



EUROPEAN COMMISSION

DIRECTORATE-GENERAL TAXATION AND CUSTOMS UNION

Direct Taxation, Tax coordination, Economic Analysis and Evaluation

Company Taxation initiatives

SUMMARY RECORD OF THE MEETING OF THE PLATFORM FOR TAX GOOD GOVERNANCE

held on

**17 December 2024,
09H30 – 13H30**

at

ALBERT BORSCHETTE conference centre, room 0A

1. WELCOME AND INTRODUCTION

The meeting was chaired by Mr. Benjamin Angel, Director for Direct Taxation, Tax Coordination, Economic Analysis and Evaluation, at the EU Commission Directorate General Taxation and Customs Union (DG TAXUD).

The Chair announced the need to have a vote on making meetings of the Platform public. One business representative noted that this was not included on the agenda and asked whether a brief discussion would be held. The Chair clarified that this was announced at the last meeting, following a request from Eurodad¹. Through a majority vote, 70% of the Members present at the meeting voted against the suggestion. As a result, the Chatham House rules will apply to the meetings of the Platform until the end of the current mandate.

The agenda was adopted without discussion and included:

- Simplification of the EU tax legislation: DAC Evaluation and public consultation;
- Future negotiations of the Framework Convention on International Tax Cooperation;
- The International Code of Ethics for Professional Accountants (including International Independence Standards);
- Incoming Presidency of the Council of the EU: Future priorities under the Polish semester.

2. SIMPLIFICATION OF THE EU TAX LEGISLATION: DAC EVALUATION AND PUBLIC CONSULTATION

In his introductory words, the Chair recalled the priority given by the new Commission to business simplification across all policies, including taxation, with the goal of reducing reporting requirements by 25%. Commissioner Hoekstra announced to the European Parliament a package in early 2026 with a dedicated omnibus Directive. Several evaluations are ongoing, among which the Anti-Tax Avoidance Directive (ATAD) and the Directive on Administrative Cooperation (DAC). The Commission team is currently also preparing a mapping of the EU legislation to identify areas where simplification, clarifications or streamlining might be needed.

After a general overview of the DAC framework, the Commission presented the preliminary takeaways from the second DAC evaluation and the dedicated public consultation. The evaluation covers years 2018-2022 and excludes the most recent amendments (DAC7 and DAC8). The public consultation received 55 submissions, with almost 50% coming from business organisations. Overall, respondents consider DAC to be useful in reducing tax evasion and increasing transparency, but note complexity and administrative burdens, particularly with DAC 6. Suggestions for improvement include providing practical guidance, harmonizing penalties, and leveraging technology to improve data collection². Other sources of information that will feed into the evaluation include a targeted Member States questionnaire on DAC6, the outcome of the

¹ Following their request, interventions by representatives of the European Network on Debt and Development (Eurodad) are explicitly attributed to the organisation.

² A summary report of the open public consultation is available online here: https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13678-Cooperation-on-direct-taxation-evaluation/public-consultation_en

recent ECA report³, and the findings stemming from the programme of visits of the tax administrations (VISDAC). The Commission may introduce legislative changes to address issues identified during the evaluation and is considering consolidating all DAC amendments into a single, comprehensive text through a recast.

A professional association shared feedback from practitioners, who acknowledge the behavioural impact of DAC and heightened awareness of reputational risks among taxpayers. However, insights from tax advisors also indicate compliance fatigue, unclear definition of ‘aggressive tax planning’, inconsistent application of the legal privilege waiver, implementation gaps, discrepancies in reporting standards and inconsistent penalties. The recommendations from this professional association include streamlining of the DAC framework and enhancing coherence with other legislation (ATAD, Pillar Two), and focus on consistent application. The association also emphasised the importance of a balance of taxpayers rights and obligations and recalled their Model Taxpayer Charter.

A representative from academia raised similar concerns about proliferation of regulations and stressed the importance of focusing on simplicity when designing new tax policies, while taking into account the effectiveness of measures already in place. The speaker argued for a systematic, across-commission approach to simplification, with a pivotal role of de-regulation in increasing competitiveness of the EU as a whole. Other recommendations include synchronisation of reporting requirements, assessment of their effects, and more transparency by governments and institutions to permanently monitor proportionality.

Reactions from other Members of the Platform were mixed. Interventions from various business representatives argued in favour of a ‘simplification shock’ and supported de-regulation to remove what they consider as redundant reporting obligations. One business association underlined the importance of impact assessment before new measures are introduced, lamenting that this was not done for DAC9, and called for a competitiveness check of existing measures, quantifying them in terms of reducing administrative burden. Another business representative echoed concerns with inconsistent application of penalties, which was creating legal uncertainty for taxpayers.

