

## Press Statement

### INTERNATIONAL CONFERENCE ON TRANSFER PRICING AND CUSTOMS VALUATION BRUSSELS, 22 -23 MAY 2007

**Brussels, 21 May 2007.** The World Customs Organization (WCO) and the Organisation for Economic Co-operation and Development (OECD) will hold a second international WCO/OECD Conference on Transfer Pricing and Customs Valuation\*, bringing together specialists in this complex field. The event will be held at the WCO headquarters in Brussels from 22-23 May 2007.

Multi-national enterprises use "Transfer pricing" to determine the price and conditions for the transfer of goods, services and assets between their affiliated companies situated in different tax jurisdictions. These transactions represent today approximately one third of world trade. The development of these transactions results from the increasing globalisation of the economy and therefore brings into question their fiscal and customs treatment.

In view of the increase in fiscal and customs controls and adjustments, transfer pricing has become the number one issue in the international tax arena. In order to sustain their position vis-à-vis the tax authorities, companies have to take account of the specific approaches applied by different authorities in countries, in particular as regards the elements constituting the price.

The WCO and the OECD have attempted to clarify the situation by organising discussions open to the private sector. The aim is to identify points of convergence and to work towards reconciliation between direct and indirect taxation as regards valuation of related party transactions and in areas where it might be possible to strengthen co-ordination between Customs and fiscal experts.

WCO Secretary General, Michel Danet, said: *"Due to the growing importance of transfer pricing to international trade transactions it is imperative that the public and private sectors collectively attempt to explore, advance and resolve issues that will both secure and facilitate trade. This will impact favourably on national economic development and lead to prosperity and growth across the globe"*.

OECD Deputy Secretary General, Thelma Askey, added: *"The existence of two sets of rules, and in many countries, two different administrative bodies to deal with direct taxes and customs duties, can make cross-border trade overly complicated and costly. This issue has been raised by the business community on several occasions. With this second joint WCO-OECD initiative, we want to continue encouraging global coordinated efforts among business and governments, tax experts and customs specialists"*.

Members of the media are welcome to attend. You may register by sending an email to [communication@wcoomd.org](mailto:communication@wcoomd.org).

For more information:

<a href="mailto:communication@wcoomd.org">communication@wcoomd.org</a> <a href="http://www.wcoomd.org">www.wcoomd.org</a>	<a href="mailto:ctp@oecd.org">ctp@oecd.org</a> <a href="http://www.oecd.org">www.oecd.org</a>
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\*Conference information and online registrations: <http://events.wcoomd.org>