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Life Sciences & Health Care quarterly newsletter
EMEA Indirect Tax

Fourth Quarter 2020

The continuous growth of the Life Sciences and Health Care industry (LSHC) comes with a fast changing and very specific indirect tax landscape. A proper management of what are often sector specific requirements is not only crucial for indirect tax compliance, but also to pursue minimal lead times in your supply chain, among other benefits.

In that respect, a cross-disciplinary and international community has been established within Deloitte for LSHC. Several indirect tax initiatives have been launched, such as newsletters, webinars and seminars. Our LSHC community is eager to share its knowledge and experience with industry players.

We are pleased to provide you with the Fourth Quarter 2020 edition of our Life Sciences and Health Care newsletter for Global Trade Advisory and VAT.

The purpose of this newsletter is to keep you informed about trending issues and regulations in the indirect tax area relevant to the LSHC industry.

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Global updates

Newly in force FTA: EU-Vietnam (EVFTA)

As covered by our previous LSHC newsletter, the EU-Vietnam Free Trade Agreement (FTA) entered into force on 1 August 2020. The previous issue also outlines the relevant changes for the LSHC industry.

Following the EFVTA's entry into force, EU exports to Vietnam will benefit from the preferential tariff treatment provided for in the Agreement, exclusively upon submission of statements on origin made out:

- by exporters registered in the EU's REX system; or
- by any exporter for any consignment the total value of which does not exceed EUR 6,000.

The publications from the European Commission can be found here.

Revision of the Pan-Euro-Mediterranean (PEM) Rules of Origin

On 24 August 2020, the European Commission adopted a package of proposals to modernise the Rules of Origin in the Pan-Euro-Mediterranean (PEM) region. The current proposals however, are not aimed at (formally) amending the PEM Convention – a harmonisation instrument aiming to replace the bilateral Rules of Origin applicable between the European Union (EU) and separate PEM countries with one single set of rules. The proposals rather concern amendments to the bilaterally agreed origin protocols between the EU and certain separate PEM countries. Such an approach is explained by the inability of PEM contracting parties to complete the revision of the PEM Convention based on earlier EU proposals. The

current package of proposals would enable the PEM contracting parties that supported the amendment of the PEM Convention, based on the EU draft, to begin applying the updated rules without the agreement of contracting parties that opposed such a revision.

The proposed amendments concern bilateral protocols on origin in the EU's trade agreements with the following 20 (out of the total of 24) contracting parties to the PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Israel, Jordan, Kosovo, Lebanon, Liechtenstein, Moldova, Montenegro, North Macedonia, Norway, Palestine, Serbia, Switzerland, Turkey, and Ukraine.

According to the European Commission's Q&A document, the proposed amendments are not meant to replace the rules of the PEM Convention, but will rather apply in parallel, pending the completion of the PEM Convention revision. Thus, when the proposed rules enter into force, businesses will have a choice to either use the current rules of the PEM Convention or the transitional "alternative" rules, whichever is more beneficial.

Before the proposed rules can take effect, they need to be approved by the Council of the EU, and then formally agreed to by each party to the trade agreement they are modifying. According to the European Commission, the new rules could come into force in the first half of 2021.

An example of the new rules of origin, provided for in the proposals and specifically for Chapter 30, is as follows:

Heading	Product Description	Working or processing, carried out on non-originating materials, which confers originating status*
Chapter 30	Pharmaceutical products	Specific processes(es)(4) or Manufacture from materials of any heading The specific processes(es) are as follows for Chapter 30: • Products falling within Chapter 30 obtained in a Party by using cell cultures, shall be considered as originating in that Party. 'Cell culture' is defined as the cultivation of human, animal and plant cells under controlled conditions (such as defined temperatures, growth medium, gas mixture, pH) outside a living organism.

