



To Commissioner for Economic and Financial  
Affairs, Taxation and Customs Mr Moscovici  
Cc Taxud Director General Mr Zurek  
Sent by email [maria-elena.scoppio@ec.europa.eu](mailto:maria-elena.scoppio@ec.europa.eu)  
[Aurelija.ANCIUTE@ec.europa.eu](mailto:Aurelija.ANCIUTE@ec.europa.eu) [Valere.Moutarlier@ec.europa.eu](mailto:Valere.Moutarlier@ec.europa.eu)

Brussels 17 December 2014

re: conflicts of interest EC good tax governance platform

Dear Commissioner,

The Luxembourg tax leaks I and II, revealed by the International Consortium of Investigative Journalists, have brought home the industrial scale of aggressive tax planning which the EC good tax governance platform is currently consulted upon, alongside tax fraud and double taxation.

The “Lux leaks” have also exposed the role of tax advising accountancy firms that helped broker the tax rulings with the Luxembourg tax administration such as, concerning the first batch of revelations last month, PricewaterhouseCoopers involved in at least 548 tax rulings from 2002 to 2010; and the other “Big 4” accounting firms with regard to the second set of leaked documents this week, i.e. Ernst & Young, Deloitte and KPMG over the period of 2003 and 2011.

PwC is currently represented via two other organisations on the EC good tax platform, whilst the Big4 are on the platform’s membership reserve list, on their own behalf. Some members have past work experience in executive positions in at least two of the Big 4 firms.

As members of the EC good tax governance platform, we ask you to activate the provision regarding potential conflicts of interest as laid down in article 11 of the Platform’s rules of procedure, and accordingly to consider the exclusion of those Platform members associated to PwC. According to the CVs published on the Platform’s website, this would concern:

- full time member on behalf of NOB, Tax Partner with PwC since 2005.
- substitute member on behalf of FEE, Senior Partner PwC Austria.

In addition, it is unclear whether the substitute member on behalf of ACCA, has any current dealings with the Big 4 firms. His CV indicates experience with the “Big 4 business environment” without specifying whether it is past or present. We ask you to check this.

Those Platform members do not represent PwC as such but their direct links with the firm makes it difficult to not consider undue influence on their views expressed in the Platform’s meetings. It is also an indication of the pervasive links accounting firms have established with organisations that claim to represent public accounting organisations.

It is also wise to remove the Big 4 firms from the platform’s reserve list.

We note the past experience in executive positions with the Big 4 firms of two Platform members on behalf of CFE and FEE.

We previously aired our concerns regarding the unbalanced composition of the so-called civil society representatives on the Platform, which is currently the subject of an enquiry by the European Ombudsman. We also denounced, directly or indirectly, the perplexing links the Big 4 have with some of the organisations represented on the Platform.

The Lux leaks provide concrete evidence that our concerns were and remain founded.

Sadly, after 4 meetings, the discussions in the Platform have led to no tangible results. Our view is that this is due to constant blocking by the overrepresentation of some members whose interests do not seem to be in strengthening the fight against tax fraud and avoidance and in helping the implementation of the EC action plan against tax fraud and evasion.

We remind you that the big 4 accounting firms do more than advising companies on minimizing tax payments, they actually design tax avoidance schemes through financing structures that they sell to companies to secure very low tax rate rates.

This was most recently denounced by British MPs in the course of a hearing by the House of Commons' Public Accounts Committee regarding the role of PwC.

Those firms make huge profits out of their tax services whilst the ordinary citizens are expected to make up for the loss of tax revenue. These organized practices deny elected governments much needed revenues to finance public services we all rely on, in and outside Europe, and are attacks on the EU social model we defend.

People across EU are running out of patience with failure to tackle tax dodgers and expect decisive and effective action to end this and their ability to influence any EU policy. The matter is also not going unnoticed in the media<sup>1</sup>.

Looking forward to hearing from you and hoping that a decision on the matter will be taken in time for the next meeting of the Platform scheduled for 19 December.

Kind regards

EC good tax governance platform members (civil society seats)

EPSU, Nadja Salson and Kathleen Walker Shaw (GMB, UK)  
CESI, Romain Wolff and Aurore Chardonnet  
Christian Aid, Joseph Stead  
Oxfam, Catherine Olier  
CIDSE, Lucie Watrinet

---

<sup>1</sup> See for example: <http://www.independent.co.uk/news/world/europe/corporate-lobbyists-celebrate-as-eu-budget-clampdown-collapses-9916470.html>