The Latest on BEPS and Beyond year-end review

A review of OECD and country actions in 2019 year-end

Our EY team has been reporting on the BEPS Project from its outset. Since 2014, we have tracked BEPS-related developments, both at the OECD and country level. A summary of each of these BEPS-related developments has been included in our newsletter "The Latest on BEPS," and a biannual special edition that highlights and recapitulates the past six months in review. In the latter half of 2019, "The Latest on BEPS" Alert was expanded to include, not only reports on recent BEPS-driven activity in individual countries, but also information on countries' global and regional policy trends. The first expanded Alert renamed "The Latest on BEPS and Beyond," was released on 17 September 2019 with a monthly communication issued thereafter. The present report covers the period 1 July – 31 December 2019.

Overview

The past year has witnessed major developments in the BEPS project as it moves through the implementation phase, with the result that we are seeing more tax legislative changes than previously as we kick off 2020. The Multilateral Convention to Implement Tax Treaty-Related Measures to Prevent BEPS, (MLI) entered into force on 1 July 2018, with the first MLI modifications becoming effective from 1 January 2019. The total number of signatories is 93 as of 1 January 2020 with many more expected throughout the year.

Crucially, the past year has witnessed the convergence of the BEPS package and the implementation of the European Union (EU) Anti-Tax Avoidance Directives (ATAD I & II), which has driven a significant increase in the number of law changes. BEPS measures incorporated under ATAD I & II including hybrid mismatches, controlled foreign company (CFC) rules, exit taxation, a general anti-avoidance rule (GAAR) and interest deductions are being implemented across not only EU Member States (MS) but law changes are also occurring among non-EU countries.

Based on Action 12 BEPS recommendations, the EU also adopted Directive 2018/822 (the Directive) on the mandatory disclosure and exchange of cross-border tax arrangements on 25 May 2018 under which EU MS must adopt and publish domestic legislation by 31 December 2019. Some MS may require earlier reporting and extend the scope of domestic legislation beyond the requirements of the Directive – for instance, to cover value-added tax (VAT), domestic arrangements or to introduce additional hallmarks. As of 1 January 2020, Poland has already adopted the rules (since 1 January 2019) and 15 more EU MS have final legislation with 11 MS having draft legislation.

The EU Arbitration Directive entered into force on 1 July 2019. Its rules aim to improve the resolution of tax disputes and to ensure that disputes related to the interpretation and application of tax treaties can be resolved more swiftly and effectively.

Moreover, in the period under review both the OECD and the EU continued to roll out their project on addressing harmful tax practices. To stay off the EU blacklist, many countries fulfilled the requirements mandated by the EU to: (i) join the OECD/G20 Inclusive Framework (IF) on BEPS; (ii) to meet the global standards on exchange of information; and (iii) to adapt domestic preferential regimes that were deemed potentially harmful. The latter led to a wave of legislative changes all around the world.

While the first phase of the BEPS project rapidly moved through its implementation phase as the end of 2019 approached, the OECD work on the ongoing project under Action 1 entitled "Addressing the Tax Challenges of the Digitalization of the Economy" or BEPS 2.0 is continuing to advance with an ambitious target date of 2020. Work began in earnest at the start of 2019 with the first consultation document issued in February. Since then we have seen the OECD issue a Programme of Work, laying out what the IF intended to do for the project and we also saw a discussion of the project both in the G20 meetings this Summer and in the G7 meetings. As the documents have evolved (and they have evolved quickly over the past several months), we have seen the OECD include more explanation of the rationale for the project and some elaboration of the proposals in an iterative fashion. Despite the name of the project, the proposal goes well beyond the digital economy creating implications for all multinational businesses.

Finally, a draft toolkit designed to help developing countries with the implementation of effective transfer pricing (TP) documentation requirements was released by the partners in the Platform for Collaboration on Tax in September 2019. The Platform aims to release the final toolkit in early 2020.

Taken together, these developments show great progress with more tangible results to come in 2020.

The Inclusive Framework

In recognition of the truly global nature of BEPS, and to continue the development of standards as well as monitoring the effective implementation of the BEPS actions, the OECD and G20 established the OECD/G20 IF on BEPS. With an initial membership in 2016 of 82 countries and jurisdictions, the OECD/G20 IF has continued to expand, and now brings together over 135 countries and jurisdictions who participate on an equal footing in the development of standards on BEPS-related issues, while also reviewing and monitoring the implementation of the BEPS package including BEPS 2.0.

Looking ahead

The beginning of the exchange of Country-by-Country (CbC) reports, the continuing exchange of unilateral tax rulings in combination with the introduction of new rules to exchange information on cross-border tax planning schemes to EU MS authorities under the new EU Mandatory Disclosure Rules (MDR) marks an important milestone towards full transparency which is one of the goals of the BEPS project. Under the EU MDR rules as of 1 July 2020, reporting of specifically defined tax arrangements will be required across all 28 EU MS within 30 days of a triggering event. However, as Poland is the first adopter of the rules, the 30-day deadline is in force from January 2019 for all the tax schemes involving Poland. Moreover, non-EU jurisdictions inspired by the EU are following their example. For example, Australia, Japan and Mexico, are also considering the introduction of MDR regimes.

In 2019, the first aggregated and anonymized data collected on CbC reports was provided to the OECD for processing for statistical purposes. As more data becomes available, a fuller picture may be shown of the cost of tax avoidance and the effects of the BEPS project. Moreover, this data is used to make impact assessments in relation to the measures proposed under the OECD project on addressing the challenges of the digitalization of the economy.

Additional signatures and ratification of the MLI will increase the implementation of several BEPS Actions, particularly countering treaty shopping under Action 6. This number will increase as more signatories deposit their instruments of ratification throughout 2020, with the potential for the MLI to impact up to 3,500 bilateral tax treaties once ratified by all jurisdictions.

In addition, the peer reviews of the BEPS minimum standards will continue to ensure timely and accurate implementation and thus safeguard the level playing field, including the release of the second peer review reports relating to compliance by members of the IF on BEPS on Action 6 which is expected in 2020 and a full schedule of reviews of mutual agreement procedures under Action 14.

Also, the ATAD implementation process by many EU MS will continue with hybrid mismatch rules and EU-specific rules on exit taxation expected to be transposed in 2020.

