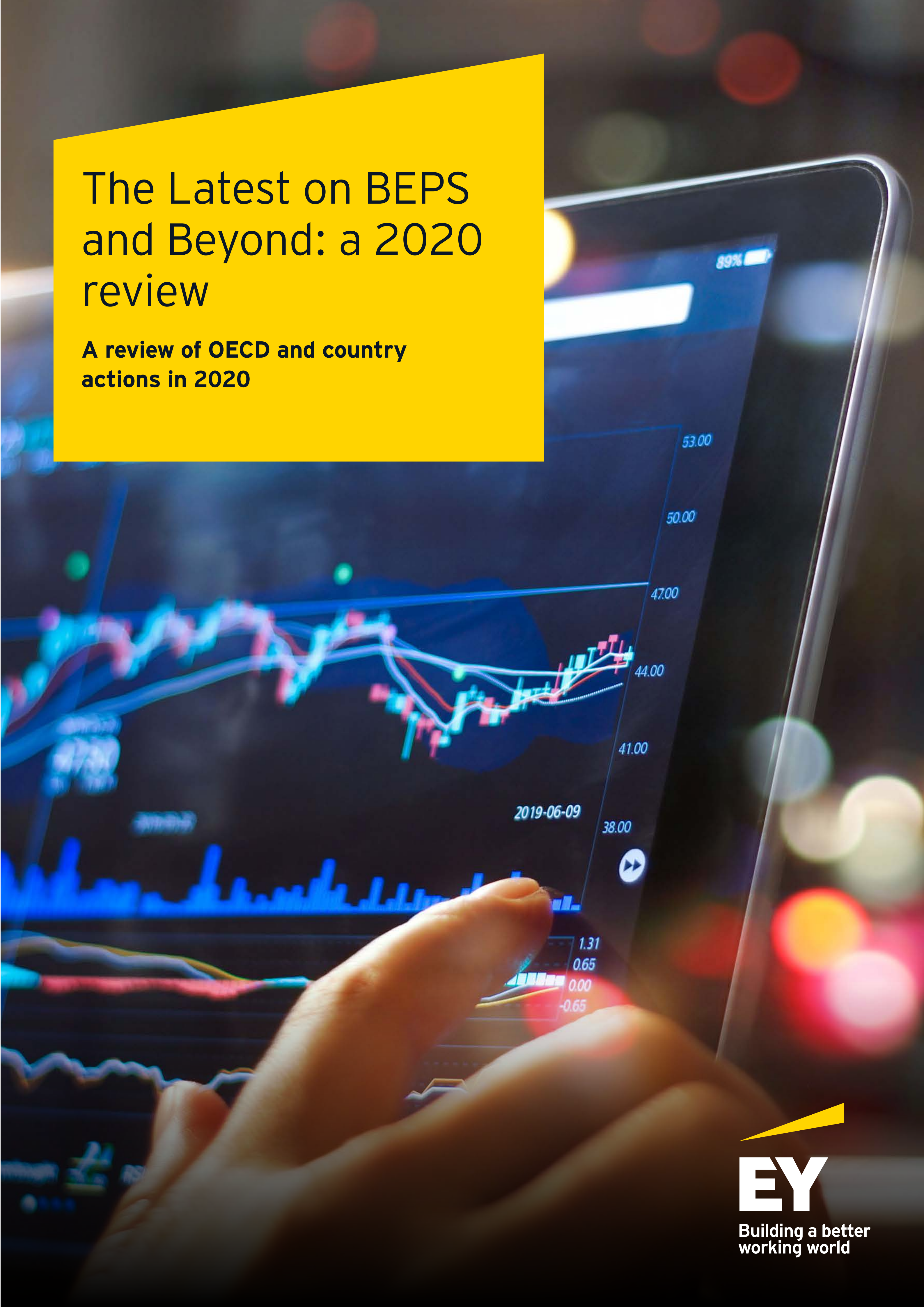
The Latest on BEPS and Beyond: a 2020 review

A review of OECD and country actions in 2020



EY

Building a better working world

Our EY team has been reporting on the Base erosion and profit shifting (BEPS) project from its outset. Since 2014, we have tracked BEPS-related developments at the global and country level. A summary of each of these BEPS-related developments has been included in our newsletter "The Latest on BEPS and Beyond" and a (bi)-annual special edition that highlights and recapitulates the months in review. This latest edition of "BEPS in review" covers the period 1 January 2020 to 31 December 2020.

Overview of 2020: the transition year

Over the past years, the international tax environment has remained in flux and has become increasingly complex. Businesses and other taxpayers have been confronted with new layers of compliance, transparency, complex rules and other regulations.

Implementation of the 2015 BEPS Package

The G20 and the Organization for Economic Co-operation and Development (OECD) finalized work on the BEPS project and published the BEPS package on 5 October 2015. The 15 BEPS actions sought to equip governments with domestic and international instruments to address tax avoidance, ensuring that profits are taxed, where economic activities generating the profits are performed and value is created. The adoption of the BEPS package reports marked the end of the first phase of the BEPS project, launching the implementation phase with the aim to take stock in 2020.

Taking the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (Multilateral Instrument or MLI) as an example, it is clear that the implementation of the BEPS project is still not finalized. Designed to swiftly implement the tax-treaty-related measures developed through the BEPS Project in existing bilateral treaties, the MLI played a significant role in implementing the BEPS package. While in 2020, the number of jurisdictions depositing its instrument of ratification of MLI with the OECD reached a total of 60 deposits. Many jurisdictions have yet to ratify the MLI. While the MLI already covers approximately over 600 treaties, for 1200 remaining treaties, it is yet unclear when the projected treaty modification will take off as the MLI will first need to be ratified by other signatories.

Part of the delay in implementing the BEPS package is also tied to the fact that many jurisdictions have joined the BEPS project late and will need more time to implement the BEPS package. After all, it was only in 2016 that the OECD and G20 established the OECD/G20 Inclusive Framework on BEPS. Since 2016, its membership grew to its current footprint comprising 137 jurisdictions. This will mean that the implementation of the BEPS package will take more time, and businesses should anticipate legislative changes in the years to come.

Ongoing negotiations on new international tax standards: digital and minimum tax

It has also become clear that the 2015 BEPS package was merely an intermediate step towards a broader revision of the international tax framework. The final report on BEPS action 1 described the challenges posed by the digitalization of the economy, but no specific recommendations were made in October 2015. In 2019, the OECD/G20 Inclusive Framework agreed that further work was required since an increasing number of countries were taking unilateral actions beyond the agreed anti-BEPS measures. These actions targeted businesses undertaking relevant activities in their countries, such as interaction with consumers and users, without having a physical and thus taxable presence in their countries. Hence, the top priority for the OECD/G20 Inclusive Framework for 2020 was the work on this new project targeted at addressing the challenges arising from the digitalization of the economy (the digital tax project or BEPS 2.0). Initially, the aim was to reach a political agreement by mid-2020. Due to the COVID-19 pandemic, this deadline was moved to October 2020. However, the Inclusive Framework announced in October 2020 that it had not been able to reach a consensus agreement and would not be able to do so in 2020. It was indicated that relevant political and technical issues still needed to be resolved. The members of the Inclusive Framework communicated their commitment to keep working to address the remaining issues to bring the process to a successful conclusion by mid-2021. Looking back, 2020 has essentially become a transition year in which the BEPS project moved from its implementation phase to a new mode of developing international tax standards that may or may not be adopted in the new year.

A glimpse at 2021

Many of these developments indicate that 2021 will be a crucial year in the design history of the international tax system.

If on BEPS 2.0., the political and technical problems cannot be resolved and no global agreement is reached, a transition will also take place from global to regional negotiations. The European Union (EU) has already announced it will come with its own proposals for digital and minimum taxation in case a global agreement cannot be reached. The EU may put forward a communication, including directions for proposals as early as the first quarter of 2021. Also, countries in other regions have already announced they will be introducing their own measures if no global agreement is reached.

