

Extending the uptake of the Co-operative Tax Compliance Programmes in Belgium and Poland

Deliverable 6: Final report

Technical Support Instrument

Supporting reforms in 27 Member States



Funded by
the European Union



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Abbreviations

BE	Kingdom of Belgium
Beneficiary authorities or Beneficiaries	Jointly: Federal Public Service Finance Belgium in Belgium and Polish National Revenue Administration
CATI	Computer Assisted Telephone Interview
CAWI	Computer-Assisted Web Interview
CTCP	Cooperative Tax Compliance Programme
DG Reform	The European Commission's Directorate-General for Structural Reform Support
EU	European Union
FGI	Focus Group Interviews
FPSF BE	Belgian Federal Public Service Finance
IDI	Individual In-depth Interviews
IMF	International Monetary Fund
IOTA	Intra-European Organisation of Tax Administrations
KPI	Key Performance Indicator
NRA PL	Polish National Revenue Administration
OECD	Organisation for Economic Co-operation and Development
PL	Republic of Poland
PwC	PricewaterhouseCoopers EU Services EESV
T3M	Tax Management Maturity Model
TCF	Tax Control Framework
TSI Regulation	Regulation (EU) 2021/240 establishing a Technical Support Instrument

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1. Introduction

1.1 About the project

The Directorate-General for Structural Reform Support (DG REFORM) coordinates and provides tailor-made technical support to European Union Member States, in cooperation with the relevant Commission services. DG REFORM provides support for the design and implementation of resilience-enhancing reforms in a wide range of topics, including the area of taxation.

The Kingdom of Belgium (BE) and Republic of Poland (PL) have requested support from the European Commission under Regulation (EU) 2021/240 establishing a Technical Support Instrument (TSI Regulation).

The request has been analysed by the European Commission in accordance with the criteria and principles referred to in Article 9(5) of the TSI Regulation, following which the European Commission has agreed to provide technical support provided by DG REFORM to Belgium and Poland as a multi-country project in the area of tax compliance.

Both countries took steps to implement the Cooperative Tax Compliance Programmes (CTCP), using the concept of organising the tax system proposed by the Organization for Economic Co-operation and Development (OECD) - Horizontal Monitoring Compliance. The programmes also take into account the guidelines of the OECD.

The Commission awarded the work to PricewaterhouseCoopers EU Services EESV (PwC) under a Specific Contract No. REFORM/SC2022/127 which entered into force on September 12th, 2022.

During the realisation of this contract, PwC provided its expertise to the Federal Public Service Finance Belgium (FPSF BE) in Belgium and to the Polish National Revenue Administration (NRA PL) in Poland (jointly: “beneficiary authorities” or “beneficiaries”) supporting them in extending the uptake of the Cooperative Tax Compliance Programmes in Belgium and Poland. The specific objective of this service contract is to assist national authorities in improving their capacity to design, develop and implement reforms, in line with Article 4 of the TSI Regulation.

In particular, the beneficiary authorities wished to create an objective framework and guidelines for assessing the Tax Control Framework (TCF) and obtain knowledge, an implementation plan and strategy on how to expand the programmes to a wider group of taxpayers.

The project was planned to create 6 substantive Deliverables culminating in the final report, which we hereby present.

1.2 The aim of the document

The aim of Deliverable 6: Final report is to provide an **executive summary of the main activities** carried out during the execution of the project. The next chapter provides a brief overview of the activities accomplished and results achieved during each Deliverable. Where necessary, differences in the approach and results for the Belgian and Polish workstreams are highlighted. Additionally, the project team

summarised the **lessons learned, and best practices applied** during the project for future reference. The report also contains a list of the main challenges, outline of the risks with corresponding mitigation processes, as well as a list of recommended key performance indicators for the implementation of the project after its completion. Last but not least, follow up actions for the beneficiaries were suggested to ensure continuous improvement.

The report contains a Visual project summary fiche for communication purposes and social media content that can be published by the beneficiaries or DG Reform. The summary fiche summarises the context of the project, its objectives with the delivered support, and achieved results.

1.3 Project delivery

The contract was signed on August 8th, 2022. The work commenced in parallel for the Polish and Belgian beneficiaries. The final version of Deliverable 1: Inception report was approved by DG Reform on December 7 2022. The deadlines of Deliverables were respected throughout the project, and any changes in deadlines compared to the original schedule were consulted and accepted by all parties to the project. All deliverables were finalised and approved in October 2024.

Without prejudice to the rules applying to pre-existing rights on pre-existing materials, the intellectual property rights belong to the European Union. It is governed by the general conditions of the framework contract REFORM/2021/OP/0006-07 Lot 1 between the European Commission and PricewaterhouseCoopers EU Services EESV.

The general objective of this service contract is to contribute to institutional, administrative and growth-sustaining structural reforms in Belgium and Poland, in line with Article 3 of the TSI Regulation.

2. Summary of the Deliverables

2.1 Deliverable 1: Inception report

The goal of the Inception report was to provide the beneficiaries with a structured document outlining the defined project goals, the project timeline, and methodologies applied at each stage. The objective of the inception phase was to confirm the project scope and its feasibility based on the initial understanding and to raise any potential reservations.

The document was divided into the following sections:

- Introduction, in which PwC's understanding of the project background was provided;
- The situational overview of CTCs in Poland and in Belgium at the moment of project initiation, along with the explanation of the project context;
- A plan of project initiation meetings and discussions, including a description of the meetings and topics raised;
- Project methodology and identified stakeholders, which were confirmed earlier during the work on this Deliverable;
- The principles of project management, including the timeline, the project team as well as a matrix of potential risks which were identified as potential bottlenecks in the realisation of the project.

The Inception report was submitted to DG Reform, NRA PL and FPSF BE on October 24th 2022 and the final revised version was formally accepted by DG Reform and beneficiaries on December 7th 2022.

2.2 Deliverable 2: Feasibility analysis

The feasibility analysis presents a comprehensive overview and evaluation of the current state of the CTCs in Poland and Belgium and to examine the possibilities of their further extension and development.

The analysis report has been designed and prepared collaboratively by two project teams from the two countries, working together to utilise their knowledge and experience. Both project teams conducted a comprehensive analysis carried out with the utmost care and aimed to best address the expectations of the beneficiaries. For Belgium, the objective of FPSF BE was to reach the participation rate of five new groups annually (up to 50 in total). In Poland the aim was to broaden the scope of the CTC on new company categories.