*Annex II - list of working or processing required to be carried out on non-originating materials in order for the product manufactured to obtain originating status

These new transitional rules proposed by the European Commission seek to modernise the current PEM Rules of Origin, which date back to the 1990s, and introduce additional flexibilities, in line with the approach of the EU's recent trade agreements (e.g., with Canada, Japan and Vietnam) and under the Generalised Scheme of Preferences (GSP). Some of the main features of the proposals include the following:

Increased flexibility for origin-conferring working or processing

Under the proposed rules, the exporter may request an authorisation from the customs authorities to calculate the ex-works price and the value of non-originating materials on an average basis, in order to take account of fluctuations in costs and currency rates. Furthermore, there is a proposal to increase the tolerance levels for the content of non-originating materials used in the manufacture of a given product, from 10% to 15% in the value of the ex-works price of industrial products, and from 10% to 15% in the net weight of agricultural products.

Cumulation of origin

The proposed rules preserve diagonal cumulation for all products, provided that the same set of revised rules of origin is accepted by the trading partners involved in the cumulation. They also introduce full cumulation for all products except textiles and clothing listed in Chapters 50-63 of the Harmonised System (HS). Products of HS Chapters 50-63 may however benefit from bilateral full cumulation.

Easier access to accounting segregation

According to the current rules, customs authorities may authorise accounting segregation when the exporter has demonstrated that keeping separate stocks has a considerable cost or gives rise to material difficulties. Under the proposed rules, it will be sufficient for exporters to show that originating and non-originating fungible materials are used to obtain such an authorisation.

No more blanket prohibition of drawback of customs duties

The present rules prohibit customs duties drawback for the materials used in the manufacture of any product. The proposed rules eliminate the prohibition of drawback, except for materials used in the manufacture of products falling within the scope of HS Chapters 50 to 63. For the latter products, some exceptions to the prohibition of duty drawback are available.

Flexibilities regarding transportation and territoriality

Instead of the direct transport requirement, the proposed rules contain a less restrictive condition for originating goods transported across the territory of third countries to claim preferential treatment – such goods must not have been altered or transformed during transit (the non-alternation principle). With respect to the possibility of carrying out some working or processing outside the territory of the exporting country, the proposed rules no longer exclude textiles.

Single proof of origin

The proposed rules of origin provide for a single type of proof of origin – either the EUR.1 origin certificate or the origin declaration, instead of the currently used double system of EUR.1 and EUR.MED certificates. The option to agree on the

application of a Registered Exporter System (REX) is also provided. To be able to distinguish products originating under the revised set of rules from those originating under the PEM Convention, origin certificates or invoice declarations based on the revised set of rules will have to include a statement indicating which rules have been applied.

Please read the full article here. In addition, please find the press release and a detailed memo concerning the new proposals for the PEM Region.

Exporting goods out of the European Union

Since the Union Customs Code's implementation in 2016, the definition of 'exporter' has been the source of interpretation uncertainties.

The rules stipulate that acting as exporter on a customs declaration requires establishment in the Union's customs territory. This implies that a non-EU established company cannot act as exporter. Most Member States adopted transitional rules to enable non-EU established companies to act as exporter. Across all Member States however, these transitional rules are at an end, meaning that under no circumstances can a non-EU established company be an exporter for customs purposes.

In supply chains, non-EU established companies play a critical role (e.g. Swiss entities holding stock in the EU). Non-EU established entities should identify possible candidates that can be appointed as exporter. There are several options:

- An EU entity within the group of companies to which the non-EU established entity belongs;
- Logistics provider;
- Customs or fiscal representative;
- EU-established party to the contract under which goods are exported;

Brexit also plays its part in this issue. UK entities currently exporting out of the EU will need to make sure that they can rely on an EU-established company. Suppliers currently selling to UK companies using the Ex Works Incoterm will need to revise this setup.

Acting as an exporter for customs purposes has its consequences. It implies acceptance of all liabilities related to the export (correctness of declaration, responsibility for goods' physical exit, export restrictions, export surveillance measures, etc.). Infringements could qualify as criminal acts and bring consequences (severe penalties, confiscation and seizure of goods, etc.).

Please read the full article here.

In addition to the above, below is an updates overview per country, also indicating which countries are following the Union Customs Code (UCC) definition for the Exporter of Record:

- **Austria -** Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Belgium -** Following the definition of the UCC, the Exporter of Record in box 2 of the SAD has to be an EU-established company. However, the requirement is yet to be integrated in the Belgian customs system, the so-called PLDA. This means that it remains possible to submit a declaration mentioning a non-EU established Exporter of Record in box 2.

