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TAX LAW



Faculty of Business and Economics (HEC)
Faculty of Law, Criminal Justice and Public Administration
Tax Policy Center

PROFIT ALLOCATION WITHIN MULTINATIONAL ENTERPRISES IN THE NEW DECADE

Zoom online event – 21st and 22nd January 2021

Unil

UNIL | Université de Lausanne

OVERVIEW

Profit Allocation within MNEs is at the center stage of the International Tax debate and is currently at cross roads.

On the one hand, disputes under the arm's length principle (ALP), which treats every entity / establishment as a separate entity within the MNE vis-à-vis profit allocation, are increasing across the globe. On the other hand, Pillar I of the OECDs Digital project proposes to create an "add on" to the existing system (Amount A) which treats MNEs as single economic units for profit allocation purposes. At the same time, the project proposes to make simplifications to the ALP in relation to certain intra group transactions which are prone to disputes (Amount B). **A public consultation** on these two amounts will take place on January 14 and 15th, 2021.

Against this backdrop, the purpose of this conference is four-fold. First, to discuss the increasing strategic importance of profit allocation rules in the boardrooms of MNEs. Second, with respect to the ALP, we will map the current global litigation landscape on selected topics, discuss

future litigation issues & suggest ideas / best practices for managing and resolving these disputes. Third, we will take a deep dive into Pillar I of the digital debate and discuss the interaction between the MNE Group Approach under Pillar I and its interaction with the separate entity approach to identify key areas of tension and explore possible ideas to reduce disputes. This session will also take into account the views expressed in the public consultation. Finally, we will discuss the future of profit allocation rules from an International, EU and Swiss perspective.

The present event, which is organised by the Tax Policy Center of the University of Lausanne is intended to provide a neutral platform to debate the latest developments in the area of profit allocation within Multinational Enterprises and their possible practical and policy implications. To that end, this event will consist of presentations and debates by leading representatives of international organizations, academia and businesses.

We look forward to have you for this online event.



Prof. Robert J. Danon
Tax Policy Center
University of Lausanne



Prof. Vikram Chand
Tax Policy Center
University of Lausanne



Prof. Guglielmo Maisto
Università Cattolica di Piacenza

PROGRAM

DAY 1

21st JANUARY 2021

Introduction

8h45 – 9h00

Opening address by

- Prof. Dr. Laurent Moreillon, Dean of the Faculty of Law, Criminal Justice and Public Administration, University of Lausanne
 - Prof. Dr. Jean-Phillippe Bonardi, Dean of the Faculty of Business & Economics, HEC, University of Lausanne
 - Prof. Dr. Vincent Martenet, Director of the Law School, Vice-Dean of the Faculty of Law, Criminal Justice and Public Administration, University of Lausanne
 - Prof. Robert Danon, Director, Tax Policy Center, University of Lausanne **(Conference chair)**
 - Prof. Vikram Chand, Program Director, Executive Program in Transfer Pricing, Tax Policy Center, University of Lausanne **(Conference chair)**
 - Prof. Guglielmo Maisto, Università Cattolica di Piacenza , Italy **(Conference chair)**
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Book presentation: The Future of the Profit Split Method (eds Danon/Maisto/Chand/Cappelleri), Wolters Kluwer

PART I

Profit Allocation and strategic importance of transfer pricing for MNEs

9h00 – 9h30

Opening speech: Profit allocation within MNEs in the new decade: Co existence of the Separate entity approach and MNE Group approach – Potential areas of tension

- Mr Matt Andrew, Head of Tax Treaty, Transfer Pricing & Financial Transactions Division, OECD, France
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9h30 – 10h00

Panel discussion: strategic importance of profit allocation rules in the boardroom and wider ramifications

- Prof. Robert Danon
 - Prof. Vikram Chand
 - Prof. Guglielmo Maisto
 - Mr. Jean-Louis Geyr, Senior Vice President, Group Head of Global Tax, Nestlé, Switzerland
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PART II**The Separate Entity Approach and the Arm's Length Principle: Global litigation landscape and best practices for managing and resolving disputes**

10h00 – 10h30 *Transfer Pricing Disputes: A lead into the debate*

- Prof. Robert Danon
 - Prof. Vikram Chand
 - Mr. Paolo Valerio Barbantini, Deputy Director General, Italian Revenue (Agenzia delle entrate), Italy
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10h45 – 12h15 *Intra Group Service transactions*

- Mr. Aurelio Massimiano, Partner, Maisto e Associati, Italy **(Panel Chair)**
 - Mr. Mukesh Butani, Managing Partner, BMR Legal, India
 - Mr. Gerhard Foth, Head of Transfer Pricing, KPMG, Switzerland
 - Mr. Vineet Rachh, Senior Director, Procter & Gamble, Singapore
 - Mrs. Camille Vilaseca, Research Associate, Tax Policy Center, University of Lausanne
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13h15 – 14h45 *Intra group intangible transactions*