As countries apparently are still not confident that the changes in the international tax environment after the implementation of the BEPS measures will lead to a sustainable international tax system, the top priority for the OECD/G20 IF for 2020 is the work on tax and digitalization, which has been taking center stage in policy debates as of early 2019. The IF has made major progress by developing a Programme of Work and aims to produce a consensus-based, long-term solution for delivery to the G20 in 2020. After consultations were held on both Pillar One regarding a new division of taxing rights for consumer facing businesses and Pillar Two which considers a global minimum tax rule, it is going to be extremely interesting to see what will come out of the meeting of the members of the IF on BEPS at the end of January 2020. The levels of anticipation grew even more after recent exchanges of letters between the United States (US) Treasury and the OECD, which started with a letter in which US Treasury asked for a tempering of the ambition levels of the OECD.

The end of 2019 reflects a flurry of tax policy developments as summarized in this report. Many of these developments indicate that 2020 will be a crucial year in the design history of the international tax system.

The report is structured in the following way. Each action is split into two parts. The first part discusses the OECD developments during the period under review and identifies the continual guidance and work of the OECD toward the implementation of the relevant measures. The second part includes references to specific country developments during the final six months of 2019 with respect to each topic. This section of the report poses that the countries are currently adopting new measures in line with the OECD recommendations and are moving actively toward their implementation. Due to the increased activity at the EU level, a separate sub-report now addresses the EU BEPS-related activity.

Digital taxation and BEPS 2.0

Background

Addressing the tax challenges raised by digitalization has been one of the top priorities for the OECD/G20 IF in 2019. After the delivery of the Interim Report in March 2018, the IF continued its work and delivered a Policy Note in January 2019 including concrete proposals made by members framed within two complementary pillars: one pillar addressing the broader challenges of the digitalization of the economy and focusing on the allocation of taxing rights, and a second pillar addressing remaining BEPS concerns by introducing a global minimum tax rule. Following the Policy Note, the OECD released, in February 2019, a public consultation document describing the two pillar proposals at a high level. They received extensive comments from stakeholders, and held a public consultation in March 2019.

Following the public consultation, in May 2019, the OECD released the “Programme of Work to Develop a Consensus Solution to the Tax Challenges Arising from the Digitalisation of the Economy” (the Workplan). Under the timeline set forth in the Workplan, an outline of the architecture of a long-term solution to address the challenges of the digitalization of the economy is to be submitted to the IF on BEPS for agreement in January 2020 and work will continue to flesh out the policy and technical details of the solution throughout 2020 to deliver consensus agreement on new international tax rules by the end of 2020.

Developments during the period under review

Pillar One

On 9 October 2019, the OECD released a public consultation document outlining a proposal from the OECD Secretariat for a "unified approach" under Pillar One (Secretariat Proposal) of the ongoing project titled "Addressing the Tax Challenges of the Digitalization of the Economy" (the Consultation Document). The Secretariat Proposal provides high-level suggestions on the scope of the new rules being developed under Pillar One, an approach to the new nexus concept, and an approach for new and revised profit allocation rules. More specifically, the scope of the Secretariat Proposal for a "unified approach" covers business models for both digitalized as well as non-digitalized businesses, that are consumer-facing. The Secretariat Proposal includes a new nexus concept that is not dependent on physical presence and is largely based on sales. This new nexus is proposed to be separate from the existing permanent establishment (PE) concept, and it would operate regardless of whether taxpayers have an in-country marketing or distribution presence or sell through related or unrelated distributors. In addition, the Secretariat Proposal contains a three-part approach to new and revised profit allocation rules, which would provide a formulaic approach to allocating deemed excessive profits to market jurisdictions under the new nexus concept, a formulaic approach for a fixed return to baseline marketing and distribution activities in situations where there is nexus under existing principles, and an approach for allocating additional profit to the market jurisdiction based on the arm's-length principle where the local activities exceed such baseline activity. Finally, the Secretariat Proposal contemplates binding and effective dispute prevention and resolution mechanisms that would cover all three parts of the profit allocation approach.

Interested parties were invited to submit comments on the consultation document no later than 12 November 2019. The OECD then held a consultation meeting in Paris on 21 and 22 November 2019 to give stakeholders an opportunity to discuss their comments with the IF countries.

For more information, see EY Global Tax Alert, The OECD takes next step on BEPS 2.0 – Proposal for a "unified approach" for additional market country tax, dated 10 October 2019 and EY Global Tax Alert, OECD hosts public consultation on proposed "unified approach" under Pillar One of BEPS 2.0 project, dated 27 November 2019.

Pillar Two

The OECD released on 8 November 2019 a public consultation document on the Global Anti-Base Erosion (GloBE) proposal under Pillar Two. For purposes of the consultation, the OECD invited comments on all aspects of the Workplan on Pillar Two, but specifically requested comments on three technical design aspects of the GloBE proposal:

1. The use of financial accounts as a starting point for determining the tax base under the GloBE proposal as well as different mechanisms to address timing differences.
2. The extent to which a group can combine high-tax and low-tax income from different sources taking into account the relevant taxes on such income in determining the effective tax rate on such income.
3. The stakeholders' experience with, and views on, carve-outs and thresholds that may be considered as part of the GloBE proposal.

Interested parties were invited to submit written comments on the Consultation Document no later than 2 December 2019. The OECD then held a consultation meeting on 9 December 2019 to discuss with stakeholders their comments.

For more information, see EY Global Tax Alert, OECD issues consultation document on technical design aspects of Pillar Two, dated 14 November 2019 and EY Global Tax Alert, OECD hosts public consultation on global anti-base erosion (GloBE) proposal under Pillar Two of BEPS 2.0 project, dated 13 December 2019.

Looking ahead, the Secretariat proposals on both Pillar One and Pillar Two outlined in the consultation documents do not represent the consensus view of the jurisdictions participating in the IF but were developed in an effort to facilitate negotiations among countries so that an agreement can be reached.