- **Bulgaria -** Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Czech Republic** - Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Denmark** - A non-EU established company may still act as an exporter via an established indirect representative.

- **Finland** - A non-EU established company may still act as an exporter via an established indirect representative.

- **France** – As covered in the previous LSHC newsletter, from 1 October 2020, a company that is not established in the EU can no longer act as the exporter of record and thus be reported in box 2 of the SAD. The indirect customs representative will have to be reported both in boxes 2 and 14 of the SAD.

  Please consult the full article here.

- **Germany** - Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Hungary** - Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Italy -** Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Netherlands** - the Dutch customs authorities published an update on the enforcement date of the requirement to be established in the European Union and act as exporter on an EU customs export declaration.

  The starting date was first set at 1 October 2020 but has been postponed to 1 January 2021.

  Read the full statement and alert here.

- **Poland** - A non-EU established company may still act as an exporter via an established indirect representative.

- **Portugal** - A non-EU established company may still act as an exporter via an established indirect representative.

- **Serbia -** Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

- **Spain -** the Spanish customs authorities have also published official guidelines to announce that the requirement to be established in the EU to act as exporter will be applicable and mandatory as of 4 November 2020.

- **Sweden** - Following the definition of the UCC, the Exporter of Record in box 2 of the Single Administrative Document (SAD) has to be an EU-established company.

Update on the application of the Registered Exporter System (REX) in the EU

Based on the latest communication concerning the application of the REX system in the EU, the following countries started to apply the REX system:

- **15 July 2020** - the REX system is applied by the French Southern and Antarctic Territories, an Overseas Countries and Territories (OCTs)
- **6 August 2020** – the REX system is applied by Timor Leste, part of the first group of the GSP beneficiary countries
- **1 September 2020** - The REX system is applied by the Eastern and Southern African (ESA) States

In addition, due to the COVID-19 pandemic, the European Commission provides GSP beneficiary countries more time to implement the REX system.

The implementation deadline for the REX system in countries benefiting from the European Union (EU) scheme of trade preferences (GSP) is no longer 30 June 2020, as some beneficiary countries of the third group (2019) faced serious difficulties in meeting the initial deadline. Therefore, countries in which the REX system could not be deployed or used due to the pandemic may benefit from another extension of the transition period to 31 December 2020. This is established by Regulation (EU) 2020/750.

Please read the full article here. A full overview of the REX implementations can be found here.

Updated Guidance on Customs Valuation

On 17 September 2020, the European Commission updated its Guidance on Customs Valuation.

One of the biggest changes in the updated Guidance on Customs Valuation (Guidance) is the removal of references to "domestic sale". It also highlights the international legal instruments and CJEU case-law supporting the conclusion on the irrelevance of place of residence or the establishment of parties to the transaction, in order to recognise the transaction as a sale for export.

However, the removal of references to "domestic sale" from the updated Guidance seems to have shifted the focus on how to treat certain other categories of EU transactions, such as back-orders, drop-shipments etc. The Commission attempts to address this issue by providing new clarifications regarding the status of purchase orders when applying the transaction value method. According to the Commission, a purchase order cannot serve as the basis to determine the customs value of imported goods, because a purchase order is an official offer submitted by a potential buyer to a potential seller expressing the will to conclude a sale agreement. However, unlike a sales contract, a purchase order in itself it is not a binding contractual arrangement. Only when the future seller actually confirms (accepts) the purchase order is there is a sale agreement. That means that when a purchase order is not accepted, the transaction may not be considered as a sale for export.

The Commission also makes a connection with the invoice as being a fundamental document to apply the transaction value method. Thus, aside from generally highlighting the importance of the invoice to apply this method, it also links the invoice's availability for a particular sale to the possibility of using that sale as a basis for customs valuation. This is apparent from several illustrative examples included in the updated Guidance. One could read these statements as the Commission being of the opinion that without the invoice, the transaction cannot serve as basis for the customs value. Taken literally, this could imply that an invoice, which is generally a document used as substantiation of a transaction, is used as the criterion for a transaction's existence for customs purposes.