The scope of input has been discussed and consulted with the beneficiaries so as to best address their requirements and needs.



Activities for this Deliverable started in November 2022 with a meeting between the project coordinators of the FPSF BE and the PwC Belgium team. The initial meeting served for the confirmation of scope of the previously conducted survey, interviews and the further project plan for work on this Deliverable.



Activities for this Deliverable started in November 2022 with the meeting between the project coordinators from NRA PL and PwC Poland team. The initial meeting served for the confirmation of scope of the desk research, workshops and interviews and the further project plan for work on this Deliverable.

The final Deliverable was submitted to the beneficiaries and DG Reform for the preliminary review on May 15th 2023 and the final revised version was formally accepted by the beneficiaries and DG Reform on July 26th 2023.

Project activities

The report is based on several complementary methodologies allowing to gain a comprehensive and holistic perspective on the CTCP uptake and potential further development in both Poland and Belgium. The aforementioned methodologies included:

- Desk research with case study;
- Individual In-depth Interviews (IDI) with management of beneficiary authorities;
- Workshops with operational employees from beneficiary authorities;
- Individual In-depth Interviews (IDI) with firms experienced with CTCP ;
- Focus Group Interviews (FGI) with small and medium companies;
- Focus Group Interviews (FGI) with companies that take part in the Belgian pilot phase as well as other target groups;
- Computer Assisted Telephone Interview (CATI) supported by Computer-Assisted Web Interview (CAWI) by the PL PwC team for the Polish part of Deliverable (concerning small and medium companies).

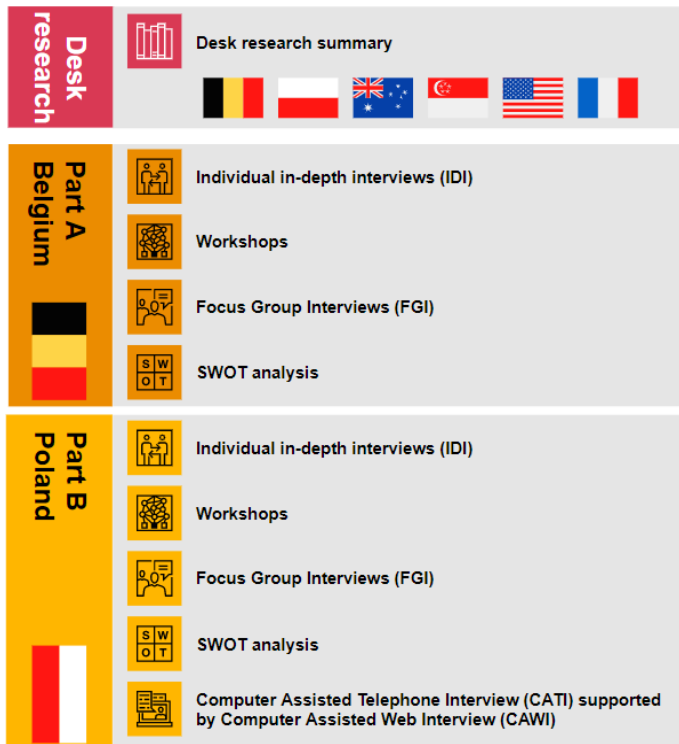


Figure 1. The scope of activities under the Deliverable 2

The implementation of this Deliverable started with work on the **Desk research with case study**. This research was further extended and further complemented with the publications of other national tax authorities and benchmark studies in the field of CTCP (such as France within EU as well as Australia, Singapore and the United States) and also those of relevant international research and development entities. One of the mentioned countries (France) was further investigated as a case study to fully examine the possibilities and scopes of extending the uptake of the CTCP.

PwC has prepared a Desk research study on both Polish and Belgian sides, which was a part of the whole report aiming at identifying opportunities for extending the CTCP uptake as mentioned above and developing preliminary high-level scenarios for extending the CTCP.

In January 2023 PwC conducted IDIs (**Individual In-depth Interviews**) with the leadership of the Belgian FPSF and the Polish NRA. Each meeting was focused on the reasons behind the low(er) CTCP uptake. The aim of those meetings was to identify the most common incentives and obstacles for companies regarding participation in the programme (e.g. high initial costs, required time, (lack of) legal certainty, (limited) return on investment etc.)

At the same time, in late January and early February PwC Poland organised two creative **Workshops** (IDIs with operational employees) with beneficiary staff engaged in operational tasks related to CTCP. The objective of meetings was to evaluate current management structure and work capacity, as well as to map additional resources and competences (within each beneficiary authority) needed to extend the CTCP range.

For Belgium, PwC Belgium organised a physical workshop and a virtual meeting with staff engaged in the operational tasks related to CTCP, covering all the different roles within the beneficiary authorities operational team structure. The objective of the meetings was to obtain feedback from the operational employees in respect of the current operational model.

Also at the end of January, PwC Poland arranged an interview with a representative of the company which participated in the pilot phase and concluded a cooperation agreement within CTCP in Poland. To avoid conflict of interest, only companies supported by PwC Poland with respect to joining CTCP could be asked to participate in the interviews.

PwC has also arranged **Focus Group Interviews (FGIs)** on both Polish and Belgian sides.

PwC Poland conducted FGIs with the representatives of small and medium companies, taking into account representatives from various sectors in order to get to know their opinion, perspective and expectations towards CTCP. Taking into account the optimal size of the focus group, we split them into two FGIs, each consisting of 6-7 participants. The FGIs were conducted online which will allow to find a suitable date for as many invited firms as possible. To get the highest value added, the representatives of each company were selected specifically from a pool of employees whose responsibilities are related to tax matters. The selection was made within each company via a special survey sent to each participant before the interviews.

PwC Belgium assessed the survey conducted by FPSF BE. Furthermore, we have conducted 3 focus group interviews with 7 of the 10 participants of the CTCP in Belgium. The purpose of these focus group interviews was to collect the participants' feedback, experience and recommendations of the CTCP in Belgium based on their own experiences.

In March PwC Poland organised **Computer Assisted Telephone Interview (CATI) supported by**

Computer-Assisted Web Interview (CAWI). The PwC Poland team took a sample among 200 small and medium-sized companies, taking into account representative numbers from various sectors. The questionnaire was simple and standardised. It contained 19 questions, mainly closed ones, with a standard, 10 points scale of answers. Each entity was contacted first in order to appoint a person with appropriate qualifications to participate in the study. The interviews were carried out by a specialised company experienced in this type of research in the field of CTCP. At the end of this stage PwC Poland prepared a summary of the key conclusions.

