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## TRANSFER PRICING COMPARABILITY DATA AND DEVELOPING COUNTRIES

### Executive Summary

Applying the arm's length principle to review transfer prices set in transactions between associated enterprises often requires a comparison to be made between these prices and the prices set in similar transactions between independent enterprises in similar circumstances. OECD and non-OECD countries frequently express concerns about the availability and quality of financial data on transactions between unrelated parties that can be used for comparisons, as well as the availability and quality of information regarding the financial results of operations of comparable independent enterprises. These concerns about the lack of available comparables are particularly pressing for developing countries. The G8, under the United Kingdom's presidency, thus requested the OECD "to find ways to address the concerns expressed by developing countries on the quality and availability of the information on comparable transactions that is needed to administer transfer pricing effectively." This paper sets out and briefly discusses four possible approaches to addressing the concerns over the lack of data on comparables expressed by developing countries.

- Expanding access to data sources for comparables, including steps to improve the range of data contained in commercial databases, expand developing country access to such databases, and improve access to comparables data in developing countries with a significant number of sizeable independent companies.
- More effective use of data sources for comparables, including guidance or assistance in the effective use of commercial databases, the selection of foreign comparables, whether and how to make adjustments to foreign comparables to enhance their reliability, and alternative approaches to finding comparables.
- Approaches to identifying arm's length prices or results without reliance on direct comparables, including guidance or assistance in making use of proxies for arm's length outcomes, the profit split method, value chain analysis, and safe harbours, an evaluation of the impact, effectiveness and compatibility with the arm's length principle of approaches such as the so called "sixth method", which is increasingly prevalent particularly in developing countries in Latin America and Africa, and a review of possible anti-avoidance approaches.
- Advance pricing agreements and mutual agreement proceedings, including a review of developing country experiences with the pros and cons of advance pricing agreements and negotiations to resolve transfer pricing disputes, as well as guidance or assistance with respect to mutual agreement proceedings.

Given the broad range of possible actions, further prioritisation based on country needs and resource availability will be necessary.

## Introduction

1. The application of the arm's length principle often requires that a comparison to be made between the prices charged in controlled transactions, or the financial results of such transactions, and the prices set in or the financial results of similar transactions between independent enterprises in similar circumstances. This comparison is used to determine whether a transfer pricing adjustment is needed when computing the taxable profits of one or more of the associated enterprises. Comparability is, therefore, at the heart of transfer pricing.

2. OECD and non-OECD countries frequently express concerns about the availability and quality of financial data on transactions between unrelated parties that can be used to make the relevant comparisons.

3. The Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (2010) note in paragraph 1.13 that: "Both tax administrations and taxpayers often have difficulty in obtaining adequate information to apply the arm's length principle. Because the arm's length principle usually requires taxpayers and tax administrations to evaluate uncontrolled transactions and the business activities of independent enterprises, and to compare these with the transactions and activities of associated enterprises, it can demand a substantial amount of data. The information that is accessible may be incomplete and difficult to interpret; other information, if it exists, may be difficult to obtain for reasons of its geographical location or that of the parties from whom it may have to be acquired. In addition, it may not be possible to obtain information from independent enterprises because of confidentiality concerns. In other cases information about an independent enterprise which could be relevant may simply not exist, or there may be no comparable independent enterprises..."

4. The United Nations Practical Transfer Pricing Manual for Developing Countries (2012) describes specific challenges for developing countries as follows in paragraph 1.10.6: "It is often in practice extremely difficult, especially in some developing countries, to obtain adequate information to apply the arm's length principle for the following reasons:

- (a) In developing countries there tend to be fewer organised players in any given sector than in developed countries; finding proper comparable data can be very difficult;
- (b) In developing countries the comparable information may be incomplete and in a form which is difficult to analyse because the resources and processes are not available. In the worst case, information about an independent enterprise may simply not exist. Databases relied on in transfer pricing analysis tend to focus on developed country data that may not be relevant to developing country markets (at least without resource and information-intensive adjustments), and in any event are usually very costly to access; and
- (c) In many developing countries whose economies have just opened up or are in the process of opening up there are many "first movers" who have come into existence in many of the sectors and areas hitherto unexploited or unexplored; in such cases there would be an inevitable lack of comparables."