The complex issues underlying both the Pillar One and Pillar Two proposals will continue to be the subject of both policy and technical discussions among the IF jurisdictions through at least 2020. The objective is for the IF to agree to an outline of the Pillar One work in late January, endorsing with modifications and further detail the Pillar One proposal for a "unified approach" released by the Secretariat on 9 October. If there is a consensus within the IF, a public report is expected to be provided to the G20 finance ministers in late February, and that report would be subject to comment in the hopes of reaching a final agreement on Pillar One in July 2020. As for Pillar Two, the OECD is planning to release another public consultation document by April of 2020 that will expand upon and tie together the issues raised in the 8 November Pillar Two consultation document.

The consultation documents underscore that the international tax changes being contemplated will have implications well beyond digital businesses and digital business models. These proposals could lead to significant changes to the overall international tax rules under which multinational businesses operate and could have important consequences in terms of businesses' overall tax liability and countries' tax revenues.

Country-specific developments

Recognizing the need to address the challenges of digitalization, a growing number of jurisdictions as summarized below are taking unilateral actions by introducing various digital tax measures or interpretations of the current rules in their domestic law.

The Turkish Parliament enacted Law no.7194 introducing the Digital Services Tax (DST) into domestic legislation on 5 December 2019. The law was published in the Official Gazette on 7 December 2019 and will be effective as of 1 March 2020. The rate of DST is 7.5% on in-scope revenues generated in Turkey by the provision of certain types of digital services as defined in the law. The DST is imposed on providers of digital services. It applies only to companies with global, in-scope revenues of at least €750 million with revenues of at least 20 million Turkish Lira (approximately US$3.3 million) in Turkey from in-scope services. The President is authorized to reduce the revenue thresholds to as little as zero or to increase them to up to triple the specified levels and may also reduce the rate to 1% or increase it to 15%, either per type of digital service separately, or for all types of digital services together.

On 1 January 2020, Austria's digital tax package entered into force and includes three key measures: (i) the introduction of a tax on revenue derived from online advertising at a rate of 5%; (ii) an amendment of the VAT rules applicable to online purchases of goods sold by third-country sellers (as of January 2021); and (iii) the introduction of stricter reporting obligations for operators of online platforms active in the sharing economy.

Also, the Law introducing a DST in France was published in the Official Journal in July 2019. The main features of the law remain similar to the bill submitted by the Government on 6 March 2019. The DST applies at a single rate of 3% on gross income derived from certain digital services for which the French Government deems user participation is essential for creating value. Only companies with worldwide revenues from taxable services of €750 million annually and with a total amount of taxable revenues from taxable services obtained in France exceeding €25 million annually would be subject to the tax. A first draft of the administrative guidelines was published on 16 October 2019 and submitted for public consultation until 29 November 2019. The final draft should thus be published in the coming months. This first draft mainly includes clarifications on the reporting and accounting obligations, recovery, control and litigation of the DST. The French tax authorities have indicated that specific guidelines related to the scope, triggering event, tax base and payment are still under preparation.

In July 2019, the United Kingdom (UK) also confirmed its intention to introduce a DST to be in place for revenues arising from 1 April 2020. The UK's measure is targeted at capturing value generated by certain digital business models (being search engines, social media platforms and online marketplaces) from their UK user-base. For businesses undertaking the in-scope activities, the revenues derived from UK users will be subject to the DST at 2%. Businesses will only be subject to the DST when the group's worldwide revenues from in-scope digital activities are more than £500 million and more than £25 million of these revenues are derived from UK users. In addition, there is an allowance of £25 million, which means a group's first £25 million of revenues derived from UK users will not be subject to DST. It is currently anticipated that businesses who operate at low profit margins will be subject to a reduced effective rate of DST, and that loss-making businesses will be exempt.

The current intention is that the UK DST will be amended as necessary to conform with a multilateral DST if and when introduced by the EU, despite the UK no longer being a Member State.

BEPS implementation

The MLI

Background

The final report on Action 15, "Multilateral convention to implement tax treaty-related measures to prevent BEPS," explores the technical feasibility of an MLI to implement the treaty-related measures developed during the BEPS project and to amend bilateral tax treaties. To that end, the MLI was developed and agreed to in November 2016 by approximately 100 jurisdictions, including OECD member countries, G20 countries, and other developed and developing countries. Each provision under the MLI (Articles 3 to 17) first reflects the treaty-related BEPS measures as developed during the BEPS project with certain modifications. However, the MLI is structured in a way to provide flexibility for contracting jurisdictions to implement (parts of) the MLI based on their needs.

Development during the period under review

As of 1 January 2020, 93 jurisdictions have signed the MLI. At the time of signature, signatories submitted a list of their tax treaties in force that they designate as covered tax agreements (CTAs), i.e., to be amended through the MLI. Together with the list of CTAs, signatories also submitted a preliminary list of their reservations and notifications (MLI positions) in respect of the various provisions of the MLI. The definitive MLI positions for each jurisdiction will be provided upon the deposit of its instrument of ratification, acceptance or approval of the MLI. As of 1 January 2020, 39 jurisdictions have deposited their instrument of ratification with the OECD.

Generally, the MLI will enter into force for a jurisdiction on the first day of the month following the expiration of a period of three-calendar months beginning on the date of the deposit of its instrument of ratification with the OECD. With respect to a specific bilateral tax treaty, the measures will generally enter into effect after both parties to the treaty have deposited their instruments of ratification, acceptance or approval of the MLI and a specified time has passed. The specified time differs for different provisions. The first modifications to bilateral tax treaties on taxed withheld at source entered into effect on 1 January 2019.

Country-specific developments

Bosnia and Herzegovina, Jordan, Kenya and Oman signed the MLI during the period under review, bringing the total number of signatories to 93 as at the date of this report.

The MLI entered into force for an additional 12 jurisdictions during the period under review, being Curacao, Georgia and the Netherlands (1 July 2019), Luxembourg (1 August 2019), United Arab Emirates (1 September 2019), Belgium, India, Russia (1 October 2019), Norway (1 November 2019), Canada, Switzerland and Ukraine (1 December 2019). Canada, Denmark, Iceland, Latvia, Liechtenstein, Mauritius, Norway, Qatar, Switzerland and Ukraine deposited their instruments of ratification with the OECD during the period under review. The MLI entered into force for Denmark and Iceland on 1 January 2020, will enter into force for Latvia and Mauritius on 1 February 2020 and for Liechtenstein and Qatar on 1 April 2020.

Many other jurisdictions have taken steps domestically for the ratification process of the MLI, such as Costa Rica, Portugal, and Uruguay.