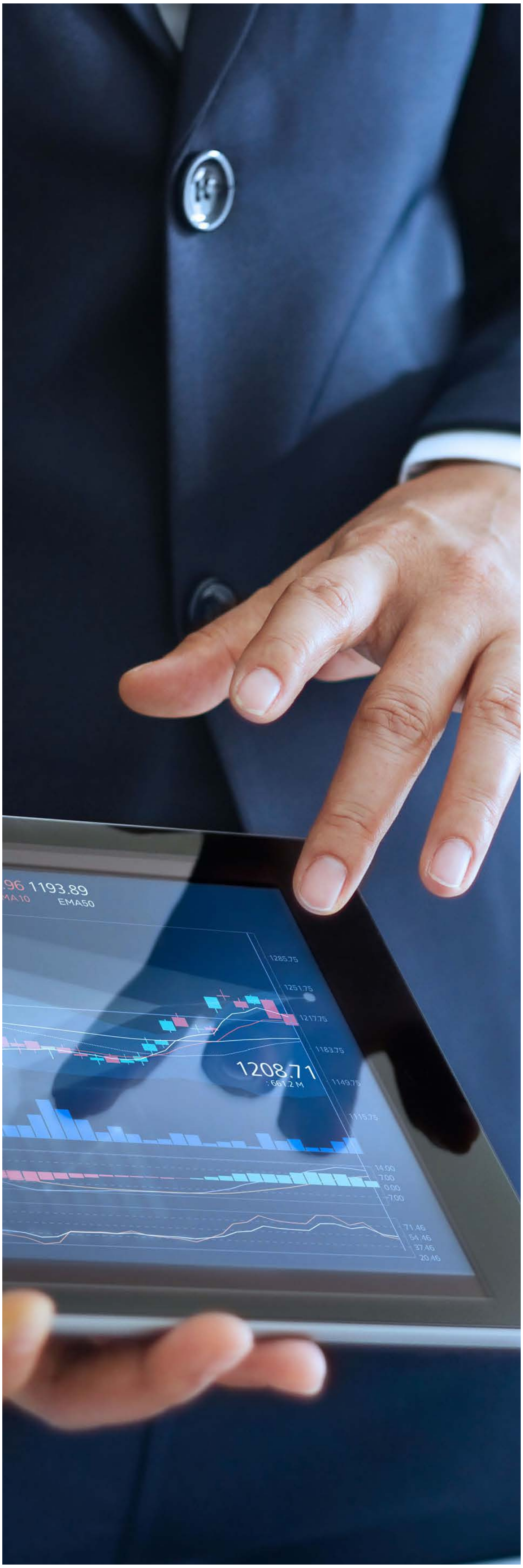
Moreover, tax transparency is expected to continue to grow both by introducing additional rules and enhanced possibilities by tax administrations to use the data provided.

Finally, 2020 has also marked the beginning of a partial shift of the political attention from corporate taxes to environmental tax policies. Against this background, the drive for addressing climate change will be a key focus area in 2021 as taxes and incentives will play a key role in designing the environment making the necessary transition to a climate-neutral world. The EU has already announced several ambitious legislative proposals to be presented in 2021, such as a Carbon Border

Adjustment Mechanism. Also, the incoming US administration may put forward proposals in this area. This means that the international tax landscape is due for further change, and businesses are encouraged to closely anticipate and monitor these game-changing developments.

The 2020 review

The report is divided into topics and is structured in the following way. Each topic is split into three parts. The first part provides some background information on the topic. The second discusses the OECD developments during the period under review and the guidance and work of the OECD around the implementation of the relevant measures. The third part includes a selection of specific country developments during 2020 with respect to each topic. This section of the report highlights that the countries are 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 tax-related activity with the same structure.



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1 Digital taxation: negotiations advanced during 2020 but agreement postponed to mid-2021

Tax challenges arising from the digitalization of the economy have been a priority of the BEPS project and the Inclusive Framework since 2015 under BEPS Action 1. At the request of the G20, the Inclusive Framework continued to work on the issue, with the aim to reach a global consensus on concrete proposals within two complementary pillars – pillar one addressing the broader challenges of the digitalization of the economy and focusing on the allocation of taxing rights, and pillar two addressing remaining BEPS concerns by introducing a global minimum tax rule.

1.1 Developments during 2020

Several developments have occurred in relation to this project in 2020. Firstly, in January 2020, the OECD released a statement by the Inclusive Framework on the two-pillar approach, affirming their commitment to reach an agreement on new international tax rules by the end of 2020. To reach this objective, the statement indicated that the Inclusive Framework intended to reach an agreement by early July 2020 on the key policy features of the solution that would form the basis for a political agreement. The statement also included an outline of the architecture and a revised work plan for pillar one and a progress update on pillar two.

Later, in July 2020, the OECD released the OECD's Secretary-General report to G20 finance ministers and Central Bank governors, where it stated that the work on pillar one pillar oneand pillar two pillar twohad progressed and that blueprint reports would be developed for consideration by the Inclusive Framework in October 2020.

More recently, on 12 October 2020, the OECD and the OECD/G20 Inclusive Framework on BEPS released a series of documents in connection with the BEPS 2.0 project, including detailed reports on the blueprint on pillar one and pillar twopillar onepillar two. The documents included an invitation to provide public comments on the blueprints by mid-December 2020. A public consultation meeting will be held on 14 and 15 January 2021. The blueprints do not reflect agreement by the member jurisdictions of the Inclusive Framework because there are political and technical issues that still need to be resolved. However, the Inclusive Framework considers the blueprints as a solid basis for future agreement. The member jurisdictions have agreed to keep working to swiftly address the remaining issues with a view to bringing the process to a successful conclusion by mid-2021.

Pillar one

The blueprint on pillar one, released on 12 October 2020, contains three elements:

A. New taxing rights for market jurisdictions over a share of the (deemed) residual profits of a multinational enterprises group (MNE) or segment of such a group (amount A)

B. A fixed return for certain baseline marketing and distribution activities taking place physically in a market jurisdiction (amount B)

C. Processes to improve tax certainty through effective dispute prevention and resolution mechanisms

The proposals under pillar one represent a substantial change to the tax architecture and go well beyond digital businesses or digital business models. These proposals could lead to significant changes to the overall international tax rules under which businesses operate, in particular where the rules result in a reallocation of profits across jurisdictions. It is important for businesses to follow these developments closely in the coming months and consider engaging with the OECD and policymakers at both national and multilateral levels on the business implications of these proposals. Businesses also should evaluate the potential impact of these proposed changes on their business models and future investments.

For a detailed overview of the pillar one blueprint, see EY global tax alert, OECD releases BEPS 2.0 pillar one blueprint and invites public comments, dated 19 October 2020.

Pillar two

On 12 October 2020, the OECD and the OECD/G20 Inclusive Framework on BEPS released a detailed report on the blueprint on pillar two. The blueprint provides technical details on the design of the pillar two system of global minimum tax rules, which includes an income inclusion rule(IIR) and undertaxed payments rule(UTPR), referred to collectively as the global anti-base erosion (GloBE) rules, and a subject to tax rule(STTR) to be implemented.

The operation of the IIR is, in some respects, based on traditional controlled foreign company

(CFC) rule principles and triggers an inclusion at the level of the shareholder where the income of a controlled foreign entity is taxed at below the effective minimum tax rate. The UTPR serves as a backstop to the IIR by providing a mechanism to collect any remaining top-up tax in relation to foreign profits that are not in the scope of an applicable IIR. The blueprint proposes complex and unprecedented rules for approximating the effective tax rate of an MNE on a jurisdictional basis. The subject to tax rule (STTR) complements the GloBE rules. It acknowledges that denying treaty benefits for certain deductible intra-group payments made to jurisdictions where those payments are subject to no or low rates of nominal taxation may help source countries to protect their tax base, notably for countries with lower administrative capacities.

In contrast to pillar one, the blueprint suggests that consensus on pillar two will not require a commitment by each country to implement the pillar two rules fully, but it will be agreed as a collection of best practice recommendations from which interested jurisdictions can choose.

The EY submission on the public consultation emphasizes the importance of ensuring a reasonable balance between the burdens of the new rules for taxpayers and tax administrations and the benefits associated with the reallocation of taxing rights and the introduction of a minimum tax that would result from the new rules. It is also essential that there be coordination of the rules being developed under the two pillars so that the new rules do not combine to result in inappropriate taxation and that there is a clear agreement both to roll back any existing unilateral measures and not to adopt any such measures in the future.

1.2 Country-specific developments

While the negotiation at the global level to develop a consensus-based solution to address the tax challenges arising from the digitalization of the economy continues, several jurisdictions have taken unilateral measures.