5. Recognising the above, paragraph 29 of the G8 Lough Erne Communiqué of 18 June 2013 states: "The ability of tax administrations to compare relevant price information across jurisdictions is essential for the effective operation of transfer pricing rules, and a lack of data on comparable transactions is a significant issue for effective tax collection, particularly in developing countries. We ask the OECD to find ways to address the concerns expressed by developing countries on the quality and availability of the information on comparable transactions that is needed to administer transfer pricing effectively."

6. The purpose of this paper is to explore approaches that the OECD may adopt, in co-operation with other stakeholders, to respond to the G8's request to address the concerns expressed by developing countries.

## **Background**

7. In principle, data on uncontrolled transactions is available from a number of sources. These include, for example, sources internal to specific taxpayers (which may be available if the taxpayer conducts similar transactions with both associated and independent enterprises) and information available from commodity or financial exchanges. In practice, however, transaction data on comparable prices is difficult to find for both OECD and non-OECD countries.

8. Most OECD countries, some non-OECD countries, and all of the major tax advisors routinely use commercial searchable electronic databases to identify and extract financial data on companies that conduct potentially comparable transactions. These commercial databases assemble financial information filed with country security regulators and central registries for statutory accounts (e.g. Companies House in the United Kingdom).

9. It is widely acknowledged that such databases provide a very imprecise pool of financial data for comparability purposes. It is also acknowledged that such databases as do exist currently provide very limited financial data on companies operating exclusively or primarily in individual developing countries, including countries in much of Africa, Eastern Europe and South America. This is largely because of the limited number of sizeable independent companies, the absence of a requirement for the public registration of statutory accounts or difficulties in obtaining access to statutory accounts where there is a public registry for statutory accounts.

10. Difficulties in accessing and using reliable comparables data may mean that developing countries are unable to effectively apply transfer pricing methods based on comparables and that taxpayers face uncertainties in complying with transfer pricing rules that assume the existence of reliable comparables. This may deny countries much needed tax revenue and create an uncertain investment climate for business. In addition, the lack of objective data available to tax authorities and taxpayers may result in difficulties in resolving disputes and encourage both to adopt aggressive positions.

11. The resolution of transfer pricing disputes frequently requires negotiation and compromise. In the absence of reliable comparables data, concerns may arise as to appropriate bases from which negotiations should start. More broadly concerns may arise as to the skills, experience and governance framework required to bring such negotiations to a successful conclusion. Taken together these concerns may increase the length of time taken to resolve disputes or create a preference for the implementation of more mechanical approaches to determining transfer prices.

## **Possible actions**

12. Conceptually there are a number of approaches to begin addressing the concerns expressed by developing countries on the quality and availability of the information on comparable transactions. A set of possible approaches is listed below and then briefly discussed.

- Expanding access to data sources for comparables
- More effective use of data sources for comparables
- Approaches to reducing reliance on direct comparables

- Advance pricing agreements and mutual agreement proceedings

#### *Expanding access to data sources for comparables*

13. In the absence of other comparables, commercial databases may provide a starting point for setting and auditing transfer prices. A number of commercial databases are available to identify and extract financial data on companies that conduct potentially comparable transactions. As noted above, such databases have weaknesses including the provision of very limited financial data on companies and relevant transactions in many developing countries. The major suppliers of the databases could be engaged to ensure that the reasons for the limited coverage of developing countries have been accurately identified and explore the steps that could be taken to improve developing country coverage and access. This engagement may also provide an opportunity to explore the improvement of the quality and suitability of data provided for transfer pricing purposes. As an example, gross margin information that is available in certain countries, which would be useful for transfer pricing purposes, may be dropped by database providers in order to fit the template they use for cross-country consistency.

14. A practical problem for many developing country tax administrations is whether paying for access to a commercial database is the best use of their limited resources. Some developing countries have considered regional initiatives to reduce individual countries' costs and increase value for money. The African Tax Administration Forum is carrying out a feasibility study regarding database options available to its members. The OECD Tax and Development Programme is supporting ATAF's work on providing support to its members in accessing database information. Costs remain a concern for developing countries and support could be provided by donors to fund access to such databases.

15. One of the reasons advanced for developing countries being underrepresented in commercial databases is the extremely limited number of sizeable independent companies (i.e. companies that are not subsidiaries of other companies and do not engage in transactions with other companies under common ownership) active in some countries. This appears to be the case in a number of developing countries in Eastern Europe and Central Asia according to data collected by the World Bank and, as noted in the Practical Manual, is likely to be the case in other developing countries. Another reason may be that, although a significant number of such companies exist, there is no obligation for them to file statutory accounts with the company registrar or, if there is such an obligation, there is no public access to the statutory accounts or obtaining access is difficult.