Having utilised the above methodologies to broaden the knowledge and understanding of the needs and requirements of different stakeholders concerning the present and the future of CTCPs in Poland and Belgium, both PwC teams have developed 4 high level CTCP extension scenarios for each country. The scenarios constitute a basis for discussion regarding the possible further extension and development of the CTCPs in Poland and Belgium. As part of works on Deliverable 2, the scenarios were then presented to the beneficiary authorities, and then collaboratively analysed and evaluated during a **SWOT analysis** session, which took place in each of the participating countries.

Finally, the next step of work on the potential extension and development of the CTCPs in both countries included organising **Panels of Experts**, where leading experts in the field of CTCPs and horizontal monitoring - with both theoretical and practical experience in the area - evaluated each of the pre-prepared scenarios. Although two separate Panels of Experts were held, their purpose and formula has been reconciled between both Poland and Belgium. The considerations and conclusions of the experts were taken into account while selecting the maximum of 2 of the 4 scenarios for further development and evaluation. For Belgium, different elements from the 4 proposed preliminary high-level scenarios, which are deemed feasible and are expected to have the most impact on the uptake, were combined into a new scenario 5. Further efforts to define a vision on how to extend the CTCPs in each country further and to set well-defined goals of the process was then undertaken under Deliverable 3.

The whole process was highly inclusive, engaging a variety of stakeholders. The analysis also took into account both the local and international context: results of both pilot phases, legal and administrative framework, administration's capacity, perspective of beneficiary authority, taxpayers and their representatives, as well as international publications or experience and know-how from other countries.



Figure 2. High level description of steps realised during the preparation of the feasibility analysis report

Results:

The final goal for this Deliverable was to contribute to achieving the following outcomes:

- Both beneficiaries have an improved understanding and preparedness to increase the uptake of their respective CTCPs;
- Both beneficiaries have enhanced capabilities to upscale their communication activities regarding their respective CTCP.

2.3 Deliverable 3: Strategies and action plan

The purpose of this Deliverable was to prepare exhaustive, data-informed strategies for the implementation of the CTCP in both Belgium and Poland, along with comprehensive action plans aimed at achieving this goal based on the findings obtained as a result of Deliverable 2 taking into account different legal and regulatory conditions.

The main goal of the strategies was to **create a functional plan of CTCP extension** in Poland and Belgium that will lead to the implementation of the chosen CTCP extension scenario.



Activities for this Deliverable started in May 2023 with the meeting between the project coordinators from FPSF BE and the PwC Belgium team. The initial meeting served for the confirmation of scope and the project plan for work on this Deliverable. On the Belgian side the final Deliverable was submitted to DG Reform and FPSF BE for the preliminary review on July 14th 2023. The final version was submitted - as agreed with DG REFORM - on August 18th 2023 (in a form of one report, together with the Polish part submitted on July 31st 2023).



Activities for this Deliverable started in May 2023 with the meeting between the project coordinators from NRA PL and PwC Poland team. The initial meeting served for the confirmation of scope and the project plan for work on this Deliverable. On the Polish side the final Deliverable was submitted to DG Reform and NRA PL on July 31st 2023.

Finally, the approval process for Deliverable 3 was concluded on October 11th 2024.

Project activities

Based on the information obtained from the work on the Deliverable 2 including findings from Panels of Experts, the beneficiaries have decided on the final course of the CTCPs in both countries. Both of the project teams have worked together according to the predefined methodology, which

- Considers the taxpayer perspective - the success of the CTCP depends on how well new businesses can be encouraged to participate in the programme. Taking into account the perspective of enterprises (requirements, potential incentives or burdens etc.) is then a starting point for further actions;
- Addresses any weaknesses and opportunities identified in Deliverable 2 - conclusions from Deliverable 2 were used to develop possibly the most suitable and effective strategies;
- Sets the specific aim of each strategy - It defines the specific goal of each strategy - both documents aimed to further expand CTCP, but given the different conditions in Belgium and Poland, each strategy took into account the specific conditions in each country;
- Determines pace of strategy implementation - strategies will be carried out at once or more gradually. In Belgium, the approach will depend on e.g. taxpayers' turnover and characteristics of the group-specific framework. In Poland, the strategy entails the development of many new solutions in the fields of processes and technology, and so, selected elements may be implemented sooner than others.

The process of developing the strategies and action plans were highly participatory. In order to determine and formulate the strategic and operational goals of the beneficiaries, both project teams have organised and led two workshops per country:

- **Creative workshop**, which aim was to develop an overall course of action on how to implement the chosen scenarios, attended by approximately 10 participants on the side of the Belgian beneficiary and 10 on the side of the Polish beneficiary;
- **Strategic workshop**, which aim was to develop an overall course of action on how to implement particular scenarios, attended by approximately 3 participants on the side of the Belgian beneficiary and 10 on the side of the Polish beneficiary

For Belgium, it was agreed to organise two meetings to discuss the draft Deliverable 3 with the beneficiary in detail and further finetune the strategic and operational goals taking into account the feedback from the beneficiary.

The conclusions from the aforementioned workshops and meetings have allowed both project teams to determine overall direction for the development of the CTCP, as well as more detailed steps to be taken in the next year in order to extend the CTCP further.

Additionally, it is worth noting that - as agreed beforehand with the beneficiaries - both project teams have resigned from conducting the IDIs with the key stakeholders, who are current participants in the CTCPs in Belgium and Poland. The decision not to conduct them was justified by the vast amount of data and information already obtained in the course of the project, as well as by the limited availability of the aforementioned companies. Moreover, on the Polish side, the entities already participating are subject to numerous case studies, interviews and other analyses - accordingly, it was decided not to engage them in further activities of this sort. Therefore, the strategies and action plans were based solely on the results of CTCP evaluation conducted beforehand.