Another area where the Commission provided new guidance is the occurrence of multiple sales of goods while stored in a customs warehouse. The rule in such a situation is that, if there is no sale for export occurring immediately before such goods were brought into the customs territory of the EU, the sale occurring during the storage of such goods in a customs warehouse will be the basis for the customs value. The updated Guidance on Customs Valuation explains that, when there are multiple sales of such goods, the transaction value of the goods should be determined based on the sale that is closest to the moment of the goods' introduction into the customs territory of the EU. The relevant moment in time is thus the introduction of the goods into the customs territory of the EU, and not the goods' release for free circulation.

Even though the Commission Guidance documents on customs issues are not legally binding, they are likely to be followed by national customs administrations. From the practical perspective, the significance of the updated Guidance on Customs Valuation for businesses can hardly be overstated. It is therefore important that businesses take a careful look at the updated Guidance and assess its impact on their customs valuation procedures.

Please read the full article here.

Exceptions to deemed intra-EU supply of own goods must be interpreted strictly

On 11 June 2020, the CJEU ruled in the CHEP Equipment Pooling case (C-242/19) regarding the deemed intra EU supply of own goods. The outcome of this case is that the exceptions to the deemed intra EU supply of own goods must be interpreted strictly. This strict explanation may have a huge practical impact, as this is not in line with how EU Member States currently apply this exception. Based on the strict explanation, companies established outside the EU cannot apply exceptions to the deemed intra EU supply of own goods, as they are not established in the EU. As a result, the non-EU company has, in principle, VAT registration and VAT compliance obligations in all involved EU Member States. Appointing a fiscal representative does not resolve this.

The above is of particular importance for pharmaceutical companies, as it is characteristic in clinical trials and R&D that the ownership of medicines remains with the pharmaceutical company. Although we know that many pharmaceuticals have practical arrangements in relation to non-commercial supply chains and the medicines will not return to the country of dispatch, we do expect that tax authorities will look at this more closely with this case in mind.

Please find here the court case C-242/19.

Reform to VAT refund rules for NHS bodies and other s.41 bodies

In the UK, HM Treasury (hereafter: HMT) published a policy paper on 27 August 2020 regarding a potential reform of the VAT refund rules for NHS bodies and other similar bodies. HMT's preferred option of reform outlined in this paper is to enable such bodies to recover VAT on all goods and services they procure in order to undertake their non-business activities. If implemented, this would be a significant change from the current VAT recovery provisions which only allow these bodies to recover VAT on "certain contracted out services". For both the NHS and suppliers of goods and services to the NHS, any changes that are implemented are likely to have a significant impact from a commercial perspective. A link to the policy paper is included below and views are invited by 19 November 2020.

Please consult the official communication here.

The Customs Action Plan

On 29 September 2020, the European Commission announced the launch of a new Customs Union Action Plan, setting out a series of measures to make EU customs smarter, more innovative and more efficient over the next four years.

The plan includes a number of initiatives in areas such as risk management, managing e-commerce, the promotion of compliance, and customs authorities acting as one:

- **Risk management:** The plan particularly focuses on ensuring greater availability and use of data and data analysis for customs purposes. It calls for intelligent, risk-

based supervision of supply chains and for establishing a new analytics hub within the Commission for collecting, analysing, and sharing customs data that can inform critical decisions, help customs authorities identify weak points at the EU's external borders, and manage future crises.
- **Managing e-commerce**: In this regard, and in order to tackle the new challenges of e-commerce, obligations on payment service providers and online sales platforms will be strengthened to help fight customs duty and tax fraud in e-commerce.
- **Promotion of compliance**: The upcoming "Single Window" initiative will make it easier for legitimate businesses to complete their border formalities in one single portal. It will allow for more collaborative processing, sharing, and exchange of information and better risk assessment for customs authorities.
- **Customs authorities acting as one**: The plan details the roll-out of modern and reliable customs equipment under the next EU budget. A new reflection group formed of member states and business representatives will be set up to help prepare for future crises and challenges such as unanticipated global developments and future business models.

The Commission has drawn up this plan and actions for the period up to 2025 and is in line with the long-term vision of the Customs Union.

