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The
G7 Research Group
at the Munk School of Global Affairs at Trinity College in the University of Toronto
presents the

2015 Schloss Elmau G7 Summit Final Compliance Report

9 June 2015 to 6 May 2016

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"We have meanwhile set up a process and there are also independent institutions monitoring which objectives of our G7 meetings we actually achieve. When it comes to these goals we have a compliance rate of about 80%, according to the University of Toronto. Germany, with its 87%, comes off pretty well. That means that next year too, under the Japanese G7 presidency, we are going to check where we stand in comparison to what we have discussed with each other now. So a lot of what we have resolved to do here together is something that we are going to have to work very hard at over the next few months. But I think that it has become apparent that we, as the G7, want to assume responsibility far beyond the prosperity in our own countries. That's why today's outreach meetings, that is the meetings with our guests, were also of great importance."

Chancellor Angela Merkel, Schloss Elmau, 8 June 2015

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6. Financial Regulation: Tax Agenda

"We reiterate our commitment to work with developing countries on the international tax agenda"

G7 Schloss Elmau Summit Declaration

Assessment

	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France	−1		
Germany			+1
Italy		0	
Japan			+1
United Kingdom			+1
United States			+1
European Union			+1
Average	+0.63		

Background

Since the 2013 G8 Lough Erne Summit, the G7/8 has been concerned with tax evasion and profit shifting. The phenomenon whereby the policies and tax laws of one country adversely affect another country's capability to acquire the taxes that are its due, are known as base erosion and profit shifting (BEPS).[230] Since the Lough Erne Summit, the G7/G8 has worked alongside the G20 and Organisation for Economic Co-operation and Development (OECD) to support the OECD's Action Plan on Base Erosion and Profit Shifting as a primary means of tackling such issues. The Action Plan, produced in the same year, had the express aim of constraining offshore corporate tax evasion, specifically in developing countries.[231] Developing countries are often the most neglected on this issue as the problem "manifest[s] differently given the specificities of their legal and administrative frameworks."[232]

Both developing and developed countries involved consequently lose out on substantial tax revenue. According to the United Nations Conference on Trade and Development, developing countries lose USD100 billion a year to multinational corporate tax evasion.[233] Taxation is one of the primary methods for developing countries to accumulate resources for economic development. BEPS is therefore a significant issue.[234] It also fosters an imperfect competition, an issue specifically for developed countries, as businesses may move their headquarters from one country to another, in order to benefit from less stringent tax laws and regulations.[235]

[230] Subcommittee on Base Erosion and Profit Shifting Issues for Developing Countries, United Nations. Access date: 20 January 2016. http://www.un.org/esa/ffd/tax/BEPS_note.pdf.3

[231] International Tax: OECD and G20 BEPS Action Plan Overview, Osler, Hoskin & Harcourt LLP, September 2014. Access date: 20 January 2016. https://www.osler.com/en/expertise/in-focus/international-tax-oecd-and-g20-beps-action-plan-o.

[232] Subcommittee on Base Erosion and Profit Shifting Issues for Developing Countries, United Nations. Access date: 20 January 2016. http://www.un.org/esa/ffd/tax/BEPS_note.pdf. 3

[233] Why Developing Countries Need to Toughen up on Taxes, The Guardian, 7 July 2015, Access date: 20 January 2016. http://www.theguardian.com/global-development/2015/jul/07/why-developing-countries-need-to-toughen-up-taxes-sdgs.