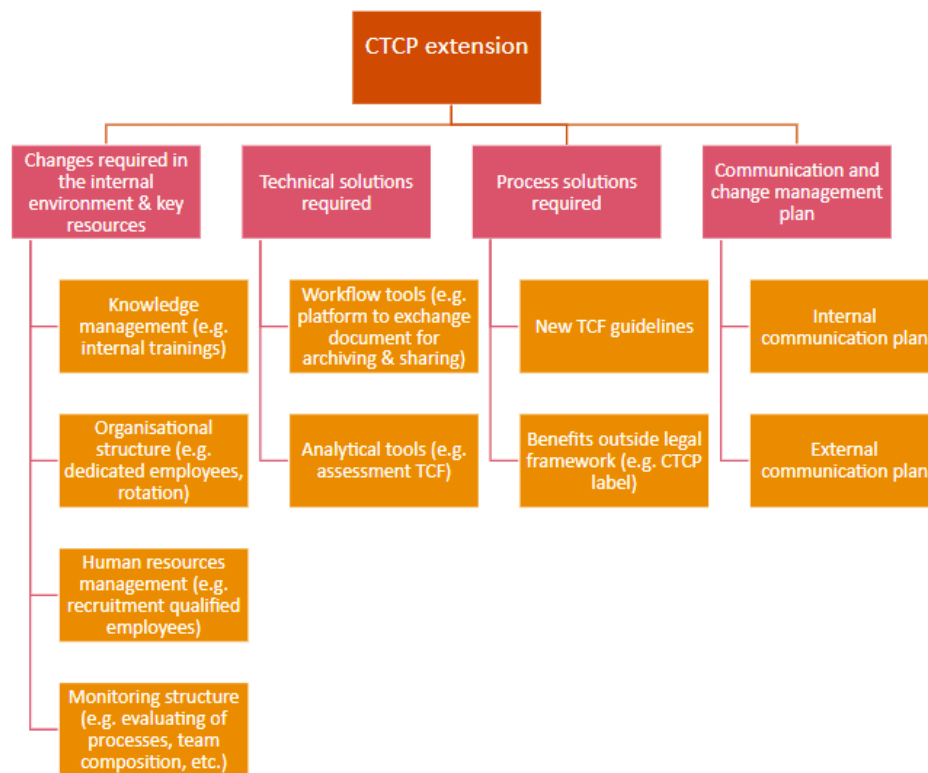


Figure 3. Summary of key requirements to implement the strategy in Belgium

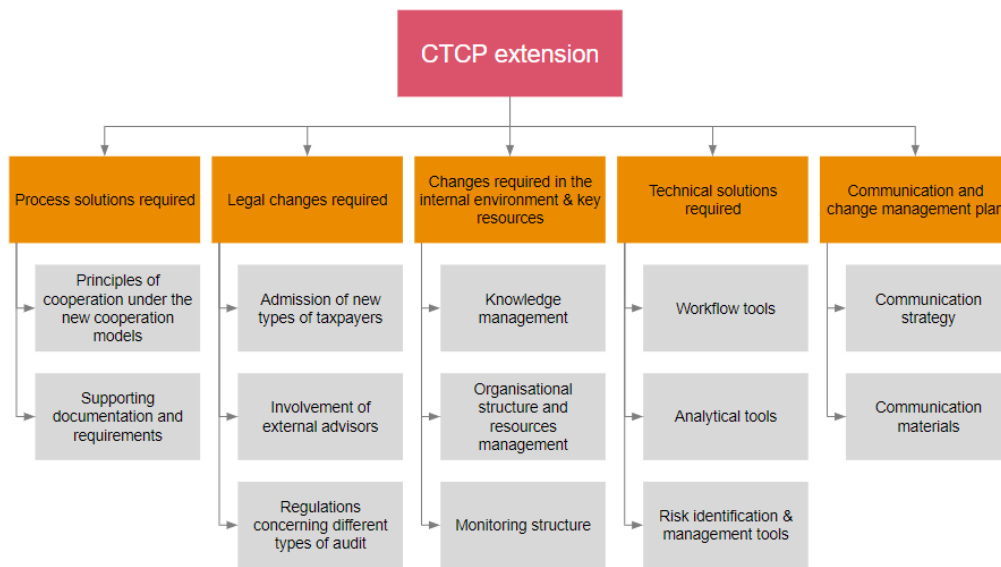


Figure 4. Summary of key requirements to implement the strategy in Poland

All in all, the strategies outline the goals, requirements, and implementation plans, providing a clear roadmap for the programme extension and indicating the detailed tasks and activities implemented under each operational objectives, as well as key stakeholders, available resources, milestones, monitoring and evaluation mechanisms.

Additionally, the strategies allow for the adoption of a mission and vision for the programme. It ensures that all stakeholders are aligned and have a shared understanding of the goals and desired outcomes.

Results:

The results of this Deliverable are:

- Both beneficiaries have a functional plan of CTCP extension that could lead to the implementation of the chosen CTCP extension scenario;
- Both beneficiaries have an applicable action plan - a hands-on roadmap indicating the detailed tasks and activities implemented under each operational objectives, as well as key stakeholders, available resources, milestones, monitoring and evaluation mechanisms;
- Both beneficiaries have established a clear mission and vision for the CTCP.

2.4 Deliverable 4: Capacity building on TCF

The main objective was to design tailored TCF guidelines for each of the beneficiaries in the context of each country’s specific framework, preparing and delivering two seminars for each beneficiary on the designed guidelines, and preparing and delivering a joint seminar for both beneficiaries presenting different approaches in the design of compliance frameworks.

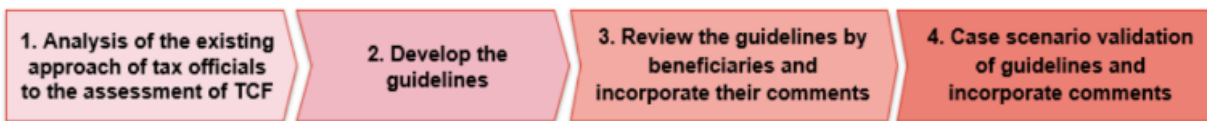


Figure 5. Outline of the key steps to be taken under Deliverable 4.



Activities within this Deliverable started in August 2023 with the initial meeting between the FPSF BE project team and the PwC Belgium team. The initial meeting served for the confirmation of scope and the project plan for work on this Deliverable a.o. about establishing the scope and elements that composed the guidelines.



Activities within this Deliverable started in July 2023 with the initial arrangements between the project coordinators from NRA PL and PwC Poland team. The discussion served for the confirmation of scope and the project plan for work on this Deliverable, including findings of requirements concerning the desired shape of the guidelines. Later that month, a preliminary draft of the guidelines was developed and further steps were planned.

The final Deliverable was submitted to DG REFORM, FPSF BE and NRA PL jointly on October 20th 2023 and its approval process was concluded on October 11th 2024.