No or only nominal tax jurisdictions

Background

In 2018, the OECD released a standard on substantial activities that would apply to jurisdictions that do not impose a corporate income tax. It would also apply to jurisdictions that are considered to impose only nominal levels of corporate income tax to avoid such requirements. Broadly, the standard looks at whether a regime encourages purely tax-driven operations or arrangements, as many harmful preferential tax regimes are designed in a way that allows taxpayers to derive benefits from the regime while engaging in operations that are purely tax-driven and involve no substantial activities.

Development during **the period under review**

After agreeing on the substantial activities' standard, in July 2019 the OECD's Forum on Harmful Tax Practices (FHTP) identified 12 jurisdictions as being No or only nominal tax jurisdictions, namely Anguilla, the Bahamas, Bahrain, Barbados, Bermuda, British Virgin Islands, Cayman Islands, Guernsey, Isle of Man, Jersey, Turks and Caicos Islands and the United Arab Emirates (UAE). According to the FHTP, the domestic legal framework of all of these jurisdictions, except for the UAE, are in line with the substantial activities standard and are therefore "not harmful." Regarding the UAE, it was concluded that its legal framework was generally in line with the standard, with one technical point outstanding. In this respect, the UAE committed to make further legislative changes and the law is now "in the process of being amended."

For more information, see EY Global Tax Alert, OECD releases update on peer review of preferential tax regimes and no or only nominal tax jurisdictions, dated 24 July 2019.

On 31 October 2019, the OECD released new guidance titled, "Substantial Activities in No or Only Nominal Tax Jurisdictions: Guidance for the Spontaneous Exchange of Information." The Guidance addresses the practical modalities regarding the exchange of information requirements of the substantial activities requirement for no or only nominal tax jurisdictions. It provides guidance on the timelines for the exchanges, the international legal framework under which they may occur and clarifications on the key definitions, in order to ensure that the spontaneous exchanges take place in a coordinated and efficient manner. The guidance also contains a standardized IT format for the spontaneous exchanges, the No or only nominal Tax Jurisdictions (NTJ) XML Schema and the related user guide.

For more information, see EY Global Tax Alert, OECD releases additional guidance on spontaneous exchange of information by no or only nominal tax jurisdictions, dated 7 November 2019.

Action 13 including CbC Reporting (CbCR)

Background

On 5 October 2015, the OECD released its final report on Action 13, "Transfer Pricing Documentation and Country-by-Country Reporting," under its BEPS Action Plan. The report introduced a standardized three-tiered approach to transfer pricing documentation for multinational enterprises (MNEs) consisting of a master file, a local file, and a CbC report. To give greater certainty to tax administrations and MNE groups on the implementation and operation of CbCR rules, the OECD issued additional guidance in June 2016 and has updated the guidance nine times since then. The OECD has also released other materials to support countries introducing CbCR. For example, in September 2017, the OECD issued two handbooks (one on the effective implementation of CbCR and another on effective tax risk assessment), and a report on the appropriate use of information contained in CbC reports.

Developments during the period under review

CbCR continues to play a key role in promoting transparency and accuracy in reporting to tax authorities. As of 1 January 2020, more than 85 jurisdictions have law in place introducing a CbCR obligation. This means that substantially every MNE with consolidated group revenue of at least €750 million is already required to file a CbC report. For an overview of the Action 13 implementation, visit our EY website.

During the second half of 2019, the OECD released additional exchange relationships that have been activated under the CbC Multilateral Competent Authority Agreement (CbC MCAA). Also, Bahrein, British Virgin Islands, Saudi Arabia, Seychelles and Tunisia were added to the list of signatories of the CbC MCAA during the period under review.

As of 1 January 2020, together with the exchange relationships under the EU Council Directive 2016/881/EU and the bilateral competent authority agreements for exchanges under Double Tax Conventions or Tax Information Exchange Agreements, there are over 2,400 automatic exchange relationships established among jurisdictions committed to exchanging CbC reports. This also includes 45 bilateral agreements with the US. The list of automatic exchange relationships that have been activated is available on the OECD website.

Also, during the period under review, the OECD updated the existing guidance on the implementation of CbCR (for the 10th time). In November 2019, the OECD updated the guidance to include questions and answers on, among other topics, treatment of dividends, the deemed listing provision, accounting periods other than 12 months, the requirements for and operation of local filing, the use of rounded amounts and the information that must be provided with respect to the sources of data used. The OECD also published a summary of common errors made by MNE groups in preparing CbC reports. The release of this summary aims at helping MNE groups in avoiding these errors and tax administrations in detecting them when they occur.

For more information, see EY Global Tax Alert, OECD releases additional guidance on Country-by-Country Reporting and a summary of common errors made by MNE Groups in preparing these reports, dated 7 November 2019.

In December 2019, the OECD updated once again the existing guidance to make clear that, under the BEPS Action 13 minimum standard, the automatic exchange of CbC reports filed under local filing rules is not intended. The OECD also posted a summary of CbCR notification requirements in IF member jurisdictions aimed at assisting MNE groups in complying with notification requirements in the different jurisdictions where they have constituent entities. The summary includes information on 89 jurisdictions, out of which 69 have a notification requirement in place.

Country-specific developments

During the period under review, countries and jurisdictions have continued to amend their domestic legislation and publish guidance to introduce and/or further enhance CbCR compliance.

The Tunisian Minister of Finance issued a decision that introduces master file and local file requirements in Tunisia. According to the decision, a master file and local file must be maintained by every Tunisian entity for transactions occurring on or after 1 January 2020 if its annual gross turnover exceeding TND20 million (approximately US$7 million). The master file and local file should be submitted to the tax authority upon request at the commencement of an advanced tax audit procedure.

At the end of August 2019, a draft bill was submitted to the Ukrainian Parliament implementing the BEPS action plan recommendations into the Ukrainian Tax Code, including the introduction of the three-tiered TP documentation – local file, master file and CbC report. On 16 January, this draft bill was approved by the Parliament in the final reading and now awaits the President's signature.

The Greek Public Revenue Authority published in September 2019 circular No. 1341 which provides guidance regarding the timing and procedure of filing of the CbC reports and notifications in Greece. In Belgium, the Federal Public Service Finance published updated guidelines on the process for filing corrective CbC reports.