[234] "United Nations Handbook on Selected Issues in Protecting the Tax Base of Developing Countries." (n.d.): Iii-568. Department of Economic and Social Affairs. United Nations, June 2015. Web. 20 January 2016. http://www.un.org/esa/ffd/wp-content/uploads/2015/07/handbook-tb.pdf, iii

[235] Subcommittee on Base Erosion and Profit Shifting Issues for Developing Countries,United Nations. Access date: 20 January 2016. http://www.un.org/esa/ffd/tax/BEPS_note.pdf, 3

While tax havens are still a major issue, Oxfam labelled such havens as the "core of a global system that allows large corporations … to avoid paying their fair share."[236] The situation has brightened since 2013. The Financial Secrecy Index has shown that many of these tax havens have considerably improved their regulations and transparency.[237]

Commitment Features

The commitment describes the G7 leaders' willingness to discuss and cooperate with developing countries on the international tax agenda. Although the commitment may seem to be vaguely worded, this commitment to cooperation is addressed in the same communiqué. Measures that encourage the automatic exchange of information on cross-border tax rulings or that promote improvement to existing international information networks, with regards to developing countries, are considered relevant. However, merely urging countries that may have yet to implement an international standard for the exchange of information related to taxation is not relevant and does not constitute a satisfaction of this commitment.

The Leaders' Declaration refers specifically to the OECD's BEPS plan and the need for rapid implementation of the global standard for automatic exchange of information, with regards to all matters pertinent to tax. Therefore measures that promote or address the actions within the BEPS plan or help with the implementation of the global standard for automatic exchange of information, within the context of developing countries are relevant. Some actions within the BEPS plan are as follows: address tax challenges of the digital economy, strengthen controlled foreign company rules, and limit base erosion via interest deductions and other financial payments.[238] Finally, any G7 member's assistance towards building developing countries' tax administration capacities is considered relevant.

The leaders' commitment to a "work with developing countries on the international tax agenda" implies that full compliance constitutes measures that encourage improvements to existing international information networks and that promote and/or implement the BEPS plan. Partial compliance would occur if a member country introduced new measures that improved existing international information networks (including the exchange of information on cross-border tax rulings) but did not promote and/or implement the BEPS plan.

Scoring Guidelines

−1	Members introduce no new measures that encourage the automatic exchange of information on cross-border tax rulings and improve existing international information networks AND does not act to further the promotion or implementation of the OECD BEPS plan.
0	Members introduce new measures that encourage the automatic exchange of information on cross-border tax rulings and improve existing international information networks BUT does not act to further the promotion or implementation of the OECD BEPS plan.
+1	Members that actively engage in the promotion or implementation of the OECD BEPS plan.

Lead Analyst: Ben Fickling

Canada: +1

Canada has fully complied with its commitment on the international tax agenda.

In Canada's 2016 Budget, the Government of Canada took several steps to implement the OECD Base Erosion and Profit Sharing plan. It proposed new legislation to "strengthen transfer pricing documentation by

[236] Wealth Inequality Rising Fast, Oxfam Says, Faulting Tax Havens, New York Times, 18 January 2016. Access date: 20 January 2016. http://www.nytimes.com/2016/01/19/business/economy/wealth-inequality-rising-fast-oxfam-says-faulting-tax-havens.html?ref=topics&_r=0.

[237] The Mega-haven, The Economist, 07 November 2015. Access date: 20 January 2016. http://www.economist.com/news/finance-and-economics/21677647-index-financial-secrecy-highlights-american-hypocrisy-mega-haven.

[238] Action Plan on Base Erosion and Profit Shifting, OECD,, 19 July 2013. Access date: 6 February 2016. http://www.oecd.org/ctp/BEPSActionPlan.pdf, 13-24.

introducing country-by-country reorting for large multinational enterprises."[239] Additionally, the Canada Revenue Agency "is applying revised international guidance on transfer pricing by multinational enterprises, which provides an improved interpretation of the arm's-length principle."[240] Canada is also participating in "international work to develop a multilateral instrument to streamline the implementation of treaty-related BEPS recommendations, including addressing treaty abuse."[241]

In November 2015, Canada participated in the G20 summit in Antalya, Turkey, a forum in which BEPS was central topic of discussion.[242] In Lima, Peru, finance ministers finalized a number of measures for reform to tackle tax avoidance.[243]

Therefore, Canada has been awarded the score of +1.