- Mrs. Gabriella Cappelleri, Of Counsel, Maisto e Associati, Italy **(Panel Chair)**
 - Prof. Vikram Chand
 - Mrs. Isabel Verlinden, Global Head Transfer Pricing Services, PWC Belgium
 - Mr. Giuseppe Abatista, Group Tax, Pricing, Planning & Control Director, Salvatore Ferragamo, Italy
 - Mr. Jean-Paul Vesterling, Assistant Vice President, Head of Group Transfer Pricing & Business Models, Nestlé, Switzerland
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15h15 – 16h45 *Intra Group Financing transactions*

- Prof. Guglielmo Maisto **(Panel Chair)**
 - Mr Antonio Russo, Partner Tax, Baker & McKenzie Amsterdam NV
 - Mr. Alessandro Bucchieri, Head of Tax Affairs, Enel Group, Italy
 - Mr. Antonfortunato Corneli, Financial Services Office Transfer Pricing Leader, EY, Italy
 - Mrs. Andrea Grainger, Global Head of Transfer Pricing, Swiss Re Management, Switzerland
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17h15 – 18h30 *Profit Allocation to a Permanent Establishment*

- Mr. Stefaan De Baets, Senior Counsel TP, PWC Belgium **(Panel Chair)**
 - Dr. Peter Brülisauer, Tax Partner, MME Legal | Tax | Compliance, Zurich, Switzerland
 - Prof. Dr. Xaver Ditz, Partner, Flick Gocke Schaumburg, Germany
 - Mrs. Kinha Romanovska, Research Associate, Tax Policy Center, University of Lausanne
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18h30 *Closing remarks and end of the first day*

DAY 2**22nd JANUARY 2021**

9h00 – 10h30

Intra Group transactions with commodities and goods

- Mrs. Olivia Gedge, Director Global Transfer Pricing Services, KPMG, Switzerland (**Panel Chair – Direct Taxation**)
- Mr. Massimo Fabio, Partner, KPMG Italy Head of Trade & Customs Services (**Panel Chair – Indirect Taxation**)
- Mrs. Cinthya Catalao, Former Regional Tax Manager, Trafigura, Switzerland
- Mrs. Nadia Bouzenzana, Senior Director International Trade & Government Incentives, Honeywell Technology, Switzerland
- Mr. Piet Battiau, Head Consumption Taxes Unit, Centre for Tax Policy and Administration, OECD, France

PART III**The MNE Group Approach under Pillar I (Amount A & B) and its interaction with the separate entity approach (including views expressed in the public consultation)**

11h00 – 12h30

- Prof. Robert Danon (Panel Chair)

- Mr. Norman Wingen, Transfer Pricing Advisor, OECD, France

&
14h00 – 15h30**- Prof. Vikram Chand**

- Prof. Guglielmo Maisto
- Mr. Koen De Grave, Managing Director Tax Accounting Services, PWC Belgium
- Mr. Fabio de Angelis, Senior Director, Global Taxes, eBay International Management B.V., The Netherlands
- Mrs. Elizabeth J. Stevens, Member, Caplin & Drysdale, USA
- Mr. Graeme Wood, Vice President, Global Taxes – Transfer Pricing, The Procter & Gamble Company, USA

Part IV**Future outlook**

16h00 – 17h30

Future Outlook on MNE Profit Allocation: International, Regional and Swiss perspective

- Prof. Vikram Chand (**Panel Chair**)
- Dr. Richard Collier, Senior Advisor on Pillar I, OECD, France
- Mr. Bruno Gibert, Attorney at Law, Partner, CMS Francis Lefebvre Avocats, France
- Dr. Natassia Burkhalter-Martinez, Head of section, Federal Department of Finance for Federal Tax Administration, Switzerland
- Mr. Thibaut Urbain, Transfer Pricing Specialist, Federal Department of Finance for Federal Tax Administration, Switzerland
- Mr. Geert Stuer, Advisor, Large Taxpayer Unit, Ministry of Finance, Belgium

17h30 – 17h45

Concluding remarks by conference organisers

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Use the attached form to register.



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REGISTRATION FORM

Mrs. Mr. Dr. Other

Family name First name

Function

Company

Street / Nr

PO Box

Zip code City

Phone Nr Country

E-mail

I herewith agree to register

Free of charge. Upon reception of your registration form, you will receive our confirmation. The zoom link will be sent to you a few days before the event.

Registration form to be returned by e-mail to taxpolicy@unil.ch

Signed by

Date