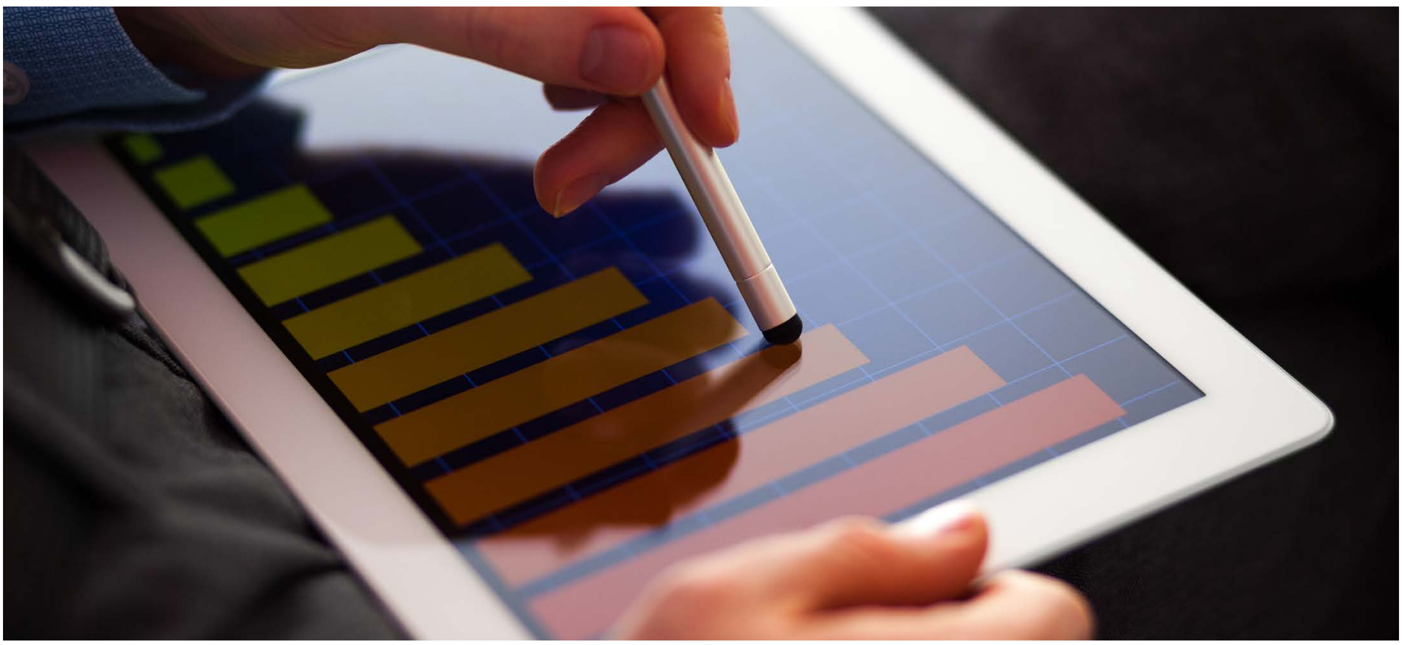
A number of jurisdictions adopted a digital services tax (DST) during 2020. In October 2020, Spain published the law (Ley 4/2020) on DST in the Spanish Official Gazette. Its main features are similar to the DST initially proposed by the European Commission in March 2018, with a rate of 3% imposed on gross income derived from certain digital services. The Spanish DST applies only to companies with worldwide revenue of at least €750 million per year and with a total amount of taxable revenue obtained in Spain exceeding €3 million per year. The Spanish DST will be effective as of 16 January 2021.

The UK also introduced a DST at a rate of 2% on revenue generated by certain digital services with UK users, which is effective from 1 April 2020. The DST applies to companies with a consolidated revenue higher than £500 million in global digital services revenues and more than £25 million in UK digital services revenues.

In other regions, Kenya and Turkey are also examples of countries that introduced DSTs in 2020, with a rate ranging from 1.5% in Kenya to 7.5% in Turkey. Companies with in-scope revenue (legislation is more expanded than proposed in other countries, it is designed at indirect tax) from Turkey exceeding TL 20 million and with worldwide in-scope revenue of more than € 750 million or the TL equivalent in foreign currency are subject to DST. Other jurisdictions published draft laws for the introduction of a DST during the year under review. For example, the Czech Republic has recently confirmed it will proceed with its plan to introduce a DST. The Czech DST is expected to apply temporarily until an international approach is implemented. The draft law has not been finally approved so far and is not expected to enter into force earlier than 1 July 2021. The proposed tax rate is 7% (maybe finally reduced to 5%) and the proposed activities that would be subject to the DST (subject to additional conditions) are: i) Targeted ad campaign services; ii) Use of a multilateral digital interface, and iii) Supply of user data.

Additionally, several jurisdictions such as Belgium, Canada, New Zealand and Norway have announced plans to impose a DST if an international agreement on the digitalization of the economy cannot be reached.

France had suspended the collection of its DST for 2020 that was enacted in July 2019 until the end of 2020 under the condition that a global agreement would be reached by then. Considering the new G20 timeline, French tax authorities collected the 2020 country's DST during the last month of 2020.



2 Increased multilateral instrument (MLI) activity in 2020: the impact on tax treaties

In November 2016, the MLI was adopted by approximately 100 jurisdictions, including OECD member countries, G20 countries, and other developed and developing countries. The purpose of the MLI is to implement all treaty-related measures part of the BEPS plan by providing flexibility to jurisdictions for implementing (parts of) the MLI based on their needs. Where an MLI provision reflects an agreed minimum standard, a jurisdiction must meet the minimum standard when signing the MLI.

The broad adoption of the MLI is particularly relevant for the implementation of BEPS action 6 minimum standard against treaty abuse, as a principal purpose test(PPT) will apply to all treaties covered by the MLI and introducing this rule to the over 1700 treaties already covered by the signatories of the MLI. Once introduced to a tax treaty, the PPT establishes that a tax authority may deny the benefits of a tax treaty where it is reasonable to conclude, having considered all the relevant facts and circumstances, that one of the principal purposes of an arrangement or transaction was for a benefit under a tax treaty to be obtained. As the PPT is a subjective test based on an assessment of the intentions behind a transaction or arrangement, it may lead to uncertainty and increased controversy.

2.1 Developments during 2020

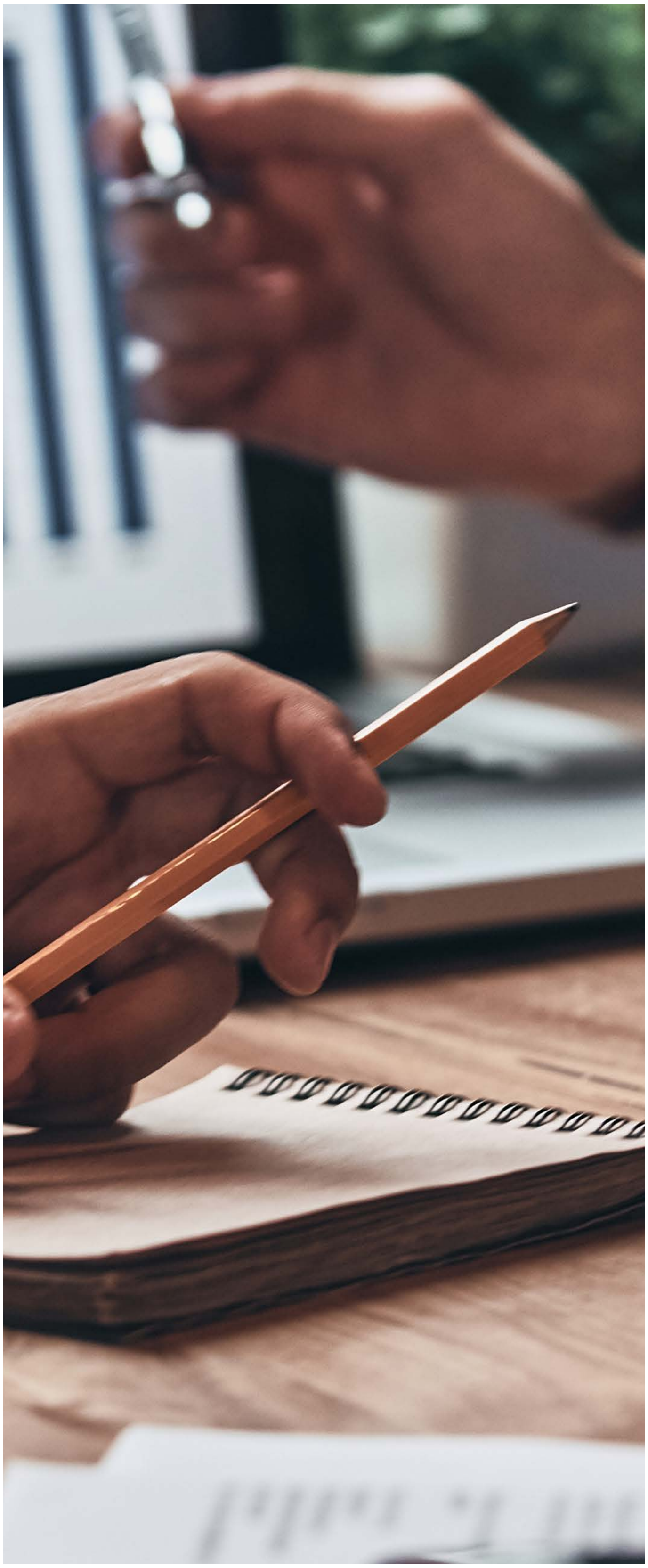
As of 31 December 2020, 95 jurisdictions have signed the MLI. At the time of signature, signatories submitted a list of their tax treaties in force that they designate as covered tax agreements (CTAs), i.e., to be amended through the MLI. Together with the list of CTAs, signatories also submitted a preliminary 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 31 December 2020, 60 jurisdictions have deposited their instrument of ratification with the OECD.