One of the goals of the Action Plan is to keep EU borders safe and protecting their citizens from prohibited and dangerous goods. The COVID-19 pandemic has also made it more important than ever to ensure smart management of the EU Customs Union, as it highlighted the threat posed by illegal products, with multiple cases of dangerous, non-complaint or counterfeit protective equipment shipped from third countries that reached Member States. In this respect, a new regulation on market surveillance and compliance of products will enter into application in 2021, which will allow more effective control on products entering the EU.

For the EU Authorised Economic Operators (AEO), the Commission will, subject to the results of facts gathered from Member States, consider introducing legislation that will impose more precise obligations on Member States to monitor AEOs and ensure their continued fulfilment of AEO criteria. In addition, AEO guidelines will also be updated to provide assistance to Member States and economic operations on how to apply the AEO programme. This will take place in the second or third quarter of 2021.

Lastly, an interim evaluation of the Union Customs Code will take place in the last quarter of 2021, which will evaluate whether the Union Customs Code (UCC) and electronic systems completed by that data are still fit for purpose, in line with the objective of ensuring modernised, streamlined and simplified processes for the assistance of compliant traders and customs authorities. It will support decisions on whether the code and its implementing and delegated acts should be revised. In view of COVID-19, it will consider whether the UCC is flexible to deal with the management of customs formalities during a crisis and new business models such as e-commerce.

This is not an exhaustive list of actions listed in the Customs Union Action Plan, but some key takeaways of interest. For more information, please consult the following website.

Brexit

The latest state of play

In June 2020, the British government choose not to seek an extension of negotiations with the EU. The UK will therefore effectively leave the EU Customs Union on 31 December 2020.

The UK already published the Border Operating Model that will apply in January 2021 should negotiations fail, and was further updated on 8 October 2020. The Core Model, as referred to in the Border Operating Model, includes changes that will affect the movement of goods, and they will be introduced in stages between 1 January and 1 July 2021. Below some of the updates per stage:

- **Stage 1 - January 2021**: one of the key elements in this stage is the handling of controlled and non-controlled products, and what type of customs declaration needs to be submitted (Normal, Simplified or delayed). In addition, all traders need to ensure an Economic Operator Registration and Identification (EORI) number, commodity code of goods, customs value of goods, and others are in place.
- **Stage 2 - April 2021:** products of animal origin and all regulated plants and plant products will require pre-notification and the relevant health documentation/certificates.
- **Stage 3 - July 2021:** all customs procedures will be applicable, including the Entry Summary Declaration, and the controls will be intensified.

On 3 August 2020, anticipating the supply chain disruption that could occur in case of a no-deal, the British Department of Health and Social Care urged medicine suppliers to stockpile drugs and medical devices. The National Health Service is also stockpiling clinical consumables, targeting 6 weeks' worth of total stock.

However, uncertainties remain concerning the nature of some checks performed on pharmaceutical goods moved from the island of Great Britain to Northern Ireland, the latest one still following the EU regulatory framework after 1 January 2021.

On 11 September 2020, The UK government announced a free trade agreement (FTA) in principle with Japan, which primarily replaces the preferential trading terms secured in the EU-Japan FTA. It also includes some additional provisions, including on services and digital trade. The FTA will provide certainty to businesses that trade between the UK and Japan; trade which will continue on largely the same current terms. The text of the draft agreement will be published later in October.

On 8 October 2020, The UK government signed a strategic partnership agreement with Ukraine, which includes a continuity trade agreement to ensure that businesses in both countries can continue to trade on largely the same current

terms. This is the first agreement of its type signed by the UK, combining continuity of trade with wider policy commitments, including peaceful conflict resolution, security, climate change and human rights.

An overview of the ongoing negotiations from the UK is available here.

Lastly and on 29 September 2020, the UK House of Commons voted the Internal Market Bill, a controversial bill allowing the British government to override some parts of the Withdrawal Agreement concluded with the EU in December 2019. As the bill potentially violates international law, the EU started a legal infringement process. This dispute further complicates the current trade negotiations and the chances of reaching an agreement before January 2021.

Postponed Import VAT Accounting/Import VAT Recovery - HMRC Brief 15 (2020)

On 2 October 2020, a policy paper was published, Brief 15 (2020) by HM Revenue & Customs (HMRC), including the conclusion of the review on Import VAT deducted as input tax by non-owners.

