



BRUSSELS | 30 MARCH 2020



Joint Statement of European Council on EU Enlargement & EU COVID Response

The European Council has published a [statement](#) setting out their commitment to take the necessary steps to overcome the COVID-19 crisis. In the statement, the European Council reiterates the measures taken to assist Member States in dealing with the economic impact of the COVID-19 outbreak, including measures in relation to limiting the spread of the virus, to ensuring the provision of medical resources and to minimise the economic impact through the [Temporary Framework](#).

The statement also endorses the Council of the EU [conclusions](#) concerning the Expansion of the EU, in which the Council of the EU [decided](#) to open accession negotiations with the Republic of North Macedonia and Albania.

In relation to economic measures taken to minimise the economic impact of the COVID-19 outbreak, the Council of the EU have [agreed](#) with the Commission assessment that that *“the conditions for the use of the general escape clause of the EU fiscal framework – a severe economic downturn in the euro area or the Union as a whole – are fulfilled”*, noting that *“The use of the clause will ensure the needed flexibility to take all necessary measures for supporting our health and civil protection systems and to protect our economies, including through further discretionary stimulus and coordinated action, designed, as appropriate, to be timely, temporary and targeted, by Member States.”*

In addition, a proposal to [extend](#) the State aid Temporary Framework has been sent to Member States for consultation by the Commission. The Commission has also [temporarily removed](#) from the Short-term export-credit Communication all countries listed in the marketable risk list, in order to ensure public short-term export credit insurance is more widely available.



EU Commission Publishes Customs Union Roadmap

The European Commission has published a [Roadmap](#) concerning its Action Plan for Taking the Customs Union to the Next Level. The Commission aims to further *“IT implementation and optimisation, customs risk analysis and management, integration of operations and cooperation between customs authorities, harnessing innovation and improving efficiency of customs administrations”*. A forthcoming Communication will set out the Commission’s

strategy as concerns an EU-approach to risk management and supporting EU-custom administration controls.

The action stems from concerns raised by the European Court of Auditors, as well as the European Parliament, that the effectiveness of customs controls is lacking across the EU's external borders, leading to a loss of Traditional Own Resources and significant financial implications, most notably for VAT.

The Commission will publish the Communication to its co-legislators in the Parliament, Council and the Economic and Social Committee in the second quarter of 2020, alongside a public consultation. Feedback can also be provided concerning the Roadmap until 21 April 2020.



OECD's COVID-19 Taxation Measures Toolkit

The OECD has now published a [Toolkit](#) containing the details of taxation and financial measures taken by governments around the world in response to the COVID-19 outbreak.

The OECD has also created a dedicated [webpage](#) concerning the COVID-19 outbreak, providing information and country profiles on the spread of the virus, and recommended responses concerning a variety of policy areas. Pascal Saint-Amans, in a [blogpost](#) stated that *“one of the few certainties is that tax policy will play an important role in the immediate response of governments to support individuals and businesses, as well as in future rounds of policy action, including to rebuild our economies, which will ultimately take place once the health crisis has been contained. The OECD, working with other international organisations, will deploy all its data gathering power and analytical capacities to help governments across the world.”*

The OECD recommends a range of tax policy measures be employed, such as more generous welfare and income support payments, deferral or waiver of employer and self-employed social security contributions, tax concessions for those working in health and emergency services, deferral of VAT and custom duties payments, expediting the payment of refunds, deferring or waiving taxes, or increasing loss carry-forward provisions.



BEPS Action 6 Peer Review Report on Preventing Treaty Shopping Published

The OECD has released the second [Peer Review Report](#) on Action 6 of the Base Erosion & Profit Shifting Project, concerning the prevention of granting treaty benefits in inappropriate circumstances. The report contains results concerning aggregate data of the Inclusive Framework jurisdictions as of 30 June 2019, which then totalled 129 jurisdictions.

The report concerning Action 6 sets out that the majority of the Inclusive Framework jurisdictions are in the process of modifying treaties in order to comply with their commitments made concerning treaty shopping, demonstrating the effectiveness of the BEPS MLI.



Message from the CFE Executive Board on the COVID-19 Impact

As each and every one of us is impacted by the alarming spread of COVID-19 and how it is affecting our lives, the CFE Executive Board had, regretfully, taken the difficult decision to cancel the CFE Annual Forum, the General Assembly and all the Technical meetings in April.

At present, it is uncertain what the next phases of the coronavirus outbreak will look like, and what measures will need to be taken. However, please rest assured that we will closely monitor and evaluate the situation, and keep you updated on whether there will be any impact on the other CFE events that are planned for this year. At this time, our priority is the safety and wellbeing of each our members, our staff and our partners. We have put in place a remote working scheme for our staff, in accordance with the applicable public health measures in Belgium, and are conducting our meetings via video and teleconference.

To the extent possible given these circumstances, the CFE Board together with the CFE Team continue to work on the existing projects and focus on relevant new technical publications and policy developments, in close conjunction with the Member Organisations and in synergy with the work of the EU institutions and the OECD. We encourage you to visit the [CFE website](#) and our social media channels ([Twitter](#), [Linkedin](#)) to stay informed about the most recent [CFE technical work and publications](#). As ever, the CFE Brussels Team is available to work with you on relevant tax technical or policy matters, and to assist you with any queries you may have.

We will continue to keep you abreast of developments in the CFE agenda in the period to come.



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