Generally, the MLI will enter into force for 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 of 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.

2.2 Country-specific developments

Bahrain and North Macedonia signed the MLI during 2020, bringing the total number of signatories to 95 by the end of 2020.

The map below shows the jurisdictions that deposited the MLI in 2020, as well as for which jurisdictions the MLI entered into force during 2020.



The map below shows the jurisdictions that deposited the MLI in 2020, as well as for which jurisdictions the MLI entered into force during 2020.

Date of deposit | **Entry into force**

Other jurisdictions have taken action domestically for the ratification process of the MLI, e.g., Cameroon, Croatia, Malaysia, and Turkey.

3 Country-by-Country reporting under review in 2020: discussions on possible changes that affect businesses

On 5 October 2015, the final report on action 13, transfer pricing documentation and country-by-country reporting," was published. 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 Country-by-Country (CbC) report. To give greater certainty to tax administrations and MNE groups on the implementation and operation of CbC reporting (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 the information contained in CbC reports.

3.1 Developments during 2020

In 2020, the OECD announced additional exchange relationships that have been activated under the CbC multilateral competent authority agreement (CbC MCAA). Also, new signatories were added to the list of signatories of the CbC MCAA, for example, Gibraltar and Oman, with a total number of 88 jurisdictions.

As of 31 December 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 2,500 automatic exchange relationships established among jurisdictions committed to exchanging CbC reports. This also includes 49 bilateral agreements with the US. The list of automatic exchange relationships that have been activated is available on the OECD website.

The increased number of exchange relationships in place is a positive development. It reduces the risk for constituent entities of an MNE group to be required to locally file the CbC report in the jurisdiction where they are residents.

In early 2020, the OECD released a public consultation document on the review of CbC reporting. The consultation document is based on the mandate set out in the 2015 BEPS action 13 final report for a 2020 review of CbC reporting. The consultation document contains topics concerning the implementation and operation of BEPS action 13, the scope of CbC reporting, the content of a CbC report, and other aspects of BEPS action 13 (the master file and local file). After the OECD received input to the consultation document from interested parties, it held a videoconference meeting on 12 and 13 May 2020. In response to comments made by business speakers over the two days, the OECD secretariat provided assurances that if any changes to the existing CbC report standard are to be made, sufficient time will be provided for businesses and tax administrations to make preparations for the revised requirements. The secretariat also noted that the work on CbC reporting would be aligned with the ongoing work on the digitalization of the economy.

Even though the public consultation period is over, it is important for companies to follow developments with respect to potential changes to CbC reporting closely as they may unfold in 2021 and consider engaging with policymakers. In this regard, it should be noted that one of the changes under discussion is the proposal to lower the reporting threshold for CbC reporting. This threshold is being discussed in the digitalization of the economy project as a possible threshold for the application of new rules under both pillar one and pillar two of that project. Therefore, any change to the reporting threshold that results from the 2020 CbC reporting review could have significant implications for businesses that extend well beyond CbC reporting.

For more details, see our EY global tax alert, OECD releases consultation document on the review of country-by-country reporting, dated 15 February 2020 and EY global tax alert, OECD holds public consultation on the 2020 review of country-by-country reporting, dated 15 May 2020.

Also, on 8 July 2020, the OECD released

the second edition of the annual corporate tax statistics publication together with an updated database. For the first time, the database included anonymized and aggregated CbCR statistics, reflecting information for 2016 provided by 26 member jurisdictions of the Inclusive Framework on BEPS and covering about 4,000 MNE groups that operate across more than 100 jurisdictions worldwide.

The first release of aggregated CbC report data provides governments and other stakeholders a new source of information for analyzing MNE activities. However, the data contain some significant limitations that need to be taken into account in assessing the information. Businesses are advised to review the report and the database and consider the implications of the OECD's interpretations of this new CbC report data included therein.

For more details, see our EY tax alert, OECD releases new corporate tax statistics including anonymized and aggregated country-by-country report statistics, dated 15 July 2020.

3.2 Country-specific developments

During the period under review, countries and jurisdictions have continued to amend their domestic legislation and publish guidance to introduce and further enhance CbCR compliance. EY has kept you updated during 2020 through tax alerts prepared by our country experts and our monthly newsletter 'the Latest on BEPS and Beyond'', for example, on:

- Israel: draft bill introducing changes to the current TP reporting and obligation requirements (EY tax alert)
- Oman: introduction of CbCR requirements as of 1 January 2020 (EY newsletter)
- Turkey: introduction of CbCR, master file ad local file requirements as of 1 January 2019 (EY tax alert).

4 Peer reviews: monitoring of the implementation of BEPS minimum standards

The Inclusive Framework on BEPS has 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 Inclusive Framework 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.

4.1 Action 5: changes to regimes and increased ruling exchange

On 23 November 2020, the OECD released an update on the results of the peer reviews of jurisdictions' domestic laws under BEPS action 5. The updated results cover 49 regimes, bringing the number of regimes that have been reviewed, or are under review, to 295. The reviews were undertaken by the Forum on Harmful Tax Practices (FHTP). Of the 49 reviewed regimes, 37 have been redesigned or abolished and another seven are currently in the process of being amended. For the remaining five regimes, the FHTP has concluded that they do not currently pose BEPS risks.

Additionally, the OECD released updated conclusions on the review of the substantial activities factor for no or only nominal tax jurisdictions in connection with the domestic laws of the 12 jurisdictions that have been identified by the FHTP as being a no or only nominal tax jurisdiction. Based on the latest FHTP's review, all no or only nominal tax jurisdictions reviewed by the FHTP have now been assessed as having legislation in force that meets the substantial activities factor.

The release of the updated results provides information to taxpayers on the status of preferential regimes in jurisdictions in which they may operate. The FHTP will continue its work, including the monitoring and review of preferential tax regimes that are being amended to conform to the action 5 minimum standard. Taxpayers should pay attention to possible legislative changes as a result of the reviews by the FHTP. In addition, there is also a significant overlap with the review processes of the EU code of conduct and the EU blacklisting processes attached to this. Businesses operating in or engaged in transactions with residents in jurisdictions under review may want to pay particular attention to these developments as a negative review may result in the application of defensive measures as is set out in the EU section below.

For more details, see EY global tax alert, OECD releases 2020 update on peer review of preferential tax regimes and no or only nominal tax jurisdictions, dated 1 December 2020.

On 15 December 2020, the OECD released the fourth annual peer review report relating to the compliance by members of the Inclusive Framework on BEPS with the minimum standard on action 5 for the compulsory spontaneous exchange of certain tax rulings (the transparency framework). The report covers 124 jurisdictions and assesses the 2019 calendar-year period. It contains recommendations for 43 jurisdictions to improve their legal or operational framework to identify and exchange the tax rulings. Further, the report indicates that by 31 December 2019, almost 20,000 tax rulings in the scope of the transparency framework had been issued by the jurisdictions under review, and around 36,000 exchanges of information had taken place.

This fourth peer review report is the final report for the peer review process of the transparency framework on action 5, as agreed in the current review methodology. The Inclusive Framework is now working to ensure that the progress made on ensuring transparency in relation to the issuance of tax rulings is maintained towards the future, both through a review of the overall effectiveness of action 5 and the development of a renewed peer review process for the years 2021–2025.

The report reinforces the current transparency environment, where exchanging information is the new standard automatically. This, coupled with an ever-increasing amount of other information being exchanged (information on tax rulings, financial account information and CbC reports), reinforces the importance of businesses ensuring that information filed is submitted in such a way that it cannot be read out of context so as to reduce any possible confusion. Also, as the amount of tax information exchanged has increased again in 2020, businesses could anticipate increased audit activity by tax administrations with whom the information has been exchanged.