16. Two 2012 reports discuss the question of introducing an obligation to file statutory accounts and making them easily available to the public. The first report, by the OECD Forum on Tax Administration, suggests a possible model for enabling the central registration and public availability of statutory accounts in developing countries at relatively low cost. The second report, prepared for the OECD Task Force on Tax and Development, examines the question further. Developing countries with a significant number of sizeable independent companies may wish to weigh the pros (e.g. accountability and transparency benefits to other market participants and tax administrations) and cons (e.g. reduced commercial confidentiality for companies and compliance costs for companies and government) of providing easy public availability of statutory accounts. Although the benefits need to be looked at in the specific context of each particular country, the ability to undertake due diligence using publically available data supports the development of commercial links between businesses that are not linked by personal relationships. The compliance costs also need to be assessed on the basis that good accounting is actually an essential element of good commercial management. Once available, the statutory accounts could be used directly to obtain comparables or to populate a comparables database. If a region shares common characteristics that make cross country comparisons feasible, countries within that region could consider introducing similar requirements to increase the range of comparables available to taxpayers and tax administrations. Current technologies, such as cloud computing, may make regional databases more feasible if they are readily

accessible in a region. The advisability and costs of implementing easy public availability of statutory accounts may be a concern for developing countries. Technical support and funding provided by donors may assist in arriving at the correct decision and, if the decision is to proceed, in implementing it.

17. Even if easy public availability of statutory accounts is not possible, the tax administrations of developing countries with a significant number of sizeable independent companies will have access to their financial statements. This data could be used directly to obtain comparables or to populate an internal comparables database, in order to identify cases for further transfer pricing review using publicly available data. The use of secret comparables is contentious but a distinction could possibly be drawn in practice between use for risk evaluation purposes (i.e. identifying a taxpayer for possible audit) and for making a transfer pricing adjustment. Both the Guidelines and the Practical Manual note that it would be inequitable to make use of secret comparables to make an adjustment unless the data can be disclosed to the affected taxpayers, within the limits of confidentiality, so that they may evaluate it and defend themselves against an adjustment.

#### *More effective use of data sources for comparables*

18. Once access to a commercial database has been acquired, its effective use requires a degree of skill and experience. Inappropriately specified search criteria may return overly broad results that incorporate inappropriate comparables, so that the transfer pricing range that is ultimately arrived at is either unworkably broad or incorrectly placed. They may also exclude appropriate comparables, so that it appears that comparables are not available or a transfer pricing range cannot be arrived at without supplementary techniques. The skills required in evaluating search results in arriving at a set of appropriate comparables and a transfer pricing range may also be a concern. At least one developing country has gained access to the in-house training programmes developed by international accounting firms to address these issues to assist in the training of its tax administration staff. Additional guidance or direct assistance could be provided to developing countries with regard to the effective use of commercial databases.

19. Paragraph 3.38 of the Guidelines notes that “independent transactions may be scarce in certain markets and industries. A pragmatic solution may need to be found, on a case-by-case basis”. The need to find a practical solution, which may involve a degree of compromise by the parties involved, is thus recognised in the Guidelines. One option that is identified is broadening the search for comparables to uncontrolled transactions in the same industry but in other geographic markets.

20. Identifying appropriate foreign comparables may impose an additional layer of complexity on the task of identifying appropriate comparables as part of a transfer pricing analysis. As a small, open OECD economy New Zealand’s Inland Revenue provides an insight into its approach and the factors it considers; “The lack of hard data on transfer prices is a major obstacle to objective empirical work. Comparables are almost always very approximate. In New Zealand, we are forced to use small samples (where the addition or deletion of one data point can sometimes lead to significant swings in the end result) increased by broad industry data such as sector averages and consolidated global returns... The “same or similar market” principle is important in New Zealand. Australia is generally recognised as our closest reference country in terms of demographics, size of economy and stage of economic development. The New Zealand economy is closely connected to the Australian economy, basically forming a single market... To find practical solutions, we often have to look beyond Australia to markets in Europe (in particular the United Kingdom) and North America where reliable data may exist...” Country experiences with the selection of foreign comparables could be gathered and additional guidance developed.

