

EBIT

Input to Europe's direct tax policy

**Annual Work Programme
2019**

www.ebit-businessstax.com

2019 EBIT “Light” - Annual Work Programme

INTRODUCTION

Dear Sir / Madam,

In the European Union (EU) there is still no Single Market on Taxation. In practice, multinational companies doing business in Europe need to navigate through 28, and from 11:00 pm UK Time, 29 March 2019, through 27 different sovereign national tax systems and administrative requirements and diverging interpretations of EU direct tax law and EU direct tax Directives.

EU direct tax policy-making and international tax competition will continue to be hot topics in the EU in 2019, as will issues around enhanced tax transparency and governance. This poses challenges as well as opportunities to internationally operating businesses and their tax functions. Corporates and financial institutions are therefore advised to closely monitor and proactively input to the ongoing tax policy debate and tax transparency related actions and initiatives by relevant stakeholders including the EU Institutions, the EU’s Member States, the G20/G7, the OECD, US and other major countries, the U.N., but also academics, NGOs, and ‘Gilets Jaunes/Yellow Vests’, on:

- Taxation of the digital economy
- Implementation of BEPS – ATAD 1 & 2
- EU directives (CC(C)TB, DAC, Public CBCR, DST, etc.)
- Harmful Tax Competition
- EC’s Fiscal State Aid investigations
- EU common ‘blacklist’ of non-EU non-cooperative tax jurisdictions
- Tax transparency, governance, cooperative compliance programmes
- EU case law & doctrine
- EU Parliament’s special committees on financial crimes, tax evasion, avoidance
- Digital transformation of tax administrations

- Forum on Tax Good Governance, JTPF
- Tax & Geopolitics
- EU politics & decision-making process

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 Senior Tax Executives from European based companies whose aim is to help streamline and modernize Europe’s direct tax policy.

EBIT aims to help eliminate remaining tax barriers that hamper cross-border economic activity in the Single Market, and deliver business messages based on real-life experiences and examples to achieve practical progress.

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 business group for large corporate taxpayers from across industry sectors that collectively submit input to EU and OECD direct tax policy-makers
- Meetings with the EU and OECD
- Flexible time- & cost-efficient approach
- Regular networking with business peers
- Easy access to PwC experts and networks.

EBIT also enables you to gain a better understanding of the Brussels tax policy scene and EU decision-making processes.

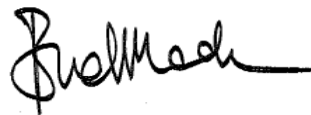
JOINING EBIT IS VERY EASY!

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 is available in the present Annual Work Programme 2019 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 have terminated your membership.

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

All of the above is aimed at keeping EBIT’s project management and administration as “light” as possible, hence the EBIT “*Light*” approach, which was introduced

by PwC in 2004 upon the specific request of the Members of EBIT.

EBIT membership is a corporate membership. EBIT works through regular e-mail communication, a number of conference calls, and 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, hence EBIT output cannot be construed as an opinion or point of view of any individual Member of EBIT or of PwC.

For practical purposes, PwC, acting as the Secretariat for EBIT organises the group’s work but EBIT Members have the last say. The Members agree to:

- Attend, actively participate in the EBIT Senior Tax Executives Round-tables and conference calls organised by the Secretariat
- Review, co-draft, sign off collectively in a timely manner on EBIT output
- Duly reply to EBIT Secretariat requests for comments, review and sign-off, to ensure the objectives can be achieved
- Represent EBIT at public consultations of the EU or OECD, international conferences, seminars, workshops, etc.

Importantly, each EBIT corporate Member contributes to EBIT’s work as a function of their time and availability. If the primary EBIT contact person cannot attend a Round-table Meeting, an *alternate* person should attend the meeting or call. NB: A critical mass of EBIT Members in 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 acts as EBIT’s Secretariat but it is not a member of EBIT
- The Secretariat administrates and facilitates the Group’s practical organization and work, proposes the work agenda, hosts plenary meetings and coordinates and submits the Group’s collective and consensus-based position papers (i.e. not on behalf of any individual EBIT Members, nor on behalf of PwC) arranges speakers from the EU Institutions, OECD, World Bank etc.) for EBIT’s plenary meetings
- The Secretariat operates a daily tax news email alert service
- The Secretariat provides tax technical assistance (not tax advice) and public affairs/communication advice to the group as a whole, but not to any individual EBIT corporate Members, and ensures overall project management quality control.