For more details, see EY global tax alert, OECD releases fourth peer review report on BEPS action 5 on the exchange of information of tax rulings, dated 18 December 2020.

4.2 Action 6: implementation of principal purpose test (PPT) taking off

On 24 March 2020, the OECD released the second peer review report for BEPS action 6 (prevention of treaty abuse). The report included covers 129 jurisdictions and information available with the cut-off date as of 30 June 2019.

Overall, the report concluded that the majority of the Inclusive Framework members have been complying with the commitment to prevent treaty shopping by modifying their treaty networks. To be in compliance with the minimum standard on treaty shopping, jurisdictions are required to include in their tax treaties:

I. An express statement that the common intention of the parties to the treaty is to eliminate double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance, including through treaty shopping arrangements

II. An anti-abuse provision in one of the following three forms:

   i. A PPT together with either a simplified or a detailed version of the limitation on benefits (LOB) rule

   ii. The PPT alone

   iii. A detailed version of the LOB rule together with a mechanism that would deal with conduit arrangements not already dealt with in tax treaties.

Jurisdictions can meet the minimum standard either by renegotiating their bilateral tax treaties and protocols or through the MLI. There is no deadline by which the minimum standard needs to be implemented (i.e., no date by which existing treaties need to be modified to comply with the standard).

According to the peer review report, as of 30 June 2019, 86 bilateral agreements between members of the Inclusive Framework complied with the minimum standard. In each of the 86 agreements between Inclusive

Framework members that already comply with the minimum standard, the minimum standard has been implemented through the inclusion of the preamble statement and the PPT. Of these 86 agreements, 17 agreements supplement the PPT with a simplified LOB provision.

As of the cut-off date, about 1,330 of the 2,145 bilateral agreements between Inclusive Framework members were set to become covered tax agreements under the MLI and were thereby set to become compliant with the minimum standard on BEPS action 6. As things stand, the MLI will modify around 65% of all agreements between Inclusive Framework members. The report indicated that six additional jurisdictions had expressed interest in signing the MLI and, if they do so and list all their agreements, that figure could be as high as 85%. By 30 June 2019, the MLI had already modified around 60 bilateral agreements. As set out in the section on the MLI above, this number has increased significantly since then.

As the introduction of treat abuse provisions in tax treaties is increasing, businesses may want to review their structures and should continue to monitor tax treaty developments with respect to BEPS action 6 and the MLI.

For more details, see EY global tax alert, OECD releases second annual peer review report on BEPS action 6 relating to prevention of treaty abuse, dated 27 March 2020.

4.3 Action 13: many jurisdictions not yet fully compliant

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

iii. The confidentiality and appropriate use of CbC reports

On 24 September 2020, the OECD released the third phase of peer reviews on BEPS action 13. The report includes 131 jurisdictions and reflects the status of implementation as of 31 March 2020, with the exception of the information on the exchange of country-by-country (CbC) reports, which reflects the status as of 31 December 2019.

According to the report, over 90 jurisdictions have already introduced legislation to impose a filing obligation for CbCR on 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 action 13. However, 41 jurisdictions have received a general recommendation to either put in place or finalize their domestic legal or administrative framework.

The peer review report highlights the significant progress made with respect to the implementation of CbCR requirements around the world and the increased sharing of tax and financial data among tax authorities as a result. Therefore, taxpayers should expect that information provided to one tax authority through the filing of a CbC report will be shared with other relevant jurisdictions.

For more details, see EY global tax alert, OECD releases outcomes of third phase of peer reviews on BEPS Action 13, dated 29 September 2020.

Also, on 29 October 2020, the OECD released an updated version of the peer review documents on the BEPS action 13 minimum standard on CbCR, including a revised methodology. The updated peer review documents include the agreed terms of reference containing the evaluation criteria for the minimum standard and the assessment methodology for the peer review process. With respect to the terms of reference, there has been no change to the ones agreed by the Inclusive Framework on BEPS in 2017. In contrast, the peer review documents contain a revised methodology that replaces the one agreed by the Inclusive Framework on BEPS in 2017, which expired with the completion of the third annual peer review in September 2020.

For more details, see EY global tax alert, OECD releases new methodology for peer reviews of BEPS action 13 on country-by-country reporting, dated 30 October 2020.

4.4 Action 14: review continued and consultations launched

The action 14 peer review has been divided into two stages. Stage 1 reviews the implementation of action 14 by the Inclusive Framework members based on its legal framework for Mutual Agreement Procedures (MAP) and how it applies the framework in practice. Stage 2 reviews how the Inclusive Framework members addressed any shortcomings identified in stage 1 of its peer review. The OECD released an assessment schedule covering the peer review process on action 14, where it separated the assessed jurisdictions into 10 batches for review.

During the year under review, the OECD released the eighth batch of stage 1 peer reviews covering Brunei Darussalam, Curaçao, Guernsey, Isle of Man, Jersey, Monaco, San Marino and Serbia and the ninth batch of stage 1 peer reviews covering Andorra, Bahamas, Bermuda, British Virgin Islands, Cayman Islands, Faroe Islands, Macau (China), Morocco and Tunisia.

See EY global tax alert, OECD releases eighth batch of peer review reports on BEPS action 14 , dated 26 February 2020.

See EY global tax alert, OECD releases ninth batch of peer review reports on BEPS action 14 related to improving dispute resolution , dated 31 July 2020.

Furthermore, during 2020, the OECD released the second (related to Austria, France, Germany, Italy, Liechtenstein, Luxembourg and Sweden) and third batch (related to the Czech Republic, Denmark, Finland, Korea, Norway, Poland, Singapore and Spain) of stage 2 peer review reports for action 14.

See EY global tax alert, OECD releases second batch of Stage 2 peer review reports on dispute resolution, dated 14 April 2020.

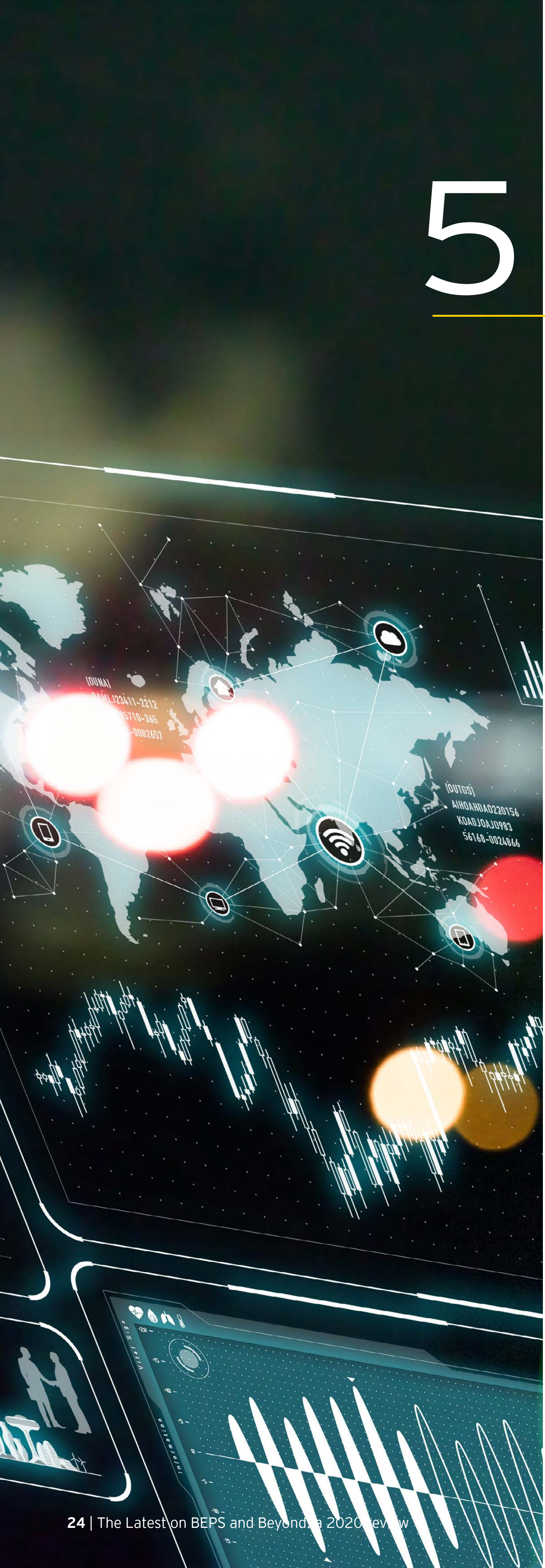
See EY global tax alert, OECD releases third batch of Stage 2 peer review reports on dispute resolution, dated 26 October 2020.