21. Once appropriate foreign comparables have been identified questions arise as to whether comparability adjustments are required for use in a domestic context and, if so, how they should be made. Although the Guidelines discuss comparability adjustments and provide an example of a working capital

adjustment, they provide little guidance when it comes to country adjustments. The Practical Manual provides examples of countries that apply country adjustments in the Country Practices chapter but does not provide further guidance on such adjustments. Continuing from the extract above, New Zealand's Inland Revenue touches on some of the factors it considers appropriate; "[R]ecognition must still be given to greater economies of scale and competition as well as New Zealand's higher cost of capital and higher distribution costs resulting from low population density... In normal circumstances, operating in New Zealand is riskier than larger and more diversified markets such as Australia, the United Kingdom and the United States. In capital markets, New Zealand pays a small country risk margin over other "western" economies. This risk margin needs to be factored into transfer pricing studies which rely wholly on overseas comparables." Country experiences with country adjustments could be gathered and additional guidance developed.

22. If comparables are not available to evaluate a transaction from a domestic perspective, the question arises as to whether it may be appropriate and possible to evaluate the transaction by testing the return earned by the foreign counterparty. Testing the foreign counterparty may also mitigate the risk that the domestic party will only be allocated a routine return without considering whether it should share in any residual return that may arise in the transaction. Paragraph 3.18 of the Guidelines suggests that; "As a general rule the tested party is the one to which a transfer pricing method can be applied in the most reliable manner and for which the most reliable comparables can be found." The possibility of using the foreign counterparty as the tested party may be decided against because of the more complex nature of the foreign counterparty's operations or because of the anticipated difficulties in obtaining access to the records and information necessary to evaluate the transactions from the foreign counterparty's perspective. If the decision is taken for the second reason, the approach of some countries, such as Canada, to require access to foreign based records of associated companies should be considered. Exchange of information, joint audits or other administrative assistance in terms of a tax treaty may also assist in obtaining the relevant information. In addition, Action 13 of the Action Plan on Base Erosion and Profit Shifting (2013) seeks to "Develop rules regarding transfer pricing documentation to enhance transparency for tax administration..." A review of country experiences in evaluating transactions by testing the foreign counterparty may be useful to developing countries.

23. Returning to paragraph 3.38 of the Guidelines, country experiences with the remaining steps suggested, such as benchmarking against other industries in the same geographical market, could be gathered and additional guidance developed. Methods that may be applied to improve the robustness of the comparisons with small, imperfect sets of comparables, such as the use of sector averages and consolidated global returns, may also need to be considered. Country experiences with these methods and guidance as to their application in practice may be useful to developing countries.

#### *Approaches to reducing reliance on direct comparables*

24. Both developing countries and developed countries may encounter the situation that no appropriate internal comparables or publicly available external comparables are identifiable. Nevertheless transfer prices must still be set by taxpayers and audited by tax administrations. Consideration might then be given to alternative approaches that do not directly rely on comparables. As noted in the Action Plan; "Alternative income allocation systems, including formula based systems, are sometimes suggested." Formulary apportionment, which would represent a replacement of the arm's length principle, is not considered further in this paper in view of the comments in the Action Plan that; "the importance of concerted action and the practical difficulties associated with agreeing to and implementing the details of a new system consistently across all countries mean that, rather than seeking to replace the current transfer pricing system, the best course is to directly address the flaws in the current system" and that; "there is consensus among governments that moving to a system of formulary apportionment of profits is not a viable way forward; it is also unclear that the behavioural changes companies might adopt in response to

the use of a formula would lead to investment decisions that are more efficient and tax-neutral than under a separate entity approach.”

25. Other alternative approaches to evaluating transactions that do not rely directly on comparables exist and may be required. If no direct comparables are available, the question arises as to whether “other evidence” of an arm’s length outcome might be used. It may be that the methods discussed in paragraphs 20 and 23 to improve the robustness of a limited set of comparables can be used to arrive at an approximation of an arm’s length price even if no direct comparables are readily available. Other approaches include the use of the profit-split method, which is explicitly recognised in this context in paragraph 3.39 of the Guidelines, and the application of economic analysis or value-chain analysis. Value chain analysis would involve analysing the value added by business functions within a multinational enterprise group to allocate the value added to members of the group. Global value chain analysis is already part of the Action Plan with respect to high-risk transactions. Consideration of similar transactions that might provide reasonable alternatives for accomplishing business objectives and for which pricing information is available may also be a possibility. A review of these and other potential alternative approaches and their application in practice may be useful to developing countries. Additional guidance or direct assistance could be provided to developing countries with regard to innovative techniques identified.