The Brief is of importance to:

- a non-owner who has reclaimed import VAT on goods imported into the UK
- advisers or agents dealing with businesses importing goods to the UK

This Brief explains the outcome of HMRC Policy's review of Brief 2 (2019) issued in April 2019 and in which HMRC first issued guidance regarding the recovery of import VAT by non-owners. The new Brief confirms that the policy outlined in Brief 2 (2019) is correct. Building on Brief 2 (2019), it provides some additional examples of scenarios in which a non-owner may be importing goods and options (e.g. customs procedures) that could potentially be used in alleviating irrecoverable VAT costs.

Furthermore, this Brief also states that non-owners cannot use the postponed VAT accounting mechanism from 1 January 2021. On the face of it, this could mean that if you import both owned and 'non-owned' goods, you would have two different VAT accounting/reporting positions to adopt.

If you have any questions concerning the above Brief 15 and its position, please do not hesitate to reach out to one of the contacts listed below.

COVID-19 updates

EU Commission prolongs customs and VAT relief for medical equipment

On 23 July 2020, the European Commission announced the three months extension, until 31 October 2020, of the temporary relief for customs duties and VAT on the import of

medical equipment from third countries, to assist in the fight against the COVID-19 outbreak.

The measure allows goods such as masks, protective equipment, testing kits, ventilators, and other medical equipment to be imported free of import duty and exempt from VAT.

The Commission published an indicative list of goods qualifying for the relief. The temporary relief was initially introduced by the European Commission through Commission Decision (EU) 2020/491 on 3 April 2020 for qualifying goods imported between 30 January 2020 and 31 July 2020

The Commission decision of 23.7.2020 amending Decision (EU) 2020/491 can be consulted here. Coverage is also provided by this global trade alert.

Finland - Zero VAT rate implemented for goods used for testing and prevention

A temporary zero VAT rating on intra-Community acquisitions and local sales of goods used for testing and prevention of COVID-19 has been implemented in Finland by amendment 486/2020 to the VAT Act (1501/1993). The zero-rating applies retroactively from 30 January 2020 until 31 July 2020. The Government has accepted a prolonging of the zero-rating until 31 October 2020.

The zero rate would apply provided that:

- The goods are supplied to public healthcare service providers, public social welfare service providers, state organisations defined in European Commission decision (EU) 2020/491, organisations approved by the competent national authorities (i.e. Finnish Customs), non-profit organisations defined in article 4 of the Finnish VAT Act (1501/1993), or entities giving the goods free of charge to an entity described above; and
- The goods will be:
  - Distributed free of charge to persons that have or are in danger of becoming infected with COVID-19 or are participating in the prevention of COVID-19 infections;
  - Made available free of charge to persons that have or are in danger of becoming infected with COVID-19 or who are participating in the prevention of COVID-19 infections, where the goods remain the property of the healthcare provider or social welfare service; or
  - Given free of charge to be used for the purposes described above, under arrangements between Finnish municipalities and private healthcare providers.

The purpose of the amendment is to address the neutrality problem caused by the Commission's earlier decision to only zero-rate the imports of these goods.

COVID-19 Vaccines Portfolio

During the summer, the European Commission concluded talks with six potential COVID-19 vaccine manufacturers.

Exploratory talks have been concluded with Sanofi-GSK, Johnson & Johnson, CureVac, Moderna, AstraZeneca, and BioNTech-Pfizer. Three contracts, Advance Purchase

Agreements, are concluded with Sanofi-GSK, AstraZeneca and Johnson & Johnson. As of October 2020, the Commission continues discussing similar agreements with the other vaccine manufacturers - CureVac, Moderna and BioNTech/Pfizer.

Each of the signed contracts would allow the EU and its Member States to purchase between 200 - 300 million doses of a vaccine, upon successful completion of the development and authorisation process and this meet efficacy and safety criteria to be placed on the EU market.

In exchange, the EU will provide upfront finance for some of the costs faced by vaccine producers. These Advance Purchase Agreements are one of the two pillars of the EU vaccine strategy to beat COVID-19, alongside increased regulatory flexibility.

Please find hereby the latest communication of the European Commission.

Contacts

If you have any questions concerning the items in this newsletter, please contact your usual Deloitte tax consultant or:

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