stakeholder lunches, etc.
3. Any additional expertise commissioned to the Secretariat by EBIT’s Members outside the Annual Work Programme is

budgeted separately on a time-spent basis. This relates for instance to the Secretariat’s coordination and submission on behalf of the group of EBIT positions on public consultations by the EU Commission or the OECD, the organisation of extra meetings or conference calls, arrangement (payment and reimbursement) of keynote speakers in connection with EBIT Senior Tax Executives Roundtable meetings and targeting on behalf of EBIT’s Members.

This type of project needs to be flexible and is partly driven by external factors e.g. tax policy agenda changes, the availability of EU and OECD officials, policy-makers, and politicians. There can be no guarantee of the final result. PwC accepts no liability in connection with EBIT. PwC will carry out this project to the best of its ability and strives to achieve the desired outcome in collaboration with EBIT’s Members, whereby the following will be assumed:

- Full commitment and cooperation of Members with the Secretariat
- Additional expertise commissioned by Members is budgeted separately
- If the Secretariat’s real-time spent is likely to exceed the ex-ante budgeted fee significantly, PwC will inform Members in a timely manner and propose additional budget. Members can always comment on the use of the budget.

PwC will notify audit clients who are a Member of EBIT immediately if we consider that this EBIT Joint Business Relationship is no longer compatible with our position as their auditor.

Interested companies can join EBIT directly or enjoy a free-trial Membership with free access to the EBIT daily email alert service.

EBIT Secretariat - estimated ex ante resources & budget breakdown 2018

<i>Resources PwC</i>	<i>Project Management</i>	<i>Activity / days</i>	<i>Fee/d (€)</i>	<i>Total d.</i>	<i>Total (€)</i>
<p><i>Bob van der Made</i> EBIT Secretariat, PwC Sr. Adviser EU Public Affairs-Brussels, PwC EU Direct Tax Group (EUDTG) Tax Administration Consulting PwC Netherlands</p>	<p>Bob is the EBIT Engagement Manager responsible for EBIT from A-Z Provides specialist EU Public Affairs and Communications Advice</p>	<p>Day-to-day Project Management (12) Daily news alerts (12) Organising meetings, agendas, calls (3) Stakeholder management / networking with EU, OECD (4) EBIT promotion (2) Billing and compliance (2)</p>	3,500	35	119,000
<p>Stef van Weeghel International Tax Partner PwC Global Tax Leader EUDTG Chair PwC Netherlands</p>	<p>Stef is the EBIT Engagement Partner</p>	<p>Quality assurance (2)</p>	3,750	1	3,750
<p>Eelco van der Enden Tax Partner, Global Tax Administration Consulting and EMEA Tax Strategy Operations Practices, PwC Netherlands</p>	<p>Eelco provides specialist Tax Administration Consulting, and Cooperative Compliance expertise</p>	<p>Participation in meetings, calls and leveraging PwC networks (1)</p>	3,750	1	3,750
<p>Jonathan Hare International Tax Partner Co-Chair State Aid Working Group, EUDTG, PwC UK</p>	<p>Jonathan provides specialist EU direct tax law and fiscal State aid expertise</p>	<p>Participation in meetings, and conference calls (3)</p>	3,750	1	3,750
<p>Emmanuel Raingeard Tax Partner, Co-Chair State Aid Working Group, EUDTG, PwC France</p>	<p>Emmanuel provides specialist EU direct tax law and fiscal State aid expertise</p>	<p>Preparation and participation in meetings (1)</p>	3,750	1	3,750
<p>Phil Greenfield Global Tax Policy Network, PwC United Kingdom</p>	<p>Phil provides OECD BEPS and Tax Policy and knowlegde management expertise</p>	<p>Participation in meetings, calls, input to position papers (2)</p>	3,500	2	7,000
<p>Edwin Visser EMEA Tax Policy Leader, Partner, PwC Netherlands</p>	<p>Edwin provides OECD and EU Tax Policy input and expertise</p>	<p>Participation in meetings and leveraging networks (1)</p>	3,750	1	3,750
<p><i>With additional support from other PwC Tax Partners and senior experts from PwC specialist networks where appropriate</i></p>					<p>Total: 144,750</p>

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ANNEX: EBIT Corporate Members

COMPANY	CONTACTS	POSITION
AIRBUS GROUP	Guillaume de la Villeguérin	Head of Tax & Customs
	Bénédicte Roué	International Tax Senior Manager
	Sonja Hoelzel	Head, International Tax Affairs
BP	Jurgen De Moor	Assistant Tax Director, European Tax Manager
CATERPILLAR	Chad Withers	Chef Tax Officer
	Pierre de Pena	Regional Tax Director
C-BRANDS	Janet Stewart	Senior Vice-President, Tax
	Steve Axler	Vice-President, Tax
DEUTSCHE LUFTHANSA	Christian Lehmann	Director Tax Policy and Procedural Law
DIAGEO	Claire Jordan	Global Head of Tax
	Mirjam Heimgartner	European Tax Director
	Lisa Rose	Head of EU Affairs, Corporate Relations
	Matthew Hardy	Tax Director Africa & Asia
GSK	David Gordon	Senior VP, Global Head of Tax
	Jane Gill	UK Tax Director
HUAWEI	Leo Li	Vice President Global Tax
	Tony Merlo	Head of Global Tax Policy & Controversy
	Daniele Troisi	Director Global Tax Policy
	Simon Schofield	Global Tax Solutions Director
	Carine Stoffels	Senior Manager Tax Policy
INFORMA GROUP	Glyn Fullelove	Group Tax Director
	Owen O'Hagan	Senior International Tax Manager
INTERNATIONAL PAPER	Francois Hinck	Tax Director EMEA
JOHNSON & JOHNSON	Kris Bodson	Senior Director EMEA Tax Policy and Planning
	David Kavanaugh	Director Federal Affairs
JTI	Marco Ramaekers	Head of Tax
	Nathalie Laks	Global Transfer Pricing Director
	Marc Crutzen	Tax Director
NASPERS	Robbert Hoyng	Group Tax Director
RELX GROUP	Dominic Mathon	Head of Group Taxation
	Jules Genee	Tax Director
PEPSICO	Sarah McGill	Senior Vice-President - Tax
PFIZER	Lillian Kessler	Vice President International Tax
	Carolina Perez	Senior Tax Counsel
	André B. Petrunoff	Vice President International Tax
PROCTER & GAMBLE	Christoph Wissmann	Associate Director Tax Policy Europe
SCHRODERS	Tim McCann	Group Head of Tax

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	Christopher Austin	Tax Director
SHV GROUP	Ruud Wiegers	Head of Tax Nutreco
	Thom Coenen	International Tax Manager Nutreco
TUPPERWARE	Josef Hajek	Senior VP, Tax & Government Affairs
UTC	Ross Kearney	Corporate VP, Tax
	Stuart Bottomley	Senior Director, European Tax
	Gregory Marshall	Director, International Tax