Also, on 18 November 2020, the OECD released a public consultation document on the review of the minimum standard on dispute resolution under action 14. The assessment methodology for the peer review process of the action 14 minimum standard included a planned evaluation of this process in 2020 in light of the experience in conducting peer monitoring. Interested parties were invited to submit their comments on the questions raised in the consultation document by 11 January 2021. A public consultation meeting on the 2020 review of BEPS action 14 will be held in February 2021.

While increased scrutiny and greater subjectivity increases the risk of double taxation, the continued focus by the OECD and participating jurisdictions on the implementation of effective dispute resolution mechanisms is a positive step in helping to improve access to an effective and timely MAP process.

It is important for taxpayers to follow these developments closely as they develop in the coming months. As taxpayers are the main users of MAP, their perspectives on these proposals are important. Companies should consider participating in the consultation and providing feedback based on their experiences.

For more details, see EY global tax alert, OECD releases consultation document on 2020 review of BEPS action 14, dated 23 November 2020.



5 EU sub-report: EU gearing towards becoming a "global advocate for tax fairness"

Overview

The EU has been actively involved in the G20/OECD's BEPS project since its outset with the aim to help the member states take consistent action against base erosion and profit shifting practices. The EU's active role in the implementation of the BEPS project was driven by the wish to ensure fairer, simpler and more effective taxation in the EU and was dominated by the debate around aggressive tax planning, base erosion and profit shifting, tax competition, transparency and corporate social responsibility in the international tax arena.

As the COVID-19 crisis emerges, the EU institutions remain increasingly active in the field of taxation. In 2020, the EU presented an ambitious tax policy agenda and intended to become a global tax policy trendsetter.

The following analysis serves to summarize the latest EU initiatives.

5.1 ATAD: broad implementation across member states

The EU anti-tax avoidance Directive (ATAD) I and 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 and II set forth minimum standards for the EU member states, requiring them to change their corporate tax laws in certain areas, namely, interest deductibility limitation, a general anti-avoidance rule (GAAR), CFC rules as of 2019, and exit taxation and hybrid mismatches as of 2022.

Member states may go beyond the minimum standards provided in the directive, 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 and choices provided, and therefore, there is a wide range of implementation choices available to the member states.

5.1.1 Developments during 2020: Commission evaluates member states

On 19 August 2020, the Commission released a report to the European Parliament and to the EU Council on the implementation of the ATAD. This report is the first step in the evaluation of the impact of the ATAD and provides an overview of the implementation of the early applicable ATAD measures (interest limitation, GAAR and CFC rule) across the member states. The next step will consist of the delivery of a comprehensive evaluation report of the ATAD measures, including an overview of the implementation of those ATAD measures that were not included in this report (exit taxation and hybrid mismatches rules), by 1 January 2022.

Among others, the report notes that four member states, Austria, Denmark, Ireland and Spain, have not yet fully complied with their obligations to adopt and notify transposition measures with regard to the interest limitations, GAAR and CFC rule and the Commission opened ex officio infringement procedures for failure to implement the necessary measures. Furthermore, the Commission opened infringement cases against the member states that failed to notify national implementing measures for exit taxation (Germany, Greece, Latvia, Portugal, Romania and Spain) and hybrid mismatches (Cyprus, Germany, Greece, Latvia, Poland, Romania and Spain), which should have been transposed by 31 December 2019.

5.1.2 Country-specific developments

During 2020, there was activity in the EU for the implementation of the ATAD. Several member states published their draft bills or adopted final rules to implement the proposed ATAD measures and to align their existing rules with ATAD standards, including Denmark, Cyprus, Denmark, France, Ireland and Poland. Also, many member states, like Belgium, Finland, Luxembourg and Malta published guidelines in connection with the scope and application of some of the ATAD rules introduced in their domestic legislation.

In the annex of this sub-report, chart listing member states that their domestic rules meet the ATAD requirements, that have implemented the relevant rules or they have not done so yet. The chart illustrates some high-level information on the rules in each Member State.

5.2 Mandatory disclosure rules (MDR): implementation and deferrals

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 co-operation 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 member states.

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. 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 is ready for implementation. EU member states were required to adopt and publish domestic legislation implementing DAC6 by 31 December 2019.

5.2.1 Developments during 2020: deferral of reporting deadlines

On 24 June 2020, EU member states agreed to amend the deadlines for MDR reporting in light of the COVID-19 crisis and the consequential administrative challenges. The amendment provided an option for member states to defer by up to six months from the time limits for the filing and exchange of information on cross-border arrangements under DAC6.

The extended deadlines are as follows:

- By 28 February 2021, the reporting of the "historical" cross-border arrangements (i.e., arrangements that became reportable from 25 June 2018 to 30 June 2020).

- With respect to arrangements targeted by DAC6 starting 1 July 2020, where a reportable cross-border arrangement is made available for implementation or is ready for implementation, or where the first step in its implementation has been made between 1 July 2020 and 31 December 2020, the period of 30 days for filing information shall begin by 1 January 2021.

In the member states where the option is exercised, the amendment changes the date for the first exchange of information on reportable cross-border arrangements to occur by 30 April 2021.

The amendments also provide for the possibility of one further extension for a maximum additional three months, but only if there is a unanimous Council implementing the decision.

5.2.2 Country-specific developments

As of 31 December 2020, all member states, except for Cyprus, have adopted final legislation implementing DAC6. Many member states have also published guidance on the technical interpretation of the domestic law and the practical aspects of compliance and reporting, like Belgium, France, Italy and the Netherlands.

Also, inspired by the EU DAC6, many non-EU countries (like Argentina and Mexico) have implemented MDR obligations in their domestic law.

Following the conclusion of the UK/EU Free Trade Agreement, which includes a commitment for the UK to apply OECD standards on the exchange of information, effective from 31 December 2020, the UK amended its implementing regulations to disapply DAC6 in respect of all arrangements except those falling within hallmarks D1 or D2 (i.e., arrangements that involve attempts to conceal income or assetsor to obscure beneficial ownership). Her Majesty's revenue and customs have confirmed that the amendments to the regulations apply to transactions entered into from 25 June 2018.

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.

5.3 Defensive measures underway against countries included in the EU "blacklist"

On 5 December 2017, the EU member states published a list of "uncooperative jurisdictions for tax purposes" (the EU blacklist), 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. The list is updated on a regular basis.

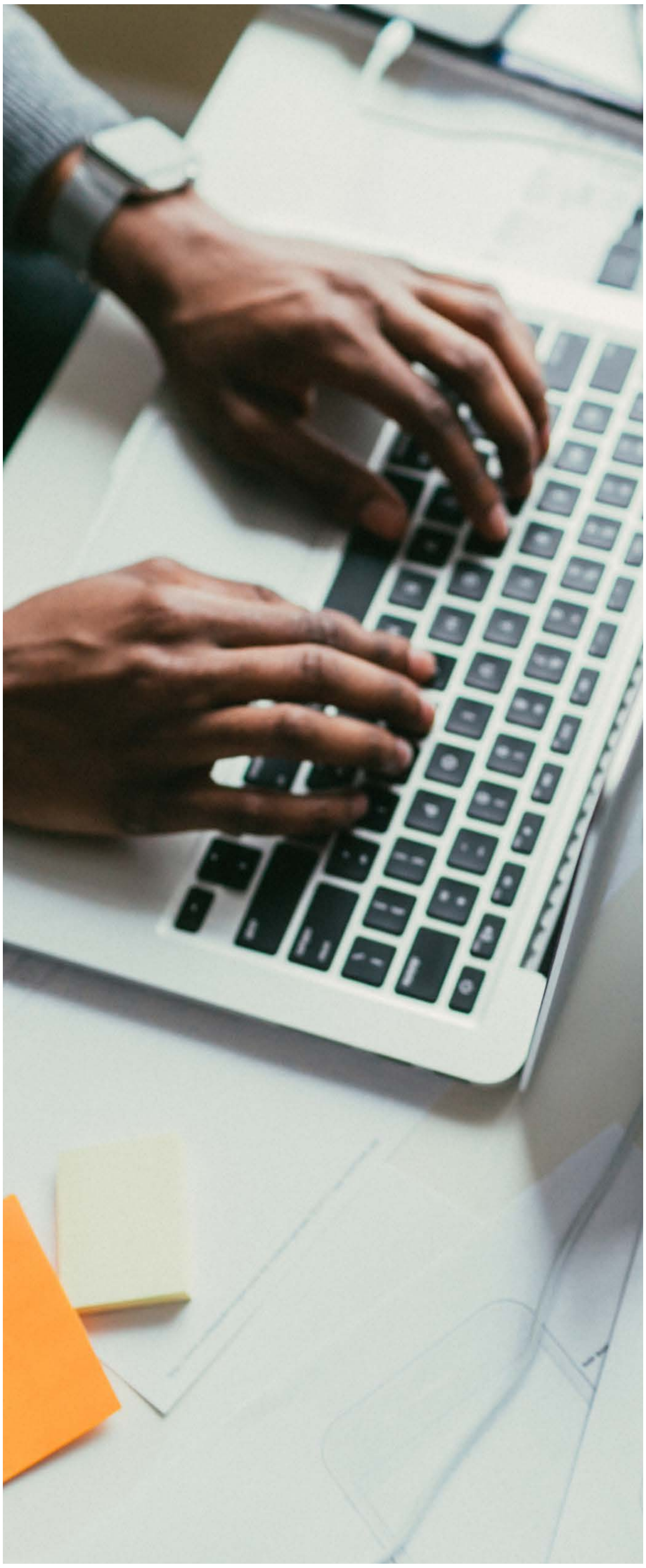
In December 2017, the Council expressed the belief that the EU list and defensive measures to be linked to the list would have the effect of sending a strong signal to the jurisdictions concerned, thus encouraging positive change leading to the removal of jurisdictions from the list. For the jurisdictions remaining on the EU list, member states should ensure that at least one of the legislative defensive measures is applied from 1 January 2021 at the latest:

