



Media Release

BIAC welcomes B20 Recommendation on Tax and Looks to Imminent Release of Final BEPS Reports

Paris, 9 September 2015 – At the B20 Conference in Ankara (Turkey) on 3-5 September, BIAC Secretary-General Bernhard Welschke and Chair of the BIAC Taxation and Fiscal Policy Committee Will Morris welcomed the B20 recommendation on taxation and BEPS which emphasizes the need to encourage trade and investment flows especially in relation to infrastructure and cross border Foreign Direct Investment (FDI).

In particular, recommendation 5 reads, in part, as follows:

Develop a common set of international investment principles and promote greater transparency and harmony in taxation related to FDI.

The G20 should take the following actions (...):

3. Promote greater transparency and harmony in taxation and incentives related to FDI and give due attention in the discussions on Base Erosion and Profit Shifting (BEPS) to the impact of rules on debt and interest deductibility on cross-border infrastructure investment.

Welschke said: ***“This is the first time that the B20 has included a recommendation on tax, and we are pleased to see this appropriate focus on the effect that tax may have on critical cross-border infrastructure investments”***.

Morris, who also moderated a panel at the B20 on FDI, infrastructure and tax, which included Pascal Saint-Amans, Head of the OECD CTPA, businesspeople, and development bankers, said: ***“In response to legitimate public concerns, the BEPS project continues to change the international tax landscape. BIAC has always accepted the need for measured change – although we will have more to say about our concerns on specific projects when the final papers are released. However, it was very encouraging in Ankara that both the B20 and G20 acknowledged the critical need to support cross-border trade and investment, and on our B20 panel we all agreed that both the detailed design and implementation of the BEPS proposals by countries should seek to encourage, rather than to hinder, these trade and investment flows.”***

About BIAC:

The Business and Industry Advisory Committee to the OECD advocates for open markets, investment, and private-sector led growth. BIAC is the officially recognized voice of the international business community at the OECD. BIAC's members are the major business organizations in the OECD member countries and a number of OECD observer countries.

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