OBJECTIVES & DELIVERABLES FOR 2019

- ☑ Raising awareness and technical understanding of EU and OECD policy-makers concerning 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 productive meetings with key policymakers or politicians from the EU Institutions and the OECD
- ☑ Reporting on relevant tax policy developments
- ☑ Leveraging on PwC networks and specialists

- ☑ Ensuring compliance with EU Transparency Register rules

EBIT ACHIEVEMENTS IN 2018

EBIT submissions to the EC & OECD:

- ☑ EBIT submission to the OECD on the Public Discussion Draft on BEPS Actions 8-10 Financial Transactions - 7 September 2018.
- ☑ EBIT submission to the OECD’s public consultation running from 9 May – 20 June 2018 with regard to the scoping of the future revision of Chapter VII (intra-group services) of the OECD’s Transfer Pricing Guidelines
- ☑ EBIT submission on the OECD’s public consultation running from 9 May – 20 June 2018 with regard to the scoping of the future revision of Chapter IV (administrative approaches) of the OECD’s Transfer Pricing Guidelines
- ☑ EBIT submission on the European Commission’s requests for feedback on its proposed Digital Tax Package, and in particular on:
 - The Commission’s Proposal for a Council Directive laying down rules relating to the corporate taxation of a significant digital presence (Digital PE proposal); and
 - The Commission’s Proposal for a Council Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services (DST proposal).

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EBIT ACHIEVEMENTS IN 2018 (CONT'D)

- ☑ **EBIT meeting with MEP Markus Ferber** (EPP, Germany), Vice-Chair Committee on Economic and Monetary Affairs on 30 January 2018
- ☑ **EBIT Senior Tax Executives Roundtable meeting on 31 January 2018 in Brussels**
 - **EBIT project update: Bob van der Made**, EBIT Secretariat | PwC Senior Adviser EU Public Affairs-Brussels (TAX) | EU Direct Tax Group – Tax Administration Consulting | PwC Netherlands
 - **OECD update on the BEPS deliverables/implementation: Paul Hondius**, Policy Analyst, CTPA, OECD
 - **Update on the European Commission’s direct tax policy: Uwe Ihli**, Head of Sector, Unit D1, Company Taxation Initiatives, DG TAXUD, European Commission
 - **Update on EU Fiscal State aid: Jonathan Hare**, Co-Chair PwC’s State Aid Working Group, Partner, EUDTG UK
 - **‘Digital Transformation of Tax Administration’ by Microsoft and PwC, Valentina Ion** - Director Government Industry Solutions EMEA, Microsoft, **and Eelco van der Enden**, Partner, Tax Administration Consulting, PwC NL
 - **Update on the work of the European Commission’s ‘infringement unit’, Adam Zalasinski** – Legal Officer, Unit

D3, Control of the application of EU legislation and state aid/direct taxation | DG TAXUD, EU Commission

OTHER ACHIEVEMENTS IN 2018

- ☑ Effective and timely monitoring of EU and OECD developments via EBIT’s cutting-edge email alert service
- ☑ Sharing cutting edge Brussels EU Tax intelligence (‘the ‘Brussels Gossip’)
- ☑ Deepening and broadening relations with key policy-makers at the EU (European Commission, European Parliament) and the OECD’s CTPA, and with other relevant stakeholders
- ☑ Wide distribution of EBIT’s submissions in the Brussels community
- ☑ Several coordinating EBIT Conference Calls
- ☑ Targeting of interested companies at the specific request and on behalf of EBIT’s collective Members
- ☑ Compliance with the EU Transparency Register (regular updates)
- ☑ Regular updates of the EBIT website: ebit-businessstax.com
- ☑ Regular updates of the EBIT 1-page Flyer

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PAYMENT TERMS & CONDITIONS

To simplify the (quarterly) invoicing process and enhance the marketing appeal of EBIT Membership, the Secretariat works with a fixed basic membership fee since 2016.

In 2018, EBIT was again able to build further on its reputation as one of the most recognised European-wide direct tax business representations and a useful and credible technical sounding board composed of senior business tax executives, which represent many different industry sectors, for policy-makers and politicians at the EU in Brussels and the OECD in Paris.

The proposed budget for 2019 reflects this major achievement in 2018 and PwC’s ongoing commitment to improve on our delivery as EBIT’s Secretariat. Special lower fees for EBIT project management and administration continue to apply.