Peer reviews

Recognizing that the key element is the monitoring of implementation, members of the IF on BEPS developed a monitoring process for the BEPS project that aims to ensure that all members comply with the BEPS minimum standards, i.e., BEPS recommendations that all members of the IF on BEPS have committed to implement, and refer to some of the elements of Action 5 on harmful tax practices, Action 6 on treaty abuse, Action 13 on TP documentation and CbCR and Action 14 on dispute resolution. Accordingly, each BEPS member is subject to an ongoing peer review process to ensure timely and consistent implementation of the four minimum standards.

Action 5

On 23 July 2019, the OECD released an update on the results of the peer reviews of jurisdictions' domestic laws under BEPS Action 5. The updated results cover 56 regimes, bringing the number of regimes that have been reviewed, or are under review, to 287. The assessments were undertaken by the OECD FHTP. The update is an indication of the extent of the ongoing work aimed at ending harmful tax practices, through the requirement that all preferential regimes require adequate levels of substance. The peer review results will continue to be updated from time to time, as approved by the IF on BEPS.

For more information, see EY Global Tax Alert, OECD releases update on peer review of preferential tax regimes and no or only nominal tax jurisdictions, dated 24 July 2019.

Also, on 23 December 2019, the OECD released the 2018 peer review report relating to the compliance by members of the IF on BEPS of the minimum standard on Action 5 for the compulsory spontaneous exchange on certain tax rulings (the transparency framework) for the 2018 calendar-year period. This is the third annual peer review of the transparency framework. It covers individual reports for 112 jurisdictions, including 20 jurisdictions reviewed for the first time. As one of the major conclusions, it was noted that until 31 December 2018 more than 18,000 tax rulings had been identified and almost 30,000 exchanges of information have taken place to date. The report concludes that 68 jurisdictions have now successfully implemented the standard and did not receive any recommendations for improvement. For the rest of the assessed jurisdictions, the report contains 52 jurisdiction-specific recommendations on issues such as improving the timeliness of the exchange of information and ensuring that exchanges of information are made with respect to preferential tax regimes that apply to income from intellectual property.

Action 6

The first peer review report relating to the compliance by members of the IF on BEPS to the minimum standard on BEPS Action 6 for the prevention of treaty abuse was released in February 2019. The report covered 116 jurisdictions and information available as of 30 June 2018.

For more information, see EY Global Tax Alert, OECD releases first annual peer review report on BEPS Action 6, dated 15 February 2019.

The next peer review has been launched in the first half of 2019 and it is expected to be released in early 2020.

Action 13

The peer review of the Action 13 minimum standard is proceeding in stages with three annual reviews in 2017, 2018 and 2019 on different aspects of the three key areas under review: (i) the domestic legal and administrative framework, (ii) the exchange of information framework, and (iii) the confidentiality and appropriate use of CbC reports.

On 3 September 2019, the OECD released the compilation of outcomes of the second phase of peer reviews of the minimum standard on Action 13 of the BEPS project. According to the Compilation, over 80 jurisdictions have already introduced legislation to impose a filing obligation for CbCR on MNE groups, covering almost all MNE groups with consolidated group revenue equal to or exceeding €750 million. Where legislation is in place, the implementation of CbCR has been found to be largely consistent with the Action 13 minimum standard. However, 41 jurisdictions have received a general recommendation to either put in place or finalize their domestic legal or administrative framework, and 17 jurisdictions received one or more recommendations to make improvements to specific areas of their framework.

The next annual peer review (phase three) was launched in July 2019 and will aim to review all the jurisdictions participating in the OECD's IF, focusing on progress made by jurisdictions to address recommendations in the phase two peer report.

For more information, see EY Global Tax Alert, OECD releases outcomes of the second phase of peer reviews on BEPS Action 13 and announces public consultation, dated 9 September 2019.

Action 14

The peer review under Action 14 is being undertaken in two stages. In Stage 1, a review is conducted of how a BEPS IF member implements the minimum standard based on its legal framework for Mutual Agreement Procedures (MAPs) and how it applies the framework in practice. In Stage 2, a review is conducted of the measures the BEPS IF member takes to address any shortcomings identified in Stage 1 of the peer review.

During the period under review, the OECD has released the Stage 1 peer review reports on the implementation of the BEPS minimum standard on Action 14 for the sixth and seventh batch of jurisdictions (i.e., Argentina, Chile, Colombia, Croatia, India, Latvia, Lithuania and South Africa are in the sixth batch and Brazil, Bulgaria, Mainland China and Hong Kong SAR, Indonesia, Russia, and Saudi Arabia are in the seventh batch). Overall, the reports conclude that five of the eight assessed jurisdictions in the sixth batch meet the majority or most of the elements of the Action 14 minimum standard. Latvia meets slightly more than half of the elements of the Action 14 minimum standard, and India meets half of the elements. Colombia meets fewer than half of the elements of the Action 14 minimum standard. On the seventh batch, five of the seven assessed jurisdictions meet the majority or most of the elements of the Action 14 minimum standard. Russia meets half of the elements of the Action 14 minimum standard, and Saudi Arabia meets less than half of the elements.

For more information, see EY Global Tax Alert, OECD releases sixth batch of peer review reports on Action 14, dated 25 October 2019 and EY Global Tax Alert, OECD releases seventh batch of peer review reports on BEPS Action 14, dated 3 December 2019.

Also, during the second half of 2019, the OECD released the first batch of Stage 2 peer review reports relating to the outcome of the peer monitoring of the implementation by Belgium, Canada, Netherlands, Switzerland, UK and the US (the batch 1 jurisdictions) of the BEPS minimum standard on dispute resolution under Action 14. Stage 2 focuses on monitoring the follow-up of any recommendations that resulted from the batch 1 jurisdiction's Stage 1 peer review reports that were released on 26 September 2017. Where deficiencies were identified, the Stage 2 monitoring showed that the jurisdictions have worked to address them. The Stage 2 reports for the batch 1 jurisdictions conclude that the majority of these jurisdictions have addressed almost all or most of the identified deficiencies.

For more information, see EY Global Tax Alert, OECD releases first batch of Stage 2 peer review reports on dispute resolution, dated 14 August 2019.