Project activities

In order to meet the expectations of the beneficiaries and address the current needs regarding the assessment of TCF, before developing the guidelines, PwC teams conducted separate meetings with the representatives of each beneficiary during which discussed the existing approach of tax officials to the assessment of TCF, general outlines of the methodology used, documentation and technology that supports assessments as well as experience gained by tax authorities resulting from completed assessments that may be useful to be included in the guidelines. During the meeting, the Polish PwC team presented NRA PL the Tax Management Maturity Model (T3M) that was developed and is used by PwC during the assessments of TCF.

The key principles for developing the aforementioned guidelines included:

- The new approach to TCF assessment reflecting the strategies developed in both countries;
- The required TCF maturity levels for taxpayers (concerning medium-sized companies and large taxpayers interested in participating in the CTCP for Poland);
- Specific steps and their sequence that officials should perform when assessing the maturity levels;
- Stakeholders on the taxpayers side whom roles and responsibilities shall be identified and assessed;
- Tax mechanisms that shall be identified and assessed;
- Documentation that shall to be collected in order to perform assessment;
- Practical guidance resulting from the PwC's experience from TCF assessments' projects;
- The key risks and controls for the different tax types, taking into account the specific frameworks resulting from the strategies developed under Deliverable 3.

Guidelines for Poland were created, concerning how tax officials should, in the context of each country's specific framework, assess the maturity levels and the required compliance level of taxpayers interested in participating in the CTCP. These guidelines specified the sequence of actions that officials should perform when assessing enterprises' TCF. Guidelines were developed to address the new requirements resulting

from the strategy developed under Deliverable 3 as well as the draft version of public guidelines for TCF assessment that are developed by the NRA PL since June 2023 as a part of public consultation.

Bearing in mind the particular arrangements with the FPSF BE (consulted with and accepted by DG REFORM), the PwC Belgium team has adopted a slightly modified approach. The existing (external) guidelines towards (potential) CTCP participants were updated for Belgium taking into account the proposed strategy and action plan. The Guidelines have been prepared in accordance with the principles outlined in the Inception Report, as well as with the additional comments made by the Belgian beneficiary. The relevant experience from TCF evaluation carried out in Belgium in the past has also been considered and incorporated.

Based on the validated guidelines, the training curriculum was being developed with the goal of raising awareness and sharing knowledge on TCF analysis. Two “train the trainer” type seminars were conducted for each beneficiary. One of them, delivered separately for each country, focused on the TCF guidelines and how to follow them in practice - both country representatives chose to conduct this workshop in person. The other took place in a hybrid mode and included the participants from both countries - this time, the content of the training focused on the different approaches in the design of compliance frameworks. While preparing the training plan for both aforementioned events, the following aspects were taken into account:

- Our observations made during interactions with the beneficiaries on the previous stages and conclusions from CTCP entry requirements;
- Questions and doubts that were raised during the previous interactions (particularly, the IDIs and FGIs conducted under Deliverable 2) - the voice of the potential participants in the guidelines is crucial to ensure their validity;
- Tips and tricks concerning the assessment of TCF based on our experience;
- A comprehensive change management approach in order to embed the changes to the existing process described in the guidelines within the FPSF BE and NRA PL culture and practices.

The two “trainings for trainers” included practical presentations of case studies and techniques, tailored to the country context of each beneficiary authority. The training materials were envisioned to serve as a background material for beneficiary staff to train other colleagues, therefore, PwC team prepared sufficient training materials for this purpose, by developing supporting notes on slides. Naturally, at the beginning of the training PwC team explained to the participants the principle of "Train the trainer" format.

Results

The results of this Deliverable are:

- Both beneficiaries received the developed separate Tax Control Framework guidelines for Belgium and Poland with relevant attachments;
- Both beneficiaries participated in the “train-the-trainers” workshop on the TCF guidelines, organised for each country separately; The Belgian workshop was attended by approximately 20 participants, while the Polish workshop was attended by approximately 15 of them.
- Both beneficiaries participated in the joint “train-the-trainers” seminar on different approaches in designing compliance frameworks. The workshop was attended by approximately 20 participants on the side of the Belgian beneficiary and 15 on the side of the Polish beneficiary.

2.5 Deliverable 5: Communication strategies and materials

The objective of this Deliverable was to plan the efficient communication between tax authorities, taxpayers eligible to join the CTCP, as well as with other stakeholder who might have an impact on the development of the CTCPs in Belgium and Poland. The activities planned in this Deliverable were designed to be compatible with the strategies developed under Deliverable 3.

The communication strategy presented in the Deliverable 5 identifies individual communication channels with stakeholders and the frequency of communication, which are provided in the communication plan in two different jurisdictions - Poland and Belgium. This provides a practical roadmap for communicating with relevant stakeholders in both countries, which should enable them to fulfil their contracts while ensuring that they remain compliant with the tax rules that operate in each jurisdiction. As previously mentioned, this strategy was developed only after an analysis of the stakeholder expectations had been carried out as part of Deliverable 3.

Project activities

PwC prepared this Deliverable while bearing in mind the ADKAR Model of Change Management. The aim of the suggested solutions arising from the model was to develop a communication model that would facilitate a change in the way both parties communicate. Additionally, it is worth highlighting that the ADKAR serves as a guide for addressing the audience efficiently and developing appropriate, tailor-made communication models. This approach was applied to reach the target audiences and optimise the effectiveness of available resources. Its goal is to enhance the effectiveness of the strategy in reaching the target audience sustainably.

In terms of communication materials, PwC developed the presentations, flyers, brochures and videos bearing in mind the needs of their recipients, as well as the culture and visual identification of both beneficiaries. The materials developed as an integral element of the communication strategy are intended for use by the main groups of external and internal stakeholders. The aforementioned elements were prepared separately for internal and external stakeholders. Both sets were produced in English, Dutch and French for Belgium and in English and Polish for Poland. Their primary goal is to raise awareness of the CTCP, increase knowledge in this field and encourage stakeholders to take an active part in the programme.

What is Cooperative Tax Compliance Programme (CTCP)?



The Cooperative Tax Compliance Programme facilitates companies in the proper fulfillment of their tax obligations, helping them gain quicker legal certainty in tax matters and opening the path to improving their tax reputation. Participation in the programme enhances companies' capabilities in managing tax-related risks.

Participation in the CTCP is voluntary. At any stage of joining, the company may choose to withdraw. As from formal acceptance to the CTCP, participation of minimum 2 years is required.