Analyst: Ben Fickling

France: −1

France has not complied with its commitment on the international tax agenda.

There has been little legislation in France to implement the Organisation for Economic Co-operation and Development's (OECD) Action Plan on Base Erosion and Profit Shifting (BEPS).

France has made minimal contributions towards tax systems in developing countries. However, the French Ministry of Foreign Affairs has conducted research in evaluating the taxation systems in Benin, Cameroon, Ghana, Mali and Mauritania.[244] Furthermore, France is constantly a part of the dialogue regarding the international tax agenda and has hosted conferences.[245]

France has not provided financial aid to develop taxation systems in developing countries. Nevertheless, France had investigated developing states to identify where there could be improvements on their taxation system. Little to no evidence demonstrates that France took action to enforce measurable change in developing states taxation systems.

France therefore received a score of −1.

Analyst: Sabal Matter Al-Khateeb

Germany: +1

Germany has fully complied with its commitment on the international tax agenda. It has succeeded in emplacing a legislative framework for the automatic exchange of tax information domestically and taken steps to promote it among non-signatory jurisdictions.

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[239] Budget 2016 Chapter 8 – Tax Fairness and a Strong FIancial Sector, Government of Canada (Ottawa). Date of Access: 23 May 2016. http://www.budget.gc.ca/2016/docs/plan/ch8-en.html
[240] Budget 2016 Chapter 8 – Tax Fairness and a Strong FIancial Sector, Government of Canada (Ottawa). Date of Access: 23 May 2016. http://www.budget.gc.ca/2016/docs/plan/ch8-en.html
[241] Budget 2016 Chapter 8 – Tax Fairness and a Strong FIancial Sector, Government of Canada (Ottawa). Date of Access: 23 May 2016. http://www.budget.gc.ca/2016/docs/plan/ch8-en.html
[242] Canada to join G20 effort to limit 'profit shifting' by multinationals, Globe and Mail, 13 November 2015. Access date: 20 February 2016. http://www.theglobeandmail.com/news/politics/canada-to-join-g20-effort-to-limit-profit-shifting-by-multinationals/article27261166/
[243] BEPS 2015 Final Report, OECD.Access date: 20 February 2016. http://www.oecd.org/tax/beps-2015-final-reports.htm
[244] GOVERNANCE, TAXATION AND ACCOUNTABILITY: ISSUES AND PRACTICE, OECD, 2 April 2008. Access date: 5 February 2016. http://www.oecd.org/development/governance-peace/governance/docs/39440469.pdf
[245] Tax and Development Programme, OECD. Access date: 5 February 2016. http://www.oecd.org/ctp/tax-global/taxanddevelopment.htm

On 13 July 2015, Germany launched the Addis Tax Initiative in cooperation with the United Kingdom, the United States, the Netherlands, Ethiopia and Kenya.[246] The initiative assists participating countries to enact reforms that build the fairness, transparency and efficiency of their tax systems. This includes "enabling partner countries take advantage of the progress made on the international tax agenda, such as … tax information exchange including automatic exchange of information."[247]

On 15 July 2015, Germany's federal cabinet "adopted two draft bills that will enable Germany to exchange financial account information in tax matters automatically with other EU member states and non-EU countries from 2017 onwards."[248] The bills set out details for the exchange of tax information within Germany and align Germany's EU Mutual Assistance Act with the EU's adoption of the Common Reporting Standard (CRS) in late 2014.

On 18 December 2015, Germany's Bundesrat approved the *Law on the Automatic Exchange of Information in Financial Accounts in Tax Matters and on the Amendment of other Acts*, implementing into German law the OECD Common Reporting Standard.[249] The legislation, which came into effect on 31 December 2015, obliges Germany to conduct the first exchanges of tax information with EU members and third countries by 31 July 2017.[250]

Germany had created an educational program for tax professionals in African countries — "Executive Master's in Taxation." The purpose of this program is to educate tax professionals in which they can be agents of change in their respective countries to enact tax reforms.[251] The "Executive Master's in Taxation" had been created through the relationship between the African Tax Administration Forum and the Berlin School of Economics and Law, the Federal Ministry for Economic Cooperation and Development.[252]

Therefore, Germany has received a score of +1.

