



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Direct taxation, Tax Coordination, Economic Analysis and Evaluation
Company Taxation Initiatives

FISCALIS WORKSHOP

"Spill-over effects of Member States' tax treaties on developing countries"

Podgorica, 15-16 March 2018

ANNOTATED AGENDA

First Day (15th March)

08:30 – 09:00 Registration of Participants

09:00 – 09:15 Montenegro Tax Authorities

Welcome to the participants; Presentation of Montenegro Tax Authorities; Practical information: planned activities, free time activities, etc.

Speaker: Milica Vuletić (Tax Administration, Montenegro)

09:15 – 09:30 Introductory note

*Presentation of the workshop, expected outputs and results; presentation of the activities of the Platform and Toolbox
Speakers: European Commission, DG TAXUD*

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09:30 – 10:45 Tax Treaties: opportunity or source of inequality?

Tax treaties traditionally have been aimed at preventing double taxation, allocating taxing rights and promoting foreign direct investment, with the purpose of fostering economic and political links between countries. More recently, tax treaties have also started to play an increasingly important role in addressing tax evasion, promoting transparency and allowing exchange of information in tax matters. What are the advantages and disadvantages of entering into a tax treaty? Are the consequences of signing a DTA the same for all countries?

TOPICS: A debate between NGO/Academic/MS/International Organisations: Spill-over effects of DTAs on developing countries; presentation of the study 'Mistreated'; BEPS impact on developing countries; UN/OECD works;

Speakers:

NGO: H. Brejnholt Tranberg (Action Aid)
Academic: I. Mosquera Valderrama (University of Leiden)
International Organisations: TBC

10:45 – 11:00 Coffee Break

11:00 – 12:30 An ethical approach to tax treaty negotiations

Is the momentum created by the 2030 Agenda for sustainable development and the Addis Ababa Action Agenda a turning point to reconsider the policy approach vis-à-vis developing countries while negotiating tax treaties?

TOPICS: A debate on tax treaty negotiations: the ethical dimension; the developing countries' perspective in policy spaces on international tax issues; tax resources for developing countries; Addis Ababa Agenda;

Speakers:

NGO: M. Hearson (LSE)
Academic: P. Baker (Oxford University)
International Organisations: J. Sasseville (UN)

12:30 – 14:00 Light Lunch

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14:00 – 14:30 Montenegro's tax treaty policy

The perspective of Montenegro: a young, developing country accessing to the EU

TOPICS: Montenegro's tax treaty network; tax treaty succession in Yugoslavian treaty; perspective from and with other developing countries

Speakers:

Aida Hodžić (Ministry of Finance, Montenegro)

14:30 – 15:30 Business activities in developing countries and tax measures

Withholding taxes, the definition of a permanent establishment, capital gains, fees for technical services, transfer pricing rules can represent an issue for developing countries but at the same time encourage cross-border business activities. What are the latest developments in this field? Which factors influence multinational enterprises' decisions to invest in developing countries?

A trilateral debate between Business/NGO/Tax treaty negotiators: impact of tax incentives, matching credits; withholding taxes; BEPS impact on strategic choices of MNEs

Speakers:

NGO: L. Miyandazi (ECDPM)

Business: S. Bokobo (Repsol)

Treaty negotiator: T. Steinnes Sønvisen (Ministry of Finance, Norway)

15:30 – 15:45 Coffee Break

15:45 – 16:45 Tax treaties and EU Law

Taxation, and in particular the negotiation of double tax treaties, is still a sovereign competence of Member States. However, other policies related to DTAs may also fall in the EU competences and become relevant (e.g. Policy Coherence for Development - Article 208 TFEU). What is it exactly the framework in this field?

TOPICS: Tax treaties and the EU: tax sovereignty of MSs, EU limits, External Dimension, Interrelation of MS actions and EU policies

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Speakers:

European Commission, DG TAXUD-D3, DG DEVCO

16:45– 17:15 Conclusions

Participants will be invited to suggest drafting proposals on recommendation that could be used while negotiating DTAs

17:30 – 19:30 Cultural activity**20:00 – 22:00 Official Dinner host by Montenegro Authorities**

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Second Day (16th March)

09:30 – 10:00 Best practices: MSs experience (Netherlands)

Presentation of the Dutch spill-over effects study

Speakers:

K. Jonas (Ministry of Finance, The Netherlands)

10:00 – 11:00 Best practices: other experiences

General presentation of other studies

Speakers:

T. Steinnes Sønvisen (Norway)

European Commission, DG TAXUD

TBC

11:00 – 11:15 Coffee Break

11:15 – 12:30 First Round Table

Two or more parallel interactive roundtables on specific issues related to practical aspects of negotiations of DTAs. This could cover, for example, articles on independent services or on permanent establishment; withholding tax rates) or application (e.g. best practices on exchanges of information) of tax treaty rules between MSs and developing countries. The roundtable will be animated by previous speakers.

12:30 – 14:00 Light Lunch

14:00 – 15:15 Second Round Table

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15:15 – 15:30: Coffee Break

15:30 - 16:00 Conclusions

The Chair will wrap up with a summary of the main conclusions from the roundtables. The session should conclude with a commitment to continue the discussion on recommendations/guidance that could be used while negotiating DTAs, to start shaping a more supportive approach towards developing countries.

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