Three foundations of building cooperation between companies and the FPS Finance

MUTUAL TRUST
MUTUAL TRANSPARENCY
MUTUAL UNDERSTANDING



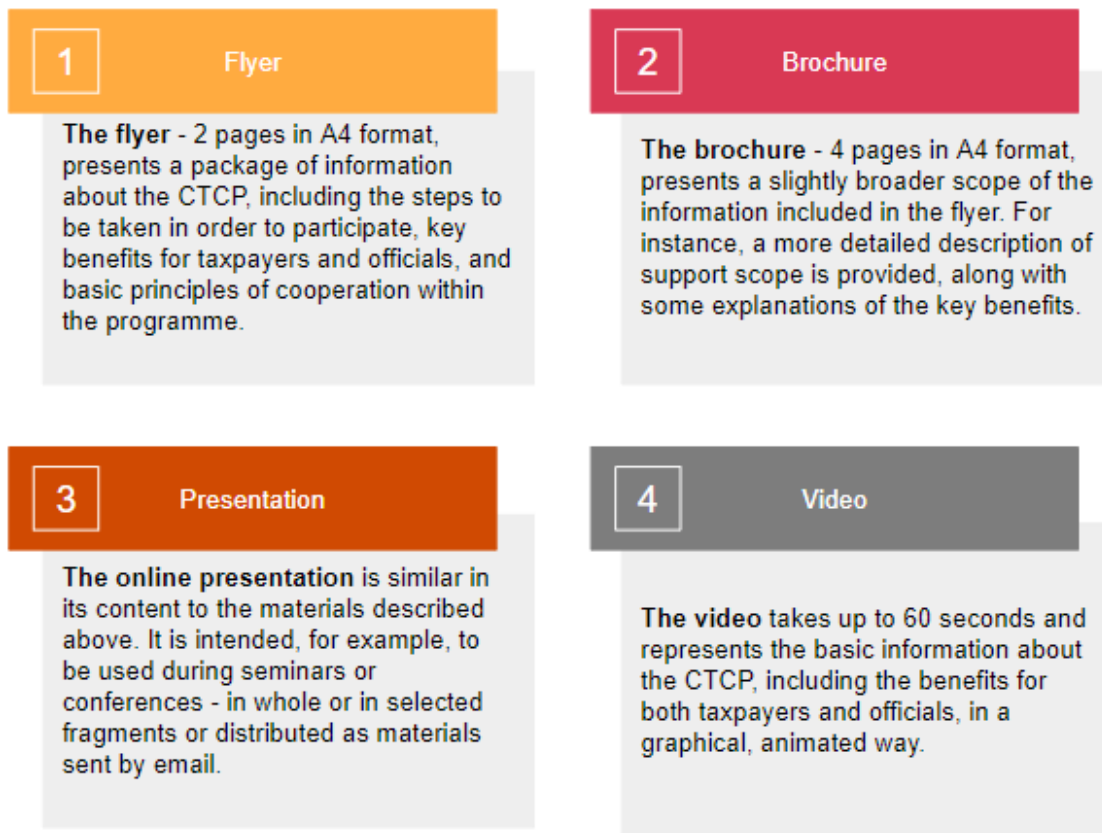


Figure 6. Overview of the materials prepared under Deliverable 5.

In order to measure the effectiveness of particular activities, it is crucial to establish a clear and objective communication approach, as outlined in this document, as well as to establish some clear KPIs. The primary KPI for the communication strategy includes the number of new CTCP joiners; others strive to facilitate its growth. Monitoring the KPIs provides a holistic view of the impact of communication efforts. It is imperative to closely scrutinise each activity directed at future programme joiners and compare the results before and after the communication is delivered or published. This entails measuring the level of awareness generated, gauging participant satisfaction, and systematically capturing feedback. Additionally, creating avenues for stakeholders to share improvement ideas is equally essential. This multifaceted approach ensures a thorough assessment of the communication strategy's efficacy and enables agile adjustments based on real-time insights, ultimately contributing to the sustained growth and success of the CTCP initiative.



Activities for this Deliverable started in August 2023 with the meeting between the project coordinators from FPSF BE and the PwC Belgium team. The initial meeting served for the confirmation of scope and the project plan for work on this Deliverable and the information obtained therein has been passed on to the coordinators of this Deliverable on the Polish side. The final Deliverable, along with relevant attachments, was submitted to DG Reform and FPSF BE for the preliminary review on November 27th 2023.

Activities for this Deliverable started in July 2023 with some preliminary research and planning activities undertaken by the PwC Poland team. Next, the preparatory meeting between the project coordinators from NRA PL and PwC Poland team took place in September 2023. The initial meeting served for the confirmation of scope and the project plan for work on this Deliverable. The final Deliverable, along with

relevant attachments, was submitted to DG Reform and NRA PL for the preliminary review on November 27th 2023. Its approval process was concluded on October 11th 2024.



Results

The results of this Deliverable are:

- The communication strategy, along with the communication plans and supporting materials for both countries;
- Sets of flyers, brochures, presentations and videos, which were prepared separately for internal and external stakeholders (in English, Dutch and French for Belgium and in English and Polish for Poland).

2.6 Deliverable 6: Final report

The final report was prepared for both beneficiaries, taking into account differences between both countries involved in the project. It provides a comprehensive picture of the project's achievements, identifies best practices for further reference and summarises lessons learned for the project team and the beneficiary authorities.

Moreover, it also includes the main challenges and risks associated with the further extension of the CTCP, along with relevant mitigation strategies. In addition, it offers key performance indicators for monitoring the implementation of the project Deliverables after its completion, as well as follow-up activities to ensure continuous improvement.

3. Best practices, lessons learned, and recommended next steps

3.1 Best practices

The project teams introduced several mitigation measures to ensure a smooth project delivery. These measures, including other examples of best practice situations are listed in an aggregated form for both project teams in the table below. Best practices should bring concrete and positive results for the future and improve standards for conducting future projects.