Analyst: Sabal Matter Al-Khateeb

Italy: 0

Italy has partially complied with its commitment on the international tax agenda.

The peer review of Italy published by the Organisation for Economic Co-operation and Development (OECD) indicated that Italy promotes transparency in regards to the "OECD Tax and Development Informal group and the Global Forum on Transparency and Exchange of Information for Tax Purposes."[253]

Italy is undergoing the process of implementing information sharing in terms of taxation. Legislation had been approved for exchange of information as Italy implemented the Directive on Administrative

[246] UK partners with Ghana on tax transparency, Department for International Development, HM Treasury Press Release, (London) 6 August 2015. Access date: 22 January 2016. https://www.gov.uk/government/news/uk-partners-with-ghana-on-tax-transparency
[247] Financing for Development Conference: The Addis Tax Initiative – Declaration, Tax Compact, 18 October 2015. Access date: 13 March 2016. https://www.taxcompact.net/documents/Addis-Tax-Initiative_Declaration.pdf
[248] German government presses forward with fight against tax evason, Federal Ministry of Finance, Government of Germany (Berlin) 15 July 2015. Access date: 2 March 2016. http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2015/2015-07-15-fight-against-tax-evasion.html?view=renderPrint
[249] Germany: New Legislation on the automatic exchange of tax information, Lexology, 18 December 2015. Access date: 3 March 2016. http://www.lexology.com/library/detail.aspx?g=a9bb5530-1637-4b24-9e56-0048c1d8052f
[250] Germany: New Legislation on the automatic exchange of tax information, Lexology, 18 December 2015. Access date: 3 March 2016. http://www.lexology.com/library/detail.aspx?g=a9bb5530-1637-4b24-9e56-0048c1d8052f
[251] Executive Masters' in Taxation. Access date: 5 February 2016. http://www.emtaxation.org/News.aspx
[252] Executive Masters' in Taxation. Access date: 5 February 2016. http://www.emtaxation.org/News.aspx
[253] Overview, TADAT. Access date: 5 February 2016 http://www.oecd.org/dac/peer-reviews/Italy_peerreview2014.pdf

Cooperation and Mutual Assistance and Common Reporting Standard of 1 January 2016.[254] However, the first exchange of information is planned for September 2017.[255]

Italy has acted to implement the OECD BEPS plan, but has not taken substantive steps to promote it in other jurisdictions. Therefore, it has been awarded a score of 0.

Analyst: Sabal Matter Al-Khateeb

Japan: +1

Japan has fully complied with its commitment to work with developing countries on the international tax agenda.

Japan has taken the role as a regional leader in the dissemination of tax infrastructure assistance to developing countries through leading symposiums and constantly updating their advanced exchange of information (EOI) framework for international taxation. Furthermore, Japan has already begun to incorporate the Organisation for Economic Co-operation and Development's (OECD) Action Plan on Base Erosion Profit Shifting Action Plan (BEPS) — especially regarding policies focused on developing countries — and is expected to have full legislation implemented within the year.

Japan has set the standard for the EOI for international tax infrastructure in Asia and the Pacific. Japan was one of the first developed Asia-Pacific countries to give access to its tax system and financial reports to developing countries — passing legislation in 2003 allowing its treaty partners to inspect all economic activity between the parties, and in 2006, giving foreign countries access to Japan's financial records for the purpose of investigating tax crimes.[256] In 2015, Japan held numerous workshops and seminars for developing countries in the Asia-Pacific region, providing instruction on how to better access Japan's tax information, and also increasing its availability. As a result, the OECD gave Japan an overall compliance score full compliance for 2015 in terms of access, availability, and exchange of tax information.[257]