In turn, speakers from academia, professional associations, Eurodad and other NGOs, spoke against de-regulation, noting the difference in scope of relevant measures (e.g. between DAC and Pillar Two) and the importance of keeping existing measures, which proved to be effective, while simplifying them and reducing administrative burden. Focus should be given to consistent application, uniform rules, and more coordination among national tax authorities. On the latter, one speaker from academia suggested following the example of the EU Customs Agency.

Speakers from academia suggested extending the scope of certain measures, e.g. applying DAC8 to other types of assets (i.e. real estate). Similarly, TJN⁴ suggested adding an equivalence provision to DAC6 hallmark on automatic exchange of information to ensure coverage under Mandatory Disclosure Rules by signatories of the OECD Multilateral Competent Authority Agreement.

Speakers from business associations, professional associations, NGOs and academia agreed on

³ Special Report 27/2024: [Combatting harmful tax regimes and corporate tax avoidance – The EU has established a first line of defence, but there are shortcomings in the way measures are implemented and monitored](#)

⁴ Following their request, interventions by representatives of the Tax Justice Network (TJN) are explicitly attributed to the organisation

the need to increase transparency on the use of data and supported centralised access to data through a single access point. In particular, speakers from academia and NGOs suggested that the use of data should be subject to statistics. Systematic use of data was supported by Eurodad and a representative from a professional association.

In reply, the Chair provided additional clarifications on a number of raised elements. The goals of less red tape and more clarity are already a priority. Regarding the application of penalties, the Commission will explore different avenues to increase their effectiveness. Following the recent Court of Justice decisions on legal professional privilege⁵, the Commission is also looking into how to ensure that the provisions Member States have in place align with the judgment of the Court and thus adhere to EU Law. In the past, the Commission considered putting forward a proposal for a directive to address the role of enablers and define ‘aggressive tax planning’ – the so-called SAFE (Securing the activity framework of enablers) – and it is still to be seen whether there will be support for it under the new mandate.

3. UN TAX RESOLUTION: FUTURE NEGOTIATIONS OF THE FRAMEWORK CONVENTION ON INTERNATIONAL TAX COOPERATION

One year after the UN Tax Resolution was first discussed in the Platform, the topic was put on the agenda to follow up on the state of play after the adoption of the Terms of Reference by the UNGA Second Committee on 26 November. To stimulate the discussion, two representatives from academia made a presentation on the UN governance. At the initiative of one of the professors, the Chair invited participants to take a quick survey on the UN process. The results showed a divergence in views, ranging from very positive to very negative.

The first speaker shared insights from her research on the legitimacy of the global tax governance applicable to the future UN Framework Convention. She noted several elements for consideration: from participation in agenda setting and decision-making process (input legitimacy), linking the outcome to Sustainable Development Goals (SDGs) – as measurement of efficiency (output legitimacy), as well as enhancing accountability and transparency of the process (throughout legitimacy).

In turn, the second speaker focused on the content of the Framework Convention and the link with its early protocols, where concrete substance will be flashed. The speaker underlined the importance of defining relevant concepts before concrete proposals are discussed, allowing sufficient time for the negotiations, and providing a commentary for each protocol with a common understanding on the interpretation. On substance, the speaker noted that the aim should not be to reinvent the wheel or duplicate existing rules. The work should focus on areas where international progress is needed, for example on environmental taxation or dispute prevention and resolution.

Upon invitation from the Chair, several Member State (MS) representatives shared their impressions from the discussions in New York and the internal EU coordination. They reiterated the EU MS commitment to work towards a Framework Convention that would be viable and

⁵ Especially the most recent one: Case C-623/22 Belgian Association of Tax Lawyers and Others vs Premier ministre: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:62022CJ0623_RES

effective. To achieve this, the process needs to be more transparent and inclusive, safeguarding consensus-based decisions for broad implementation. In this regard, MS representatives lamented that the process so far lacked structure and due technical preparatory work to substantiate discussions. Given the remaining concerns, EU MS collectively abstained from the vote on the Resolution containing Terms of Reference, explaining their principled position in the accompanying Explanation of Vote.

Speakers from professional and business associations acknowledged the sensitivity of the discussions. They supported the need for consensus and broad implementation, with understandable and workable rules that are consistently applied across jurisdictions. This is indispensable to ensure predictability and legal certainty for taxpayers. Business representatives also underlined the role of technical expertise to ensure that the outcomes are well designed, suggesting establishment of a Business Advisory Council to assist the intergovernmental committee in drafting the Framework Convention and its protocols.

Eurodad, Oxfam⁶ and TJN representatives questioned the EU MS position, noting that it was contradictory and unclear on the substantive matters on which MS could give support. They argued that there never has been consensus on global tax matter, nor global buy-in on the Two Pillar Proposal, and insisting on this modality will ultimately kill the process. Oxfam stressed the difference between the OECD and the UN in terms of representation, transparency and content. They urged MS to find a compromise, focus on the content, and engage in good faith in the next stages of the negotiations.

