



SUBMISSION TO THE PLATFORM OF TAX GOOD GOVERNANCE

OXFAM

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Oxfam has identified the following topics as tax priorities on tax at EU level and where we would like the platform to be working on during the next 5 years:

1. Harmful tax practices.

In July 2020, in the Communication on Tax Good Governance, the European Commission committed to review the Code of Conduct for Business Taxation, the Code of Conduct Group and the criteria of the list of non-cooperative jurisdictions for tax purposes.

We welcome the initiative since Oxfam has been asking for a long time for a more effective EU fight against harmful tax practices in the EU and in third countries.

In this regard, we would like the Platform to be a space to discuss and contribute to those reforms and particularly on:

- how to improve the definition of harmful tax practices (Code of Conduct for Business Taxation), in order to include all harmful tax rules used in both developed and developing countries to attract profit-shifting by multinationals;
- how to increase the transparency of the code of Conduct Group to make it more accountable;
- how to reform the criteria of the list of non-cooperative jurisdictions to detect and discourage real tax havens

2. International tax reforms

Since February 2019, the OECD Inclusive Framework is engaged in the BEPS 2 tax reforms, and the outcome of the process will influence the EU future actions on a digital tax and on minimum taxation.

In this regard, the platform could be a space where:

- the Commission and Member States share progresses and positions concerning international tax negotiations;
- all members of the Platform have the possibility to express their recommendations on the reforms;
- the future implementation of Pillar 1 and Pillar 2 are discussed and, if an agreement is not reached at OECD level, EU own proposals can be presented and evaluated.

3. Policy Coherence for Development and aid to DRM

The European Commission and MSs committed to the Policy Coherence for Development (PCD) and this implies to not implement tax policies that can be harmful for developing countries. Moreover, the European Commission and MSs, as donors, also support third countries in their Domestic Revenue Mobilisation (DRM) through the international cooperation. Finally, within the Addis Tax Initiative, donors, including the European Commission, committed to invest on DRM and to pursue PCD in tax matters.

Oxfam would be interested in discussing, within the Platform, the progress on PCD by MSs and the European Commission. In particular, we would like the Platform to be a space where spill-over analyses of EU and MSs tax policies are promoted and discussed. Finally, we would also like the aid to DRM to be a topic of the platform, and in particular what is the role of fairness and CSOs in the EU and MSs' cooperation on DRM and how it could be improved.