Japan has also directly contributed to developing countries ability to improve tax infrastructure within their jurisdictions in order to avoid becoming a tax haven. In April 2015, Japan's Ministry of Finance and the International Monetary Fund hosted a workshop providing resources for the finance ministers of Asian countries on for improving tax infrastructure and corporate finance transparency.[258] This commitment continued after the Elmau Summit, with the Japanese National Tax Agency funding a November 2015 Asian Development Bank workshop on detecting tax evasion for developing countries across Asia and the Pacific.[259]

While not fully legislated yet, Japan's proactive efforts of incorporating BEPS into its tax system is strong indicator that Japan will be fully compliant with its BEPS commitment on schedule. Japan is expected to formalize BEPS legislation by 2017, yet it has already included a number of BEPS recommendations in its 2015 tax reform package, including measures addressing tax avoidance in digital transactions — a tax area for which many developing countries struggle to maintain.[260] Japan's efforts to prepare their tax structure in

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[254] Tax Rulings and other Measures Similar in Nature or Effect, European Parliament. Access date: 5 February 2016. http://www.europarl.europa.eu/meetdocs/2014_2019/documents/taxe/dv/italy_/italy_en.pdf

[255] Tax Rulings and other Measures Similar in Nature or Effect, European Parliament. Access date: 5 February 2016. http://www.europarl.europa.eu/meetdocs/2014_2019/documents/taxe/dv/italy_/italy_en.pdf

[256] Exchanging Information to Combat Tax Evasion, Asian Development Bank, May 2015. Access date: 2 February 2016. http://www.adb.org/sites/default/files/publication/160573/adbi-pb2015-3.pdf.

[257] Tax Transparency 2015: Report on Progress, OECD, 30 October 2015. Access date: 2 February 2016. http://www.oecd.org/tax/transparency/global-forum-annual-report-2015.pdf.

[258] The Sixth IMF-Japan High-Level Tax Conference for Asian Countries.IMF, 9 April 2015. Access date: 2 February 2016. http://www.imf.org/external/np/seminars/eng/2015/asiatax/.

[259] Workshop: Detecting Cross-Border Tax Evasion, Asian Development Bank. 10 November 2015. Access date: 2 February 2016. http://www.adb.org/news/events/workshop-detecting-cross-border-tax-evasion.

[260] Japan's Approach to BEPS Issues, Deloitte.October 2015. Access date: 2February 2016. https://www2.deloitte.com/content/dam/Deloitte/tw/Documents/tax/beps/tw-tp-board4-jp.pdf.

anticipation of BEPS, especially in the realm of international tax avoidance, has led Ernst and Young to give Japan a full compliance score for their 2015 BEPS commitment.[261]

Japan's proactive measures to curtail international tax avoidance in developing countries in 2015 has made the country the model for promoting the international tax agenda in the Asia-Pacific region. Furthermore, the country has made clear indication that they will further expand their role in the near future as Finance Minister Taro Aso has called for a more rapid implementation of BEPS.[262]

Therefore, Japan has been awarded a score of +1 for this commitment.

Analyst: Aidan Robern

United Kingdom: +1

The United Kingdom has fully complied with its commitment by actively engaging in the promotion and implementation of the Organisation for Economic Cooperation and Development's (OECD) Action Plan on Base Erosion and Profit Shifting (BEPS).

The UK has introduced anti-hybrid rules for corporation tax.[263] Current corporation tax laws allow large multinational organizations with UK parent or subsidiary companies to have tax mix matches or lower taxes. The aim of the anti-hybrid laws is to create hybrid arrangements by changing the tax treatment of either the payment or the receipt. These new rules will neutralize the tax effect of hybrid mismatch arrangements in accordance with the recommendations of Action 2 of the G20/OECD Base Erosion and Profit Shifting Plan.[264] This measure will affect businesses that use artificially contrived tax planning arrangements to exploit mismatches in international tax systems.