26. An example of an administrative approach that reduces the need for comparables in specific cases is found in the revised guidance on safe harbours provided by the OECD’s Revised Section E on Safe Harbours in Chapter IV of the Transfer Pricing Guidelines of 16 May 2013. Although primarily aimed at reducing compliance costs for taxpayers and reducing administrative demands on tax administrations, the careful use of safe harbours - particularly safe harbours that are negotiated on a bilateral basis between country competent authorities, can reduce the need to obtain comparables for specific transactions. Bearing in mind the benefits and concerns set out in the guidance, setting and negotiating the appropriate safe harbours and identifying the lower risk transactions to which they might apply may provide a viable alternative to comparables based analysis in some circumstances. Sector averages and practical experience of tax administrations in specific industries may have a role to play in setting safe harbours. While bilateral safe harbours negotiated between country competent authorities are to be preferred, potential alternatives to bilateral safe harbours, such as regionally developed safe harbours for regions that share common characteristics, may also assist. Additional guidance or direct assistance could be provided to developing countries with regard to safe harbours.

27. Another example is the so called “sixth method” and similar methods used in Latin America and Africa, which provides for the mandatory use of publicly quoted commodity prices for certain transactions involving commodity products. The primary benefit of this approach is that a clear and certain benchmark for transactions between related parties in the specified commodities is in place. The primary concern relates to the divergence that may arise between the conditions under which the publicly quoted prices are quoted and the conditions of the actual transactions that may mean the publicly quoted price may not be the arm’s length price. As examples, the date used for the transaction or place of delivery may differ. More fundamentally, the stage of processing or nature of the commodity may differ. As a result, the treatment of the transactions may diverge from the arm’s length principle, transactions may be over- or under-taxed and double taxation or double non-taxation may occur. The practical impact of these concerns may be limited by limiting the application of the method to transactions involving jurisdictions with low or zero tax rates and counterparties that perform only very limited functions. Such transactions may demonstrate features indicative of tax avoidance. Where this occurs the method may be considered an appropriate anti-avoidance approach, considering the extent of the risk, likelihood of tax avoidance and practical difficulties of applying the arm’s length principle given information or capacity constraints. An analysis of the common features of the application of these methods, as well as their impact, effectiveness and potential compatibility with the arm’s length principle could be prepared.

28. As discussed above the mandatory use of publicly quoted commodity prices for certain classes of commodities may be considered an appropriate anti-avoidance approach under certain circumstances. Another anti-avoidance approach may be the denial or limitation of expenses that benefit associated companies in low or zero tax jurisdictions under circumstances indicative of tax avoidance. Consideration could be given to the circumstances under which such anti-avoidance mechanisms may be justifiable and internationally acceptable. The criteria for applying such limitations would have to be clearly stated and internationally agreed so as to limit the risk of non-deductibility of legitimate expenses. A review of country experiences with anti-avoidance approaches may be useful to developing countries.

#### *Advance pricing agreements and mutual agreement proceedings*

29. As the Guidelines note; “transfer pricing is not an exact science but does require the exercise of judgment on the part of both the tax administration and taxpayer.” It is therefore likely that tax administrations and taxpayers will interact in an attempt to reconcile differences in their judgments.

30. The interaction may take place before a dispute arises, through an advance pricing agreement (APA) programme aimed at offering tax administrations and taxpayers certainty with respect to transfer pricing for a pre-determined period. A developing country’s tax administration may be attracted to an APA programme since it provides a less adversarial and more open environment for understanding and evaluating a multinational enterprise’s environment, operations and transfer pricing methodology, including the basis for arriving at any comparables it considers appropriate. If offered on a bilateral basis, as recommended by the Guidelines, APAs provide an opportunity for engaging with the tax administration responsible for the foreign counterparty to gain greater insight into its point of view. The potential for double taxation or double non-taxation is also substantially reduced where APAs can be negotiated on a bilateral basis. On the other hand, an APA programme requires access to skilled and experienced human resources. Concerns may also arise as how to manage the governance of an APA programme, as well as the competing demands for scarce human resources between APA and transfer pricing audit programmes. A review of country approaches and experiences with respect to APA programmes, particularly those of developing countries, may be useful to developing countries.

31. Interactions may take place between taxpayers and the tax administration once the likelihood of a dispute has become apparent during an audit or when a dispute is in progress after the conclusion of an audit. The use of negotiations to resolve an impending or actual dispute may be an attractive low cost option for a developing country but concerns may arise as to the skills, experience and governance framework required to bring such negotiations to a successful conclusion. A review of country approaches to negotiations with respect to resolving transfer pricing disputes and their governance frameworks may be useful to developing countries.

