

**OECD Global Forum on VAT
Paris, 5-6 November 2015**

Statement of outcomes

We, the high-level officials of 104 jurisdictions and international organisations worldwide, gathered at the third meeting of the OECD Global Forum on VAT (the Global Forum) in Paris on 5-6 November 2015 to examine the progress made towards completion of the OECD International VAT/GST¹ Guidelines (the Guidelines) as a global standard to address issues of double taxation and unintended non-taxation in the application of VAT to international trade.

We recall that, at its first meeting on 7 - 8 November 2012 in Paris, the Global Forum pledged to build the widest possible international consensus on the Guidelines with a view to achieving their endorsement as a global standard.

We also recall that, at its second meeting, on 17 - 18 April 2014 in Tokyo, the Global Forum:

- welcomed and endorsed the first three chapters of the Guidelines, including those on the neutrality principle and on the place of taxation for cross-border business-to-business (B2B) supplies of services and intangibles, to serve as a reference point for designing and implementing legislation; and
- urged the OECD to finalise its work on the remaining chapters of the Guidelines, including to ensure the effective and coherent VAT treatment of cross-border supplies of services to private consumers (B2C), and to present the completed Guidelines for endorsement at the third meeting of the Global Forum in November 2015.

Against this background and in light of our discussions at the third meeting of the Global Forum, we:

- welcome the approval by the OECD Committee on Fiscal Affairs (CFA) on 7 July 2015, of the complete consolidated set of Guidelines, including the new elements of the Guidelines developed since the second Global Forum meeting in April 2014, with OECD and G20 countries working together on an equal footing. These new elements include recommended rules and implementation mechanisms for the effective and coherent VAT treatment of supplies of services and intangibles to private consumers (B2C), which will facilitate the efficient collection of VAT due on these transactions, thus helping jurisdictions to prevent distortion of competition between domestic and foreign suppliers;
- welcome the active involvement of an increasing number of countries beyond the OECD and G20 and of the global business community in shaping the outcomes of this work, notably through the participation in consultations on discussion drafts, in seminars and workshops and in the meetings of the Global Forum on VAT;
- welcome the inclusion of the Guidelines on the application of VAT to cross-border supplies of services and intangibles in the Base Erosion and Profit Shifting (BEPS) package that was endorsed by the OECD Council on 1 October 2015 and that was delivered to G20 Finance Ministers on 8 October 2015;

¹ Value Added Taxes (VAT) are also referred to as “Goods and Services Tax” (GST) in many jurisdictions. For ease of reading, this statement hereafter refers to VAT to cover all value added taxes, by whatever name, in whatever language, they are known.

- endorse the complete consolidated set of Guidelines as standards for the VAT treatment of international trade in services and intangibles, to serve as a reference point for designing and implementing legislation with a view to minimising the potential for unintended non-taxation and double taxation;
- look forward to the development of an OECD Recommendation in 2016 that will embody the complete set of Guidelines and that will be open to adherence by all interested non-OECD Members;
- urge the OECD to develop implementation packages to support the effective and consistent implementation of these Guidelines, and to work on areas that are not yet covered by these Guidelines. This work could include research and analysis of approaches to improve neutrality and overall performance of VAT systems, such as through the design and implementation of efficient VAT refund mechanisms and risk assessment processes. This work could also include the development of a possible framework for the exchange of information and enhanced administrative co-operation in the area of VAT. Future work could also focus on the application of VAT to cross-border trade in goods, including on the collection of VAT on low value imports, and on good practices to address compliance issues. Work might also need to be developed on the interaction between VAT and the international direct tax framework, notably in the area of transfer pricing; and
- look forward to the design of an even more inclusive framework to support and carry out this work with the involvement of all interested countries and jurisdictions, particularly developing economies, on an equal footing.