Lastly, the UK has actively engaging in the promotion and implementation of the OECD Base Erosion and Profit Shifting Plan through various smaller measures. In developing countries such as Ghana, the United Kingdom helped tackle tax avoidance by working with them to improve their tax rules and infrastructure.[265] Moreover, the UK worked closely with the EU to establish a process for tax authorities to exchange information on the tax affairs of large multinational companies.[266] Chancellor of the Exchequer George Osborne stated that: 1) The UK has led campaigns to change the international tax system and consequently, countries across the world are much better equipped to deal with corporate tax avoidance; 2) the UK has consistently demonstrated its commitment to tackling the OECD Base Erosion and Profit Shifting Plan and will continue to introduce new international and domestic tax laws; and 3) the UK government will work closely with the G20 and other international partners to update international tax treaties.[267]

The United Kingdom has consistently demonstrated its commitment to tackling the OECD Base Erosion and Profit Shifting Plan. The have introduced several innovative domestic and international tax legislations, helped developing countries with their own infrastructures and addressed the issues of tax avoidance.

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[261] Country Implementation of BEPS Actions 8-10 and 13,EY,August 2015. Access date: 2 February 2016http://www.ey.com/Publication/vwLUAssets/ey-country-implementation-of-beps-actions-8-10-and-13-august-2015/$FILE/ey-country-implementation-of-beps-actions-8-10-and-13.pdf.

[262] Statement by Minister Aso on the publication of the final BEPS Action Plan, The Ministry of Finance of Japan, 5 October 2015. Access date: 4 February 2016. https://www.mof.go.jp/english/tax_policy/others/20151005.htm.

[263] Corporation Tax: anti-hybrid rules, GOV.UK (United Kingdom) 22 December 2015. Access date: 05 February 2016. https://www.gov.uk/government/publications/corporation-tax-anti-hybrid-rules/corporation-tax-anti-hybrid-rules

[264] Corporation Tax: anti-hybrid rules, GOV.UK (United Kingdom) 22 December 2015. Access date: 05 February 2016. https://www.gov.uk/government/publications/corporation-tax-anti-hybrid-rules/corporation-tax-anti-hybrid-rules

[265] UK leads international efforts to clampdown on tax avoidance, GOV.UK (United Kingdom) 9 October 2015. Access date: 03 February 2016. https://www.gov.uk/government/news/uk-leads-international-efforts-to-clampdown-on-tax-avoidance

[266] UK leads international efforts to clampdown on tax avoidance, GOV.UK (United Kingdom) 9 October 2015. Access date: 03 February 2016. https://www.gov.uk/government/news/uk-leads-international-efforts-to-clampdown-on-tax-avoidance

[267] UK leads international efforts to clampdown on tax avoidance, GOV.UK (United Kingdom) 9 October 2015. Access date: 3 February 2016. https://www.gov.uk/government/news/uk-leads-international-efforts-to-clampdown-on-tax-avoidance

For these reasons, the United Kingdom has been awarded a score of +1.

Analyst: Navmeet Jassal

United States: +1

The United States has fully complied with its commitment to work with developing countries on the international tax agenda.

On 13 July 2015, the US launched the Addis Tax Initiative in cooperation with the United Kingdom, Germany, the Netherlands, Ethiopia and Kenya.[268] The initiative assists participating countries to enact reforms that build the fairness, transparency and efficiency of their tax systems. This includes "enabling partner countries take advantage of the progress made on the international tax agenda, such as…tax information exchange including automatic exchange of information."[269]

In late 2015, the US agreed to participate in multi-state discussions around the Base Erosion and Profit Sharing Action Plan's binding arbitration mechanism.[270] On 2 October, the US Treasury Department's deputy assistant secretary for national tax affairs, Robert Stack, stated that US participation in multilateral discussions related to BEPS was to further US interests in binding mandatory arbitration. He made clear that US attendance "by no means foreshadows any decision about whether to eventually join in signing."[271]