A representative from the OECD noted scope for cooperation between the UN and the OECD Inclusive Framework on BEPS, as these two different platforms are not competing against each other. The representative clarified the governance of the Inclusive Framework and informed about an ongoing reflection process on the areas for further improvement, to be addressed in the new mandate.

The Commission underlined that seeking consensus does not imply unanimity but a genuine effort to build something that is acceptable for as many countries as possible, both developed and developing. It takes time and is not a factor of simplicity.

4. THE INTERNATIONAL CODE OF ETHICS FOR PROFESSIONAL ACCOUNTANTS

The Chair recalled that the importance of having ethics standards in the tax profession was raised on several occasions in the Platform. The International Ethics Standards Board for Accountants (“IESBA”) is dedicated to developing such standards and this meeting is an occasion to introduce its work to the members.

The IESBA Chair, Ms. Gabriela Figueiredo Dias, presented the mission of the Board, which is focused on serving public interest by setting independent global ethics standards for accountants. The IESBA Ethics Code was first issued in 2001 and is continuously revised and updated to ensure that it remains fit for purpose. It has been adopted in over 130 countries. In 2024, IESBA issued new ethics standards on tax planning, in response to public interest concerns about tax avoidance and the role played by consultants in light of revelations in recent years such as the

⁶ Following their request, interventions by representatives of OXFAM are explicitly attributed to the organisation.

Paradise and Pandora Papers. The standards were developed on the basis of global consultations, with strong stakeholder engagement. The new ethical framework aims at guiding judgement in the public or private practice of accountants (but also other professions – lawyers and consultants) through the ‘grey zones’ of tax planning. It is based on 5 robust principles and puts more ownership and accountability on the professional when deciding which service to provide. The purpose of the standard is to reinforce trust on professionals and the tax system itself. Some jurisdictions have already started adopting it (e.g. South Africa, Australia). Although there are some implementing differences between jurisdictions as the application of the standard is not rigid, it still provides a common approach to ethical behaviour.

Intervening members supported the work of IESBA. Speakers from a professional association noted close collaboration with IESBA and informed about similar workstreams undertaken internally. In particular, one professional association noted the development of an Ethics Quality Bar for tax advisers, which is complementary to the IESBA’s framework, even if different in scope. Another professional association informed about ongoing consultations on the practical challenges of implementing the IESBA Ethics Code. A representative from Oxfam asked the European Commission and Member States representatives if and what actions have been taken following the CFE Tax Advisors Europe launch of “*An Ethics Quality Bar for All Tax Advisers*” presented at the Platform meeting in 2021, and what can and will be done to turn the new IESBA Ethics Code into concrete measures. Suggestions included a checklist to be included in the CFE’s European Register of Tax Advisers and in the scope of the Accounting Directive, tax related disclosures or embedded checklists under audit protocols in the Audit Directive, or even the use of the DAC. Moreover, the Oxfam representative referred to the US Sarbanes-Oxley (SOX) regulation and invited for a discussion of whether the EU could require CEOs and CFOs of tax advising firms to sign and certify tax advices provided by their companies. Lastly Oxfam raised the question of a possible integration of the ethics standards into academic curricula.

In her reply, Ms. Figueiredo Dias acknowledged constructive collaboration and synergies with different professional associations. IESBA counts on their support to leverage their membership and amplify the use of the ethics standards. As a next step, IESBA will also look into the culture and governance of accounting firms, to identify unethical behaviour. This could lead into setting high-level principle-based governance principles for accounting firms and leadership guidance.

5. - PRIORITIES UNDER THE POLISH PRESIDENCY OF THE COUNCIL OF THE EU

A representative from the Polish delegation informed about the priorities during their terms as the Presidency of the Council (January-July 2025). Economic security is part of the seven security dimensions around which priority areas are structured. On direction taxation, the PL Presidency will prioritise:

- Adoption of DAC9, striving for political agreement at March ECOFIN Council meeting;
- Code of Conduct work and update of the EU list in February;
- Steering discussions on the simplification of the EU tax legislation, designing key parameters for the process;
- Preparation for negotiations of the UN Framework Convention.

The work will also continue on other important proposals, such as BEFIT, Transfer Pricing and UNSHELL. In the field of indirect taxation, the PL Presidency will give priority to further discussing the Energy Taxation Directive, VAT in the e-commerce sector, and, possibly, Tobacco Taxation Directive.

6. ANY OTHER BUSINESS

The Chair concluded by:

- Informing about the next meeting of the Platform, which is tentatively planned for 18 February (it was later communicated that the date of the meeting changed to 20 March).
- Encouraging Members to make suggestions on topics for future discussions through a dedicated survey.