ID.	Best practice	Additional information	Relating Deliverable
1	Open communication with the beneficiary	The PwC project teams highly appreciate the beneficiary's communication style. The open attitude and honesty of the beneficiary authorities allowed the project team to set realistic goals for the project that can be managed by the framework of the organisation.	All Deliverables
2	Agreeing on and respecting set timelines	A timeline for each task (Deliverable submission, feedback collection, etc.) was set and agreed beforehand. Any changes in deadlines compared to the original schedule were consulted and accepted by all parties to the project. From project management point of view, the beneficiary's cooperation regarding the set timelines was key to deliver outputs on time.	All Deliverables
3	Flexibility and readiness to adjust the project timeline	Due to the NDA-related difficulties at the initial stage of the project, the deadlines for the completion of Deliverables 2-6 needed to be extended. Thanks to the flexible attitude and effective collaboration of all parties involved in the project, a new, adjusted timeline has been developed and agreed upon promptly.	D2, D3, D4, D5, D6
4	Regular reporting on progress made	The matter of progress made was identified and communicated on an ongoing basis to both beneficiaries and DG REFORM. This allowed for the effective conduct of the entire project and signalling comments and implementation of changes without undue delay, allowing for the timely delivery of each Deliverable.	All Deliverables
5	Open & frequent communication of both project teams	Both project teams conducted communication between themselves in a transparent, efficient and open manner. This allowed for a proper exchange of experiences, which could subsequently be implemented into solutions for each beneficiary.	All Deliverables

3.2 Lessons learned

During the execution of the project, several instances occurred that led the project teams to valuable experiences applicable for similar projects in the future. A summary of such findings is listed in the “Lessons learned” table below in an aggregated form for both project teams. In instances where the lessons learned are only applicable to one of the project teams, this fact is highlighted appropriately.

ID.	Lesson learned	Additional information	Relating Deliverable
1	Concluding the NDA well in advance, before the project execution starts	Due to the sensitive character of the information the project teams were about to work with, the signature of a non-disclosure agreement (NDA) was inevitable. The negotiation procedure requires a significant amount of time so for the future, it needs to be finalised before the start of project work to avoid any delays or limitations that might occur as a result of the lack of the signed NDA, especially in the early stages of the project.	D2, D3, D4, D5
2	On-time agreement on the project scope and best possible ways to address the beneficiary’s needs	Ongoing communication with the beneficiary and the DG Reform is essential in order to agree on the project scope, needs and possibilities of all involved parties. The scope of each Deliverable should be described very precisely and clearly at the outset, to leave no room for interpretation, because this runs the risk of falling short of the beneficiaries expectations. If expectations change, new insights should be communicated immediately to ensure timely and substantive results. Clarifying the beneficiary's needs and expectations is a key input for the project team, especially at the design stage. This includes technical details, such as the language of the outputs produced or their visual side.	D3, D4, D5
3	Early identification of resources needed at each project step	When defining the goals and expectations of each task, it is necessary to comprehensively and step-by-step think through and plan each element regarding the process and allocate adequate time for its implementation. As an example, there is a case related to the preparation of video material within the Deliverable 5, where the planning of the work on the material did not take into account the time for the preparation and approval of its scenario, which is an essential element in the production of such materials, so that sufficient time was not secured for the preparation of the video according to the original schedule.	All Deliverables
5	Efficient management of formal requirements	During this process, as important as the content, attention should also be paid to formal elements, such as, e.g. the visibility requirements associated with each Deliverable, such as relevant logos and disclaimers. With particular attention paid to this area and additional checking of requirements in the final phase of each Deliverable, the risk of a repeat of such a situation could be avoided.	All Deliverables

6	Project timeline planning	The project plan should be designed to take into account multiple stages of each Deliverable and resources needed for their completion. Due to the scheduling of the studies performed as part of Deliverable 2, the CATI/CAWI results were delivered later than those concluding IDIs, FGIs or desk research; additionally, the video materials under Deliverable 5 could have been delivered earlier if the scripts were completed and consulted earlier in advance.	D2, D5
7	Importance of knowledge and experience exchange	We have noted that knowledge and information exchange between Belgium and Poland helped us develop creative and relevant solutions on many stages of the project. It is important to learn from each other and to communicate - multi-country cooperation can foster innovation and contribute to the development of new ideas.	All Deliverables
8	In-person meetings significance	We observed that the remote ways of working, including e-mail communication and online meetings have brought satisfactory results for both beneficiary and PwC, however we see a high significance of including more in-person meetings through the project course. The workshops which were held in-person turned out very efficient, as well as they were a great opportunity for participants and PwC to get to know each other better, understand point of views, work out the solutions together and share experience. We understand that it can be a challenge when participants are in different locations but the benefits from in-person meetings with all the participants, especially in the beginning of the projects can provide a long lasting engagement and facilitate active participation of all involved in the project.	All Deliverables
9	Effective mitigation of the language barrier	In general, the interactions between the PwC teams and their respective beneficiaries should be conducted in their native language. However, common meetings and workshops - as agreed in the project inception phase - should be delivered in English. If a language barrier arises, it should be addressed and mitigated efficiently, as the ongoing interpreter involvement may have an adverse impact on the course of the training, lecture or workshop. In the future, involvement of a simultaneous translator could be considered.	

3.3 Recommended follow-up actions and monitoring indicators for the implementation of the project



Recommended follow-up actions for the NRA PL



*the actions should be implemented simultaneously, taking into account the availability of the necessary resources.

Figure 7. Recommended follow-up actions for the NRA PL

The project team is aware of the potential challenges that may arise during the implementation of the recommended follow-up actions. For this reason, we recall Deliverable 3: Strategies and action plan, where the notion of evaluating and mitigating risks was discussed exhaustively (in sections 3.10.7 and 3.11.3 respectively).