- Non-deductibility of costs incurred in a listed jurisdiction
- CFC rules to limit artificial deferral of tax to offshore and low-taxed entities
- Withholding tax measures (WHT) to tackle improper exemptions or refunds
- Limitation of the participation exemption on shareholder dividends

In the Communication on tax good governance in the EU and beyond, which was published on 15 July 2020, it is stated among others that the Commission will monitor the implementation of defensive measures in 2021 and conduct an evaluation of those measures. Depending on the outcomes of the evaluation in 2022, it will consider a legislative proposal for coordinated defensive measures.

5.3.1 Developments during 2020: changes to gray and blacklists

During the period under review, several 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 12 jurisdictions included in annex I (the so-called blacklist) of non-cooperative jurisdictions for tax purposes out of the 17 initially announced on 5 December 2017. These are American Samoa, Anguilla, Barbados, Fiji, Guam, Palau, Panama, Samoa, Seychelles, Trinidad and Tobago, US Virgin Islands and Vanuatu. As regards, annex II (referred to as the gray list) there are 10 jurisdictions remaining listed – Australia, Botswana, Eswatini, Jordan, Maldives, Morocco,



Namibia, Saint Lucia, Thailand and Turkey. The next update is expected in February 2021.

On 14 July 2020, the Commission issued a recommendation on making state financial support to undertakings in the EU conditional on the absence of links to non-cooperative jurisdictions. The restrictions should also apply to companies that have been convicted of serious financial crimes, including, among others, financial fraud, corruption, non-payment of tax, and social security obligations.

Also, many member states have already chosen to apply one or more of the legislative defensive measures against jurisdictions listed on the EU list. For example:

- Belgium, France and Luxembourg have introduced or announced non-deductibility of costs
- Belgium, France, Ireland, Lithuania, Netherlands, Poland and Portugal have introduced or announced CFC rules
- Croatia, Cyprus, France, Netherlands and Portugal have introduced or announced the withholding tax measures (WHT)
- Belgium, France, Lithuania and Portugal have introduced

limitation of the participation exemption on shareholder dividends

5.4 Commission package for fair and simple taxation containing three separate but complementary initiatives

On 15 July 2020, the Commission adopted a package for fair and simple taxation (the tax package). The tax package includes a set of new initiatives to ensure that EU tax policy supports Europe's recovery from the COVID-19 crisis and long-term sustainable growth. The tax package contains three separate but complementary initiatives. Some of these initiatives build on the BEPS project, while most initiatives go clearly beyond the recommendations and best practices set out in the 2015 BEPS package.

1. Action plan for fair and simple taxation supporting the recovery

The Commission's tax package includes an action plan with 25 distinct actions that the Commission will take between now and 2024 with the aim to make taxation fairer, simpler, and more adapted to modern technologies.

For more details, see EY global tax alert, European Commission publishes action plan for fair and simple taxation: a detailed review, dated 20 July 2020.

2. Legislative proposal in the form of a revision of the directive on administrative cooperation

The second element of the tax package is a legislative proposal to revise the directive on administrative co-operation (DAC). The proposal introduces an automatic exchange of information between member states' tax administrations for income and revenues generated by sellers on digital platforms. In addition, the legislative proposal also introduces a general legal framework for the conduct of joint audits between two or more member states.

On 27 November 2020, EU ambassadors agreed on the revised draft directive (DAC7) and have made the new text available on the EU website. The EU member states are now asking the European Parliament for its (non-binding) opinion. Formal adoption by the EU member states will follow in early 2021.

The revised draft still follows the objectives of the Commission's original proposal of 15 July with some amendments in relation to scope and timing. Compared to the draft proposed by the Commission on 15 July:

- The timeline for implementation of the new reporting requirement has changed. In the initial proposal, online platforms were required to report as of 2022. In the latest draft, reporting will be required as of 2023. Member states will have until 2022 to implement the directive into national legislation.
- Non-EU platforms would now be relieved

from reporting to EU tax administrations in cases where adequate arrangements exist, ensuring that equivalent information is exchanged between a non-union jurisdiction and a member state.

- Crowdfunding activities have been removed from the scope of the proposal.

Meanwhile, the work on DAC8 – addressing the use of alternative means of payments and investment – has initiated with the proposal to be expected mid-2021.

For more details, see EY global tax alert, European Commission proposes revision of directive on administrative cooperation, dated 20 July 2020.

3. Communication on tax good governance in the EU and beyond: possible revision of the blacklisting process

The last element of the tax package is the communication on tax good governance in the EU and beyond in which the Commission is proposing the following concrete steps:

- Reform of the code of conduct for business taxation to ensure that it can effectively tackle a wider range of forms of harmful tax competition it has identified in a more transparent manner
- Review of the EU list of non-cooperative jurisdictions for tax purposes
- Reinforcement of the EU's tax good governance rules regarding the provision of EU funds and defensive measures to ensure that the EU's listing process has a real impact and provides clarity and certainty for third countries
- Provide additional support for developing country partners in enhancing tax good governance

For more details, see EY global tax alert, European Commission publishes communication on intensifying the work on tax transparency and harmful tax competition by means of advocating tax good governance in the EU and beyond, dated 20 July 2020.

The Commission is also working on a communication presenting a new approach to business taxation for the 21st century to address the challenges of the digital economy and ensure all multinationals pay a minimum level of tax. This communication is expected most likely in February or March 2021, but with a possible delay until June 2021. The communication will cover business taxation in a broad sense, also addressing how the EU intends to implement an expected agreement at OECD. In addition, the Commission's business tax agenda will include:

- Proposals regarding tax transparency and a third anti-tax-avoidance directive (ATAD 3)
- Proposals linked to the current difficult economic situation to support investment and growth in the member states

5.5 EU recovery plan includes agreement on introduction of new taxes

On 27 May 2020, the Commission presented its recovery plan proposal, embedded within a revamped long-term EU budget. The Commission invited the Council and the co-legislators to examine these proposals rapidly, with a view to reaching a political agreement at the level of the Council by July.

On 21 July 2020, the European Council agreed on a recovery plan and the EU budget for 2021–2027. The agreement reached by the leaders of the 27 member states was reflected in the Council conclusions (the conclusions) published on the same day, 21 July, and cover:

- A new recovery instrument worth €750 billion, called "Next Generation EU" (NGEU)
- The seven-year EU budget (the Multiannual Financial Framework or MFF) of an overall amount of €1,074.3 billion.