Significant domestic reforms in International Taxation

During the second half of 2019, non-EU jurisdictions released significant domestic tax reforms including numerous tax law changes aimed at strengthening tax compliance and challenging perceived BEPS activities. The changes impose additional compliance obligations on multinationals and may impact certain intercompany transactions. The tax reforms will significantly change those jurisdictions' tax landscape for businesses with operations there.

Mexico

Mexico enacted the final economic package (the Reform) through publication in the Official Gazette of 9 December 2019. President Lopez Obrador signed the Reform on 6 December 2019.

Among others, the major tax reform changes include:

- Expansion of the PE concept in the Mexican Income Tax Law so it aligns with the recommendations of BEPS Action 7, and the provisions of Articles 12-15 of the MLI.
- Introduction of new anti-hybrid rules for entities or legal arrangements treated as fiscally transparent under foreign tax regulations. Absent a tax treaty, the new rules would treat foreign fiscally transparent entities and legal arrangements as separate taxpayers (legal entities) for Mexican income tax purposes.
- Amendment of the VAT Law to require digital service providers to collect VAT on the sale of certain goods and services in Mexico. It would also require income tax withholding on certain transactions with Mexican individuals.
- Expansion of the GAAR and the potential recharacterization of business transactions if the Mexican tax authorities determine that they lack business purpose.
- Introduction of new mandatory disclosure requirements for reportable transactions. The law lists 14 characteristics that would lead to a transaction being reportable if a Mexican resident or nonresident obtains a tax benefit in Mexico directly or indirectly. In general, the disclosure requirements will be effective 1 January 2021 and will apply to reportable transactions for which the tax benefit is obtained after 1 January 2020.

- Restriction of deductions of any payments, including those for the cost of goods sold, to related party residents in a low tax jurisdiction. In general terms, a jurisdiction is considered as low-tax when an entity is subject to an effective tax rate of less than 22.5%, inclusive of state and local taxes that are deemed to be income taxes. This provision applies to payments made directly to the related party or through a structured agreement.

- Limitation on businesses with more than MxP$20 million of net interest expense each year to a net interest deduction limitation equal to 30% of "adjusted taxable income," defined similarly to earnings before interest, taxes, depreciation and amortization (EBITDA). Businesses may carry forward any non-deductible interest expense for 10 years.

Most of the Reform will be effective 1 January 2020, with exceptions for the digital services rules and certain rules on fiscally transparent entities, which have their own effective dates.

For more information, see EY Global Tax Alert, Mexico enacts significant tax reform: Measures for businesses to consider, dated 10 December 2019.

Chile

On 22 August 2019, the Chilean House of Representatives approved a tax reform bill after one year of debate and political negotiation. The discussion at the Senate has been impacted by social demands and has involved several amendments to the bill initially approved by the House of Representatives. Discussion in the Senate is expected to finalize within January 2020.

Under the current version of the tax bill, some of the major measures that would be introduced are:

- Establishment of a 10% tax rate on digital services provided by nonresidents to Chilean individuals (independent of where servers may be located). The tax would apply to digital brokering services, digital content entertainment (either downloadable, streaming or other technology), advertising services (to be used abroad), use of and subscription to platform and technological services and storage services (cloud or software services).

- Definition of PE based on the criteria set forth by BEPS Action 7 (notwithstanding the definition set forth in current tax treaties).

For more information, see EY Global Tax Alert, Chilean House of Representatives approves tax reform bill, dated 13 September 2019.

EU BEPS-related developments

Over the past several years, the EU has adopted a number of the OECD's anti-BEPS measures on an EU-wide basis with a view to addressing multinational tax avoidance practices via hard law measures.

The past year has seen significant advances in the implementation by EU MS of the BEPS Actions, with the adoption of legally binding anti-tax avoidance measures targeting hybrid mismatches (Action 2), CFCs (Action 3) and interest deductions (Action 4), with added EU-specific rules on exit taxation and a GAAR. These measures have started to be implemented in 2019 and will be phased in through 2022 with the EU and OECD both discussing further options to fight perceived under taxation of digital business models (Action 1).

In addition, all 28 EU MS have signed the MLI and are in the process of transposing the new EU Mandatory Disclosure Directive leading to the reporting of cross-border reportable arrangements as of July 2020 (automatic exchange of information regarding reportable cross-border arrangements for tax intermediaries and tax payers) into national legislation by the end of 2020.

Due to the increased activity at the EU level, this separate sub-report specifically addresses the EU BEPS-related activity.

ATAD

The EU ATAD I & II form part of a larger anti-tax avoidance package adopted by the EU in response to the OECD's BEPS action plan.

Designed to tackle tax avoidance practices, ATAD I & II set forth minimum standards for EU MS, requiring them to change their corporate tax laws in certain areas namely; interest deductibility limitation, a GAAR, CFC rules, exit taxation and hybrid mismatches within specific timeframes.

MS may go beyond the minimum standards provided in the Directives, keep existing rules in targeted areas if they are deemed compliant with the ATAD provisions, or amend them to integrate the ATAD standards. For some measures, there are also derogations provided, which may or may not be used. Therefore, a wide range of implementation choices are available to MS and as the deadline for ATAD implementation approaches, all eyes are on MS and their chosen policies.

Country-specific developments

As of 1 January 2020, the majority of EU MS have now either amended their existing domestic rules or implemented new rules to meet the ATAD standard in respect of CFC rules. During the period under review, changes were proposed by Denmark and Germany to update their existing domestic CFC laws to bring their laws more in line with the ATAD I.

Bulgaria, Cyprus, Estonia, Finland, France, Ireland, Luxembourg, Netherlands, Poland and Slovenia have all either proposed and/or adopted rules to cover the implementation of the Council Directive (EU) 2017/952 amending EU Directive 2016/1164, regarding hybrid mismatches with third countries (ATAD II) during the latter half of 2019. The long-expected draft of the German anti-hybrid rules was also issued in December 2019. The French finance bill for 2020 published on December 29, 2019 literally transposes into French domestic law the anti-hybrid provisions provided by ATAD I and ATAD II.

Additionally, Bulgaria, Finland, Slovenia have introduced rules to adopt the Exit tax rules.

As of 1 January 2020, several countries still need to amend their existing domestic rules to meet the ATAD I & II standards in respect of their Exit Tax and hybrid mismatch rules.