However, the United States has made some indirect acts that further the implementation of the standard. On 31 July 2015, the United States Treasury and the Internal Revenue Service released the 2015-2016 Priority Guidance Plan. The plan listed "Regulations under §§6011 and 6038 relating to the country-by-country reporting of income, earnings, taxes paid, and certain economic activity for transfer pricing risk assessment" as areas for priority action.[272] Country-by-country reporting "falls under Action 13 of the [Base Erosion and Profit Sharing] Action Plan."[273]

Although the United States has given no indication of intent to support the BEPS Action Plan as a whole, it has to some extent furthered its implementation. Therefore, the United States has been awarded as score of +1

Analyst: Navmeet Jassal

European Union: +1

The European Union has fully complied with its commitment on financial and tax regulation.

In October 2015, the EU welcomed the final package of the Action Plan on Base Erosion and Profit Shifting (BEPS) from the Organisation for Economic Co-operation and Development (OECD), the same day the OECD adopted the reforms. Pierre Moscovici, Commissioner for Economic and Financial Affairs, Taxation

[268] UK partners with Ghana on tax transparency, Department for International Development, HM Treasury Press Release (London) 6 August 2015. Access date: 22 January 2016. https://www.gov.uk/government/news/uk-partners-with-ghana-on-tax-transparency

[269] Financing for Development Conference: The Addis Tax Initiative – Declaration, Tax Compact, 18 October 2015. Access date: 13 March 2016. https://www.taxcompact.net/documents/Addis-Tax-Initiative_Declaration.pdf

[270] U.K., U.S. Differ on Approaches to Implement BEPS, Bloomberg BNA (9 October 2015). Access date: 25 April 2016. http://www.bna.com/uk-us-differ-m57982059330/

[271] U.K., U.S. Differ on Approaches to Implement BEPS, Bloomberg BNA (9 October 2015). Access date: 25 April 2016. http://www.bna.com/uk-us-differ-m57982059330/

[272] U.S. Implementation of BEPS changes begins, Bloomberg BNA, 13 November 2015 (Washington). Access date: 25 April 2015. http://www.bna.com/us-implementation-beps-n57982063528/

[273] U.S. Implementation of BEPS changes begins, Bloomberg BNA, 13 November 2015 (Washington). Access date: 25 April 2015. http://www.bna.com/us-implementation-beps-n57982063528/

and Customs, stated in a press release that he will work with EU member states to ensure the final BEPS package is implemented in their single European market.[274]

In January 2016 the EU announced new measures aimed at curbing tax evasion, primarily within the EU, but also with an eye to developing countries. Indeed, the website dedicated to describing the measures states: "Developing countries should also be included in the international tax good governance network, so that they can benefit from the global fight against tax avoidance too."[275] Furthermore, in the communicative materials for the tax evasion measures, the document states, among its proposals: "Assistance to developing countries."[276]

Therefore the EU received a score of +1 for complying with the commitment on financial and tax regulation.

Analyst: Justin Bedi

[274] Fighting Tax Avoidance: Commissioner Moscovici welcomes final adoption of international tax reform package, European Commission, 5 October 2015. Access date: 31 January 2016. http://europa.eu/rapid/press-release_STATEMENT-15-5773_en.htm
[275] Fair Taxation: Commission presents new measures against corporate tax avoidance, European Commission, 28 January 2016. Access date: 31 January 2016. http://ec.europa.eu/malta/news/tassazzjoni-%C4%A1usta-il-kummissjoni-tippre%C5%BCenta-mi%C5%BCuri-%C4%A1odda-kontra-l-evitar-tat-taxxa_en
[276] Tackling Tax Avoidance, European Commission, 28 January 2016. Access date: 31 January 2016. file:///C:/Users/hp/Downloads/Anti%20Tax%20Avoidance%20Package%20Factsheet.pdf