The conclusions also include an agreement to introduce EU-wide taxes and levies to complement the own existing resources and to cover more than half of the NGEU. The proposed resources are:

- Tax on non-recycled plastic packaging waste (as of 1 January 2021)
- Carbon border adjustment mechanism (by 1 January 2023)
- Digital levy (by 1 January 2023)
- Emissions trading system-based resource, including a possible extension to maritime and aviation sectors (no specific timeline)
- Financial transaction tax (no specific timeline, within 2021–2027)

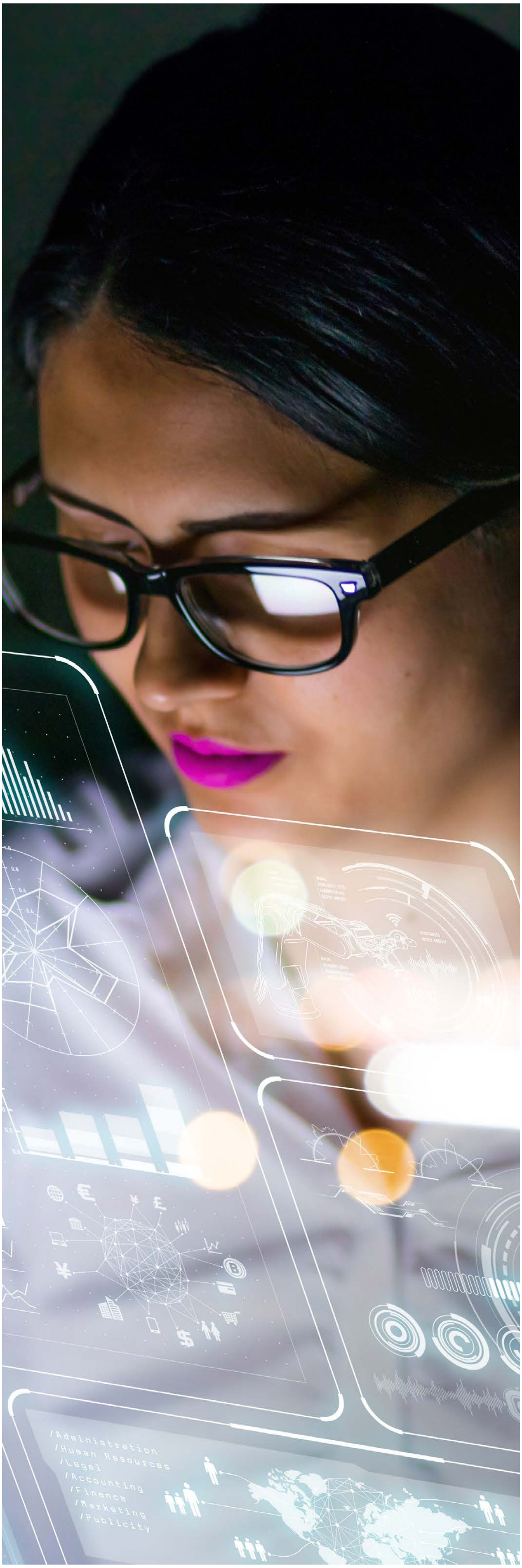
For more details, see EY global tax alert, European Council adopts conclusions on recovery plan and EU budget for 2021-2027, including agreement on introduction of new taxes, dated 22 July 2020.

On 10-11 December 2020, the EU leaders held a European Council where they, among others, agreed on the long-term EU budget 2021–2027 and the recovery package. Following this agreement, national parliaments will have a say on the EU agreement in their ratification processes for the own resources decision. In parallel, Commission officials are already working on their legislative proposals of new EU resources, such as the proposed digital levy and the carbon border adjustment mechanisms.

5.6 The EU's take on BEPS 2.0: a possible shift from Paris to Brussels

The OECD/G20 Inclusive Framework compromise to extend the mandate to mid-2021 does raise questions on whether countries and the EU, in general, would be willing to defer their plans to introduce and collect unilateral DSTs.

After the announcements by the OECD and G20, official statements by EU officials indicated that the EU has accepted the OECD/G20 postponement to mid-2021 but this should not turn into a moving target and any future extension will not be accepted. The European Commission will come with proposals on both pillars, either in line with an OECD proposal or based on its own plan B by mid-2021. The Council is planning to assess, in March 2021, the possibilities of implementing the global agreement to be reached at the OECD or how to proceed with an EU solution in the absence of an international consensus. As mentioned in the above section, part of the new own resources discussion is a digital levy that the Commission has committed to publishing in June 2021 at the latest in view of its introduction on 1 January 2023 (at the latest). This requires the Commission to put forward legislative proposals during the first half of 2021.



6 Annex: ATAD implementation overview

✓	Already implemented/embedded in domestic law, i.e. domestic rule is fully aligned with ATAD standard and no further action/amendments are expected
✓	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
A	Passive income approach
B	Non genuine arrangement approach
?	Unclear/ no information
Year	Year by which the ATAD measure shall be applicable from

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Anti-Tax Avoidance Directive

Implementation overview

	GAAR 2019	Interest Limitation rule *extension possible under Art 11(6) 2019/2024*						CFC rule 2019		Exit tax 2020		Hybrids 2020		Reverse hybrids 2022	
	Implementation Status	Implementation Status	Effective date	De minimis rule	Grandfathering	Group ratio rule	Carry forward and/or back	Implementation Status	CFC income approach	Implementation Status	Effective date	Implementation Status	Effective date	Implementation Status	Effective date
Austria	✓	✗	?	-	-	-	-	✓	A	✓	Already in force	✓	Already in force	✗	n/a
Belgium	✓	✓	Already in force	yes	yes	no	CF	✓	B	✓	Already in force	✓	Already in force	✓	Already in force
Bulgaria	✓	✓	Already in force	yes	no	no	CF	✓	A/B	✓	Already in force	✓	Already in force	✗	n/a
Croatia	✓	✓	Already in force	yes	no	no	CF	✓	A	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Cyprus	✓	✓	Already in force	yes	yes	yes	CF	✓	B	✓	01-Jan-2020	✓	Already in force	✓	01-Jan-2022
Czech Republic	✓	✓	Already in force	yes	yes	no	CF	✓	A	✓	Already in force	✓	Already in force	✗	n/a
Denmark	✓	✓	Already in force	yes	no	no	yes	✓	?	✓	Already in force	✓	Already in force	✓	Already in force
Estonia	✓	✓	Already in force	yes	no	yes	yes	✓	B	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Finland	✓	✓	Already in force	yes	yes	yes	yes	✓	-	✓	Already in force	✓	Already in force	✗	n/a
France	✓	✓	Already in force	yes	no	yes	yes	✓	-	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Germany	✓	✓	Already in force	yes	no	yes	yes	✓	?	✓	01-Jan-2019	✗	n/a	✗	n/a
Greece	✓	✓	01-Jan-2024	yes	no	no	yes	✓	A	✓	Already in force	✓	Already in force	✗	n/a
Hungary	✓	✓	Already in force	yes	yes	yes	yes	✓	AB	✓	Already in force	✓	Already in force	✗	n/a
Ireland	✓	✓	01-Jan-2022	-	-	-	-	✓	B	✓	Already in force	✓	Already in force	✗	n/a
Italy	✓	✓	Already in force	no	yes	no	CF	✓	A	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Latvia	✓	✓	Already in force	yes	no	no	no	✓	B	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Lithuania	✓	✓	Already in force	yes	yes	yes	yes	✓	A	✓	Already in force	✓	Already in force	✗	n/a
Luxembourg	✓	✓	Already in force	yes	yes	yes	yes	✓	B	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Malta	✓	✓	Already in force	yes	yes	no	yes	✓	B	✓	Already in force	✓	Already in force	✓	01-Jan-2022

	GAAR 2019	Interest Limitation rule *extension possible under Art 11(6) 2019/2024*						CFC rule 2019		Exit tax 2020		Hybrids 2020		Reverse hybrids 2022	
	Implementation Status	Implementation Status	Effective date	De minimis rule	Grandfathering	Group ratio rule	Carry forward and/or back	Implementation Status	CFC income approach	Implementation Status	Effective date	Implementation Status	Effective date	Implementation Status	Effective date
Netherlands	✓	✓	Already in force	yes	no	no	yes	✓	B/A	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Poland	✓	✓	Already in force	yes	no	no	yes	✓	A	✓	Already in force	✓	01-Jan-2021	✗	n/a
Portugal	✓	✓	Already in force	yes	no	no	CF	✓	A	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Romania	✓	✓	Already in force	yes	no	no	CF	✓	A	✓	Already in force	✓	Already in force	✓	01-Jan-2022
Slovakia	✓	✓	01-Jan-2024	no	no	no	no	✓	B	✓	Already in force	✓	Already in force	✗	n/a
Slovenia	✓	✓	01-Jan-2024	-	-	-	-	✓	A	✓	Already in force	✓	Already in force	✗	n/a
Spain	✓	✓	01-Jan-2024	yes	no	no	yes	✓	A	✓	01-Jan-2020	✓	01-Jan-2021	✗	n/a
Sweden	✓	✓	Already in force	yes	no	no	CF	✓	B	✓	Already in force	✓	Already in force	✓	01-Jan-2021
United Kingdom	✓	✓	Already in force	yes	no	yes	yes	✓	B	✓	Already in force	✓	Already in force	✗	n/a

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