Finally, activity on interest limitations was almost exclusively occurring among non-EU MS in the latter half of 2019, indicating that the majority of Europe has already previously implemented either BEPS Action 4 or this part of the ATAD I. Austria is expected to implement new rules on interest limitations prior to 2024 to align with the ATAD I (discussion with Commission ongoing). Ireland is also expected to implement new rules on interest limitations with effect from 1 January 2021.

In the annex of this sub-report there is a chart listing the EU MS, noting whether the state's domestic rules meet the ATAD requirements and whether the state has implemented the relevant rules. The chart illustrates some high-level information on the rules in each MS.

Mandatory Disclosure Rules (MDR)

The EU adopted Directive 2018/822 (the Directive) on the mandatory disclosure and exchange of cross-border tax arrangements on 25 May 2018.

The Directive, which is the sixth update of the Directive 2011/16/EU on Administrative Cooperation and therefore commonly referred to as DAC6, is aimed at improving transparency and addressing aggressive cross-border tax planning. It broadly reflects the objectives of Action 12 (Mandatory Disclosure Rules) of the BEPS project, as well as introducing automatic exchanges of the disclosures across the EU MS.

Under DAC6, there is an obligation for intermediaries and taxpayers with an EU nexus to disclose any cross-border arrangement that falls within one or more of the hallmarks. These hallmarks target a relatively wide range of cross-border structures and transactions, including certain deductible payments which are taxed at a rate of zero or nearly zero when received, and intercompany transactions which meet specific transfer pricing hallmarks, such as any transfer of hard-to-value intangibles. Under the Directive, there are no minimum threshold exceptions. However, some of the hallmarks will only trigger reporting requirements when they also fulfill the main benefit test.

Cross-border reportable arrangements, where the first step of implementation is taken during the transitional period between 25 June 2018 and 30 June 2020, are required to be reported by 31 August 2020. As of 1 July 2020, reporting will be required within 30 days of a triggering event, e.g., the cross-border arrangement being ready for implementation.

EU MS were required to adopt and publish domestic legislation implementing DAC6 by 31 December 2019. DAC6 sets out a minimum standard however each MS can take further measures; for example: (i) introduce reporting obligations for purely domestic arrangements; (ii) extend the scope of taxes covered; (iii) bring forward the start date for reporting. While many MS have broadly aligned their domestic rules to the Directive others like Poland and more recently Portugal have deviated.

See EY Global Tax Alert, EU publishes Directive on new mandatory transparency rules for intermediaries and taxpayers, dated 5 June 2018.

As of 1 January 2020, the status of the EU MDR local country implementation is as follows:

- In force: Poland (since 1 January 2019)
- Final legislation: 15 MS (Austria, Belgium, Croatia, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Lithuania, Malta, Netherlands, Slovakia, and Slovenia)
- Draft legislation: 11 MS (Bulgaria, Cyprus, Czech Republic, Italy, Latvia, Luxembourg, Portugal, Romania, Spain, Sweden, and the UK)
- No activity reported: Greece

Country-specific developments

During the period under review Austria, Belgium, Croatia, Denmark, Estonia, Finland, France, Germany, Ireland, Hungary, Lithuania, Malta, Netherlands and Slovakia all passed bills to implement MDR in their domestic laws which will require taxpayers and intermediaries to report cross-border reportable arrangements from 1 July 2020.

While the final country MDR legislation in the aforementioned MS is broadly aligned to the requirements of the Directive, most countries have yet to publish explanatory notes or official guidance on the application of these rules. Detailed regulations and guidance should be closely monitored in respect of all EU MS, to determine the extent to which national legislation will fully align with the requirements of the Directive and importantly to assess where national legislation deviates in the context of the scope of taxes covered, the content of the hallmarks, the procedures for disclosure and the penalty regime for failures to report.

In July 2019, the UK published its draft MDR regulations, which follow the EU requirements closely. These are included in the International Tax Enforcement (Disclosable Arrangements) Regulations 2020. Furthermore, the UK Government has published a note which provides further clarification on its draft regulations and details the impact.

The Dutch Government also published a Q&A document providing further clarification on its draft legislation to implement DAC6 in its domestic legislation.

You can access relevant information about the EU MDR, EY Global Tax Alerts and details relating to our MDR Web tool and tax advisory services via our Global MDR website.

EU black list and harmful regimes

On 5 December 2017, the Council of the EU (the Council) published a listing of "uncooperative jurisdictions for tax purposes" (EU black list), comprising 17 jurisdictions that were deemed to have failed to meet relevant criteria established by the European Commission. The listing criteria are focused on three main categories: tax transparency, fair taxation and implementation of anti-BEPS measures.

On 25 November 2019, the Council published a report from the Code of Conduct Group (COCG) (the report) that encompasses the work of the COCG during the second half of 2019 under the Finnish Presidency of the Council. Among other issues, the report includes a detailed state of play on the EU list of non-cooperative jurisdictions for tax purposes.

During the period under review, a number of changes were made to the EU list as territories were removed due to findings that they are now compliant with commitments on tax cooperation ahead of set deadlines. Currently there are 8 jurisdictions included in annex I (the so-called black list) of non-cooperative jurisdictions for tax purposes out of the 17 initially announced on 5 December 2017. These are American Samoa, Fiji, Guam, Oman, Samoa, Trinidad and Tobago, US Virgin Islands and Vanuatu.

There are 17 territories remaining on Annex II (referred to as the gray list) after the European Council endorsed that, Jordan having, on 29 October 2019, joined the Global Forum on transparency and exchange of information for tax purposes and the IF on BEPS, should be removed from sections 1.2 and 3.1 of Annex II.

The report also includes new guidance, namely on notional interest deductions regimes, treatment of partnerships under criterion 2.2 (existence of tax regimes that facilitate offshore structures which attract profits without real economic activity) for screening jurisdictions, and on defensive measures towards non-cooperative jurisdictions. In addition, the report includes a list of new preferential regimes that the COCG has identified for review. This includes foreign source income exemption regimes that will be reviewed in 2020, based on the guidance issued in October 2019.