Recommended follow-up actions for the FPSF BE

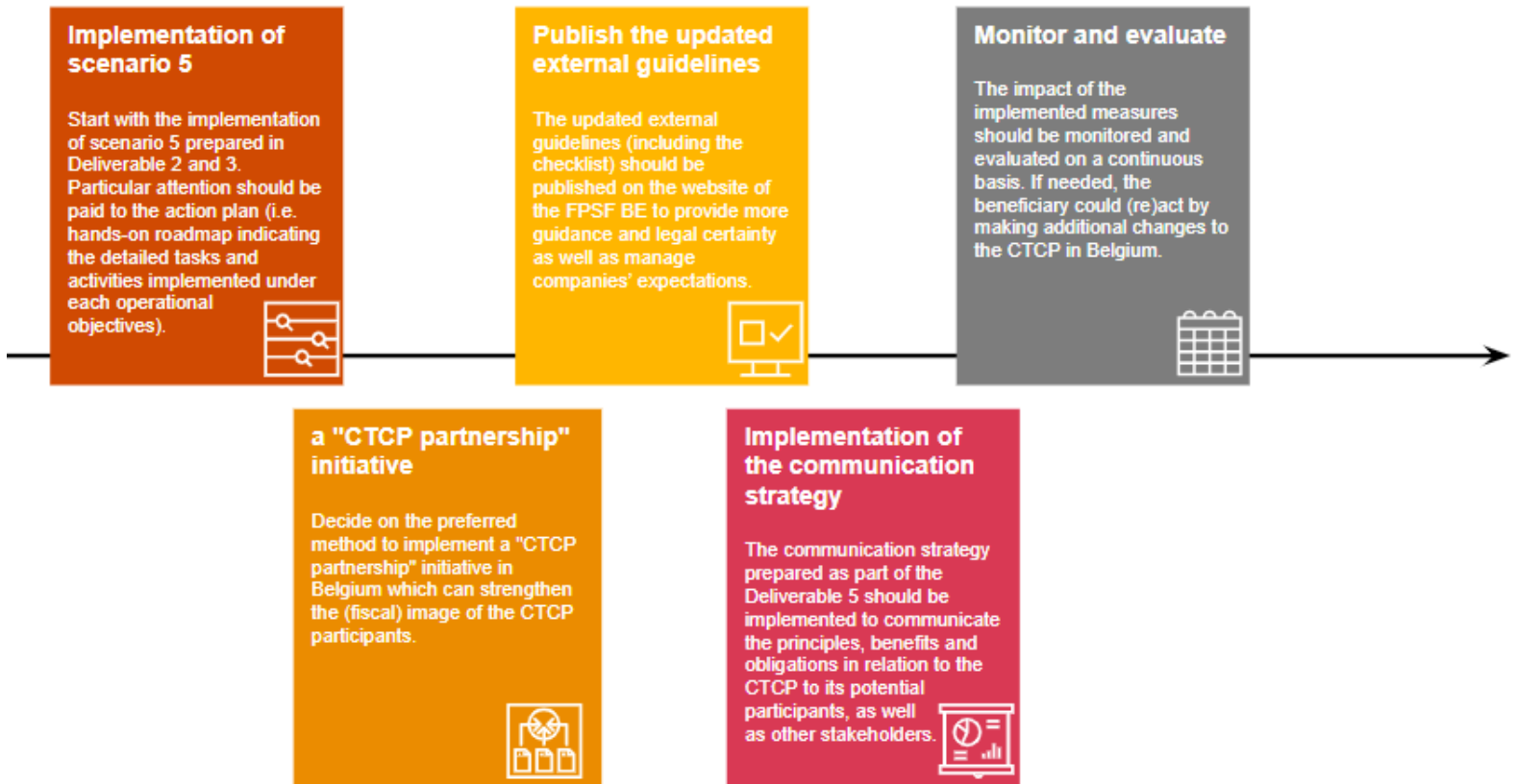


Figure 8. Recommended follow-up actions for the FPSF BE

The project team is aware of the potential challenges that may arise during the implementation of the recommended follow-up actions. For this reason, we recall Deliverable 3: Strategies and Action Plan, where one chapter/section was dedicated to the topic of evaluating and mitigating risks. The chapter provided an overview of potential risks and mitigation scenarios.

4. Project summary fiche

Extending the uptake of the CTCP in Belgium and Poland

At a glance

With this project, DG Reform provided support to the Federal Public Service Finance Belgium and the Polish National Revenue Administration with **extending the uptake of the Cooperative Tax Compliance Programmes (CTCP) in Belgium and Poland.**

Context and motivation

The project responds to the need to increase the efficiency and transparency of tax systems among members of the European Union, which are key to stimulating economic growth and building public confidence. The project involves a collaboration between PwC and the Federal Public Service Finance Belgium in Belgium and the Polish National Revenue Administration in Poland, who are implementing the CTCPs based on open dialogue and cooperation with the key categories of businesses. The aim of the project is to develop and implement a strategy to extend the CTCP to make it more attractive and beneficial to stakeholders. The project is in line with the tax policy objectives of the European Union, which aim to ensure fair and simple taxation across Europe.

Objectives and support delivered

At the end of the 18-month project, each beneficiary authority has at their disposal the following Deliverables:

- Feasibility analysis concerning different scenarios to extend the CTCP and encourage more entities to participate.
- Strategy and action plan included the desired vision of the CTCP and roadmap to a greater uptake of the programme.
- Guidelines for the beneficiary authorities concerning a comprehensive Tax Control Framework (TCF) analysis, as well as a set of practical tools to train the future TCF auditors;
- Communication strategy and communication materials aiming to increase the visibility and popularity of the CTCP, tailored to particular stakeholder group.

The project is funded by the European Union via the Technical Support Instrument and implemented by PwC in cooperation with DG Reform.

Expected results

The technical support will aid the beneficiary authorities to increase the uptake of the Cooperative Tax Compliance Programmes in Belgium and Poland. The project should contribute to strengthening the capabilities for assessing the Tax Control Framework and for upscaling the visibility of CTCP. The above would over the longer-term contribute towards more efficient and effective tax administrations, improved tax collection and a better economic environment due to enhanced tax certainty for large businesses.

Deliverables

Deliverable 1: The inception report focused on confirming the project scope, its methodology and stakeholders, the main objective was to make the necessary arrangements to ensure the feasibility of the project.

Deliverable 2: Feasibility analysis concerning the possibility of increasing interest among companies in the CTCP in Poland and Belgium, which includes an analysis of the current state, identification of the areas for expansion of the CTCP and development of scenarios showing possible paths for the expansion.

Deliverable 3: Strategies and action plans which define the programme's vision and mission, as well as provide a roadmap for the programme extension including objectives, requirements and implementation plans in Poland and Belgium.

Deliverable 4: Capacity building on TCF by preparing and delivering training to Polish and Belgian beneficiaries on the analysis of the TCF, based on the previously developed guidelines and case studies.

Deliverable 5: Communication strategies and materials aiming to increase the visibility and value of the CTCP among key audiences in Belgium and Poland, as well as to outline the communication strategy and materials that will use a consistent, effective and customised communication approach.

Deliverable 6: Final report concluding the project by providing a summary of all previous Deliverables - the Deliverable also includes a succinct compilation of best practices, insights gained, and recommendations for future steps to be taken by the beneficiaries in both countries.

Project achievements and impact

The support delivered enhanced the understanding and capability of the potential development of the CTCP among tax authorities in Belgium and Poland, while also exploring the prospect of broadening the scope of participating entities. Beneficiaries received comprehensive guidance and tools to effectively implement the changes to the programmes, along with a strategic approach for communicating these changes to key programme stakeholders.



The project is carried out with funding by the European Union via the Technical Support Instrument and in cooperation with the Directorate-General for Structural Reform Support of the European Commission.

End of the report



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