32. While transfer pricing adjustments by a developing country may involve transactions with low or no tax jurisdictions, so that questions of double-taxation are minimised or do not arise, it is inevitable that at some stage double taxation will be an issue. If a tax treaty is in force, a mutual agreement procedure (MAP) as contemplated by Articles 9(2) and 25 of the Model could come into play. From the developing country perspective, the questions of the necessary competencies and confidence to engage in MAP will arise. From the treaty partner’s side, the question of an appreciation of the constraints on the developing country discussed in this paper will arise. The feasibility of updating OECD outreach material on transfer pricing dispute resolution and avoidance to reflect recent developments, including developments that may flow from this paper, and offering it as a workshop to interested developing countries may be considered. The Forum on Tax Administration’s newly established MAP Forum is engaged in efforts to address the resource and empowerment challenges faced by competent authorities around the world that may also be of relevance to developing countries.

## Conclusion

33. Developing countries have particular difficulty in obtaining reliable comparables data for the purposes of determining transfer prices. A wide range of actions is possible to assist in this regard, with some of these actions building on work already done by the OECD or other stakeholders. Given the broad range of possible actions, further prioritisation based on country needs and resource availability will be necessary.

<i>Possible action:</i>	<i>Outcome:</i>	<i>Existing agenda item/builds on existing agenda item for:</i>
<i>Expanding access to data sources for comparables</i>		
Major suppliers could be engaged to discuss reasons for limited coverage of developing countries and improve coverage of useful transfer pricing data	Better understanding of constraints to inform remaining actions	
Support could be provided by donors to fund access to commercial comparables databases	Increase in number of developing countries with access to databases	EC, ATAF (supported by OECD Tax and Development programme)
Support could be provided by donors to assist developing countries in evaluating the advisability of requiring easy public access to statutory accounts and implementing it if appropriate	Increase in local or regional data available for transfer pricing purposes	Informal Task Force on Tax and Development (concluded), FTA (concluded), World Bank
<i>More effective use of data sources for comparables</i>		
Additional guidance or direct assistance could be provided to developing countries with regard to the effective use of commercial databases	Guidance or training tools developed by Secretariat, technical assistance provided by OECD Tax and Development programme and interested outside trainers	
Country experiences with the selection of foreign comparables could be gathered and additional guidance developed	Guidance or training tools developed by Secretariat	
Country experiences with country adjustments could be gathered and additional guidance developed	Guidance or training tools developed by Secretariat and / or WP6	

Country experiences with evaluating transactions from the perspective of a foreign counterparty could be gathered and additional guidance developed	Guidance or training tools developed by Secretariat	WP6/BEPS work on documentation
Country experiences with steps, such as benchmarking against other industries in the same geographical market, and methods to improve the robustness of comparisons with small samples could be gathered and additional guidance developed.	Guidance or training tools developed by Secretariat	
<i>Approaches to reducing reliance on direct comparables</i>		
Country experiences with alternative approaches to determining transfer prices when no reliable comparables are available could be gathered and additional guidance developed, additional guidance or direct assistance could be provided to developing countries with regard to innovative techniques identified, such as value chain analysis	Guidance or training tools developed by Secretariat, direct assistance provided by OECD Tax and Development programme	WP6 work on low value added intra-group services, the so-called sixth method, and BEPS work on value chain analysis and profit split methods
Additional guidance or direct assistance could be provided to developing countries with regard to safe harbours	Guidance developed by Secretariat, direct assistance from the OECD Tax and Development programme	WP6 (concluded)
An analysis of the common features of the use of publicly quoted commodity prices (“sixth method”) and its impact, effectiveness and potential compatibility with the arm’s length principle could be prepared	Report developed by Secretariat	WP6 paper in draft / continued WP6 evaluation as part of work on BEPS
A review of country experiences with anti-avoidance approaches could be prepared	Report developed by Secretariat	

<i>Advance pricing agreements and mutual agreement proceedings</i>		
A review of country approaches and experiences with respect to APA programmes, particularly those of developing countries, could be prepared	Report developed by Secretariat	
A review of country approaches to negotiations to resolve transfer pricing disputes and their governance frameworks could be prepared	Report developed by Secretariat	
Update of OECD outreach material on transfer pricing dispute resolution and avoidance	Updated training tools developed by Secretariat	MAP Forum

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