Even though the COCG started outside of the EU legal infrastructure as a political peer pressure group among the MS, and had no legally binding consequences, it continues to play an increasingly important role, and is widely accepted and supported by the European Commission. The reports, findings, guidance, recommendations and standard-setting work of the group should therefore be closely monitored by businesses with operations in any of the jurisdictions remaining on the so-called black lists now and in the future.

For more information, see EY Global Tax Alert, EU Code of Conduct Group issues update report, including new guidance, dated 12 December 2019.

CbCR status in the EU

The European Commission proposed in 2016 to amend the Accounting Directive (Directive 2013/34/EU). The proposal built upon BEPS Action 13, however, it went a step further, requiring large MNEs and stand-alone undertakings operating in the EU to draw up and publicly (on the website of the MNE or undertaking) to disclose income tax information, including a breakdown of profits, revenues, taxes and employees.

At the EU Competitiveness Council (COMPET) meeting on 28 November 2019, ministers representing the 28 current EU MS failed to reach agreement, in a majority vote, on whether tax and financial information contained within CbC reports should be made available to the public. Of the MS, 14 (Belgium, Bulgaria, Denmark, Finland, France, Greece, Italy, Lithuania, Netherlands, Poland, Portugal, Romania, Slovakia, and Spain) voted in favor of the proposal, while 12 (Austria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Ireland, Latvia, Luxembourg, Malta, Slovenia, and Sweden) voted against. Germany abstained, while the UK failed to vote. As a result of the vote, amendments to the Directive will not be passed into law. It may, however, be revised and put forward to COMPET for approval a second time.

For more information, see EY Global Tax Alert, EU: Public CbCR fails to move forward in latest European vote, dated 4 December 2019.

Annex

ATAD implementation overview as of 15 January 2020

Anti-Tax Avoidance Directive
Implementation overview

- ✓ (green) Already implemented/ embedded in domestic law, i.e. domestic rule is fully aligned with ATAD standard and no further action/ amendments are expected
- ✓ (red) Already embedded in domestic law but not fully aligned with ATAD standard, i.e. existing rule should be amended (even if slightly). When the tick mark is in circle, it means that there is a published draft law
- ✗ Not implemented and/or no existing domestic rule
- ◯ Draft law published
- ? Unclear/ no information

Disclaimer

This material has been prepared for general information and discussion purposes only and is not intended, and should not be relied upon, as accounting, tax or other professional advice. The information contained hereafter is based on tax legislation, its rules and regulations and thus it may be modified or changed at any time by a country's administrative, judicial or legislative authorities, which may have a significant effect on the conclusions contained hereunder. This material includes only high-level information, so please refer to a country advisor for specific and detailed advice.

Exit tax (2020)

Country	Implementation Status	Effective date	Deferral of payment	Interest/ Guarantee	Exception for temporary transfers
Austria	✓ (green)	01-Jan-2019	Yes	No	No
Belgium	✓ (green)	01-Jan-2019	Yes	Yes	No
Bulgaria	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Croatia	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Cyprus	✗ (circled)	01-Jan-2020	Yes	Yes	Yes
Czech Republic	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Denmark	✓ (green)	01-Jan-2020	Yes	Yes	No
Estonia	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Finland	✓ (green)	01-Jan-2020	Yes	Yes	No
France	✓ (green)	01-Jan-2020	Yes	No	No
Germany	✓ (red, circled)	01-Jan-2019	Yes	No	No
Greece	✗	n/a	n/a	n/a	n/a
Hungary	✓ (green)	01-Jan-2020	Yes	No	Yes
Ireland	✓ (green)	10-Oct-2018	Yes	Yes	Yes
Italy	✓ (green)	01-Jan-2019	No	No	No
Latvia	✓ (red, circled)	n/a	n/a	n/a	n/a
Lithuania	✓ (green)	01-Jan-2020	Yes	No	Yes
Luxembourg	✓ (green)	01-Jan-2020	Yes	No	Yes
Malta	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Netherlands	✓ (green)	01-Jan-2019	Yes	Yes	No
Poland	✓ (green)	01-Jan-2019	Yes	Yes	Yes
Portugal	✓ (green)	4-May-2019	Yes	Yes	No
Romania	✓ (green)	01-Jan-2018	Yes	Yes	Yes
Slovakia	✓ (green)	01-Jan-2018	Yes	Yes	Yes
Slovenia	✓ (green)	01-Jan-2020	Yes	Yes	Yes
Spain	✓ (red)	n/a	Yes	Yes	No
Sweden	✓ (green)	01-Jan-2020	Yes	Yes	No
United Kingdom	✓ (green)	01-Jan-2020	Yes	Yes	No

Hybrid rules (2020)

Country	Implementation Status	Effective date	Date of extension to third countries	Hybrid entity mismatches	Hybrid financial instruments mismatches	Hybrid PE mismatches	Imported mismatches	Dual resident mismatches	Hybrid transfers	Reverse hybrid mismatches (2022)
Austria	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Belgium	✓ (green)	01-Jan-2019	01-Jan-2019	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2019
Bulgaria	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Croatia	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Cyprus	✗ (circled)	01-Jan-2020	n/a	Yes	Yes	Yes	Yes	Yes	Yes	✗ (circled)
Czech Republic	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	No	No	✗
Denmark	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2020
Estonia	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Finland	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
France	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Germany	✗ (circled)	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	✗ (circled)
Greece	✗	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✗
Hungary	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Ireland	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Italy	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Latvia	✓ (red, circled)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✗ (circled)
Lithuania	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Luxembourg	✓ (green)	01-Jan-2019	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Malta	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✓ (green)
Netherlands	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2022
Poland	✓ (red, circled)	01-Jan-2021	01-Jan-2021	Yes	Yes	Yes	Yes	Yes	Yes	✗
Portugal	✗	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✗
Romania	✓ (red, circled)	n/a	n/a	Yes	Yes	Yes	Yes	Yes	Yes	✗ (circled)
Slovakia	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗
Slovenia	✓ (green)	01-Jan-2020	n/a	Yes	Yes	Yes	Yes	Yes	Yes	✗
Spain	✓ (red)	n/a	n/a	No	No	No	No	No	No	✗
Sweden	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	01-Jan-2021
United Kingdom	✓ (green)	01-Jan-2020	01-Jan-2020	Yes	Yes	Yes	Yes	Yes	Yes	✗

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