



Ministerstwo
Finansów



Polish Presidency
of the Visegrad Group
July 2020–June 2021

Visegrad Group Finance Ministers met in Warsaw

- **The Polish Presidency of the Visegrad Group (V4) is coming to the end. As of July 1, 2021, it will be taken over by Hungary.**
- **The meeting of V4 Finance Ministers, held on 22 June 2021 in Warsaw, was an opportunity to summarize the activities undertaken so far and discuss their future directions.**
- **Rebuilding economies after a pandemic and international tax cooperation were one of the topics of the discussion.**

The meeting was chaired by the Minister of Finance, Funds and Regional Policy Tadeusz Kościński and attended by the Deputy Prime Minister, Minister of Finance of the Czech Republic Alena Schillerová; the Deputy Prime Minister, Minister of Finance of Hungary Mihály Varga and the Deputy Minister of Finance of Slovakia Marcel Klimek.

“We wanted to make the most of our Presidency. It has come at difficult time for all of us, the time of the pandemic. The cooperation within the V4 framework is of great importance to us. It is especially crucial now, when our economies are recovering from the crisis caused by COVID-19 – said Minister of Finance, Funds and Regional Policy Tadeusz Kościński. – We also devoted a lot of space to tax solidarity, especially taxes in the e-economy sector due to the large role of the digital market in the pandemic. Among the topics of discussion we could not have omitted the global minimum wage, countering tax evasion and fight against economic crime” – added Minister Kościński.

„The V4 countries are already working on restarting the economy. Our goal is not only to regain our earlier level of performance after the crisis, but to establish stronger, more competitive economic cooperation between the V4 countries” – said Deputy Prime Minister, Minister of Finance of Hungary Mihály Varga.

“As it has been our last meeting under the V4 Polish Presidency, I would like to congratulate my Polish colleagues on their excellent management of the whole Presidency. I am pleased that during the discussions on Europe's economic recovery, important topics have been discussed, such as international taxation and digitalization, where global solution is key, or the taxonomy regulation, in which we share common position as regards gas and nuclear energy. Moreover, it is crucial to continue to apply targeted and temporary measures that support our economic recovery as long as necessary, but we must keep in mind the fiscal sustainability going forward. I would also like to reiterate that administrative cooperation among our countries in tax matters is essential in order to fight tax fraud and evasion” – said Deputy Minister of Finance of Slovakia Marcel Klimek.

“I would like to thank you very much for organizing of this face-to-face meeting which is highly important for strengthening our V4 cooperation. Together, we have a stronger voice in the EU. In this regard, I do appreciate that we are able to conduct several initiatives including our common letter regarding our concerns related to the EU taxonomy. In the area of digital taxation, I support a comprehensive global solution and the work of the OECD, since I believe that any other solution would bear a risk that we will not achieve the expected results. Nevertheless, before a mutually acceptable solution at international level is found and implemented, the Czech Republic has decided to introduce a national tax on

digital services“ – said Deputy Prime Minister, Minister of Finance of the Czech Republic Alena Schillerová.

Joint action

The motto of the Polish Presidency of the V4 Group is "Back on track". We wanted to strengthen the influence of the V4 countries on the EU decision-making process, collaborate on mitigating the negative effects of COVID-19 and cooperate in various fields. And we succeeded.

As far as finance-related issues are concerned, the Polish Presidency was rich in events strengthening cooperation in these matter. In September 2020, the V4 Group ministers of finance signed a declaration on economic cooperation – a common statement indicating readiness to implement actions in the light of current financial and economic challenges in Europe and the region. On the other hand, in April 2021, the heads of ministries of finance sent a joint letter to the European Commission regarding the delegated act on taxonomy.

Our administrations successively exchanged views on tax, customs and the EU own resources system. Expert workshops were held on anti-money laundering and countering the financing of terrorism, as well as on PIT and VAT.

Reconstruction after COVID-19

Rebuilding the Polish economy, supporting Polish industry and Polish entrepreneurs are our top priority in the post-pandemic reality. One of the tools to achieve this goal is the fastest possible implementation of the funds under the EU Instrument for Reconstruction and Resilience. “The digitalization in finance will also play a great role in the whole process of healing the economy. I am convinced that there are further endeavours ahead of the Hungarian Presidency, which we will be achieved with our joint efforts” – minister Kościński stressed.

Taxes

The ministers have discussed the fair taxation of the digitalizing economy, also in the context of the ongoing OECD discussion on the subject. Since the beginning of the OECD’s work on this topic, Poland has believed that an international consensus in this area is the best solution in order to achieve robust effects, as the OECD brings together, among others, European countries and the U.S., where the vast majority of technology giants have their headquarters.

Cooperation on the exchange of international tax information is a very important part of eliminating unfair competition. It is an element of creating tax solidarity. This was also a subject of the joint declaration signed in September 2020. In the field of tax sealing, over the last four years Poland has reduced the gap with other European countries. We noted a record-breaking rate of reduction of the VAT gap on European scale.

Taxonomy

In March 2018 the Commission announced the EC Action Plan on financing sustainable growth. One of the tasks of the Plan was to establish a classification system for sustainable economic activities. The framework for the classification is included in the Taxonomy Regulation.

In April 2021, ministers of finance of the V4 countries decided to submit a joint letter to the European Commission on the delegated act on Taxonomy. They

identified three areas that they expect to be reflected in the EC proposal: nuclear energy, gas technologies and modernization of infrastructure (storage, distribution and transmission).