The proposed basic EBIT Membership fee for 2019 is based on our prior multi-annual experience with EBIT (since 2001) and is in large part in line with the preceding annual EBIT budgets, yet, after 3 consecutive years of no increase in the basic EBIT Membership fee, a very modest increase will be applied. The proposed EBIT “Light” quarterly Membership fee for 2019, will be composed as follows:

1. A fixed basic membership fee of EUR 2,500 per quarter per corporate Member; and
2. A (small) variable fee -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 on public consultations of the Commission or the OECD, the organisation of any extra meetings or conference calls, payment and reimbursement of keynote speakers in connection with EBIT Senior Tax Executives Roundtable meetings and Targeting of interested companies on behalf of EBIT’s Members.

NB1: From experience, the EBIT Membership fee for 2019 is estimated at roughly EUR 11,950 per (corporate) Member. The Membership fee is payable on a quarterly basis.

NB 2: This type of project needs to be flexible and is partly driven by external factors e.g. tax policy agenda changes, limited availability of EU & OECD officials and policy-makers, political sensitivities, etc. 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 outcomes in collaboration with Members whereby the following is assumed:

- Full commitment and cooperation of EBIT Members with the Secretariat
- Additional expertise commissioned by Members is budgeted separately
- If the real-time spent is likely to exceed the ex-ante budgeted fee significantly we will inform EBIT Members and propose additional budget. EBIT Members can always comment on the use of the budget.

PwC will notify EBIT Members if we consider that this Joint Business Relationship is no longer compatible with our position as their auditor.

EBIT Secretariat – PwC resources (indicative)

<p>Bob van der Made EBIT Secretariat, PwC Senior Adviser EU Public Affairs-Brussels (TAX), PwC EU Direct Tax Group Tax Administration Consulting, PwC Netherlands</p>	<p>Bob is the EBIT executive engagement manager responsible for EBIT from A- Z, including specialist EU Public Affairs and Communications Advice</p>	<p>Day-to-day Project Management Daily news alerts Organising meetings, agenda's, calls Stakeholder management / networking with EU, OECD EBIT promotion Billing and compliance</p>
<p>Stef van Weeghel International Tax Partner PwC Global Tax Policy and Administration Network Leader EUDTG Chair PwC Netherlands</p>	<p>Stef is the nominal PwC engagement partner for EBIT</p>	<p>Project oversight, leveraging PwC networks</p>
<p>Eelco van der Enden Tax Partner, PwC Global Leader Tax Administration Consulting and EMEA Tax Strategy Operations Practices, PwC Netherlands</p>	<p>Eelco provides specialist Tax Administration Consulting, Tax Transparency and Tax Governance (incl. Cooperative Compliance) expertise</p>	<p>Participation in Round-table meetings, conference calls and leveraging PwC networks</p>
<p>Jonathan Hare International Tax Partner Co-Chair State Aid Working Group, EUDTG, PwC UK</p>	<p>Jonathan provides specialist international and EU direct tax law and fiscal State aid expertise</p>	<p>Participation in EBIT Senior Tax Executive meetings as technical specialist, and in conference calls</p>
<p>Emmanuel Raingard International Tax Partner, Chair EUDTG Technical Committee, Co-Chair State Aid Working Group, EUDTG, PwC France</p>	<p>Emmanuel provides specialist international and EU direct tax law and fiscal State aid expertise</p>	<p>Participation in EBIT Senior Tax Executive meetings as technical specialist</p>
<p>Phil Greenfield Global Tax Policy Network, PwC United Kingdom</p>	<p>Phil provides OECD BEPS and Tax Policy and knowledge management expertise</p>	<p>Participation in EBIT Senior Tax Executive meetings as OECD specialist, and in conference calls</p>
<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 EBIT Senior Tax Executive meetings as specialist</p>
<p>Stefaan de Baets Senior Counsel, PwC Belgium</p>	<p>Stefaan provides OECD Transfer Pricing Policy input and expertise</p>	<p>Participation in conference calls and EBIT submission coordination as OECD and Transfer Pricing specialist</p>
<p><i>With additional support from other PwC Tax Partners and senior experts from PwC specialist networks where appropriate</i></p>		

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ANNEX: EBIT Corporate Members

COMPANY	CONTACTS	POSITION
AIRBUS GROUP	Guillaume de la Villeguérin	Head of Tax & Customs
	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	Nick Perkins	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
	Biljana Ivosevic	EU Tax Director
	Marc Crutzen	Tax Director
NASPERS	Robbert Hoyng	Group Tax Director
	Serge de Reus	Group Head of Tax
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

