

Germany urges global min tax for digital giants

Europe is trying to devise a strategy to tax profits from the likes of Google, Amazon, Facebook and Apple

AFP | Frankfurt am Main, Germany

German Finance Minister Olaf Scholz said in an interview for publication yesterday he backed a global minimum fiscal regime for multinationals as Europe looks to levy tax notably on US tech giants.

"We need a minimum tax rate valid globally which no state can get out of (applying)," Scholz, a social democrat in conservative Chancellor Angela Merkel's coalition government, told the "Welt am Sonntag" weekly.

Europe is trying to devise a strategy to tax profits from the likes of Google, Amazon, Facebook, Apple and digital platforms such as YouTube and Airbnb which currently manage to keep fiscal exposure to a bare minimum.

Digital platforms "aggravate a problem which we know well from globalisation and which we are trying to counter -- the shifting of profits to fiscally beneficial regions," said Scholz.

Scholz was last week nonetheless reported not to be convinced by a controversial EU proposal to slap a European tax on US tech giants amid worries it may turn out to be both ineffective and protectionist.



German Chancellor Angela Merkel and Finance Minister and Vice-Chancellor Olaf Scholz arrive for the weekly cabinet meeting at the Chancellery in Berlin

France for a year has rallied EU partners to draw up the tax which Paris says is necessary to ensure tech giants pay their way. Scholz explained he had launched an initiative designed to help states react to so-called fiscal dumping in support of embryonic OECD plans designed to fight tax transparency and cross-border tax evasion.

"We require coordinated mechanisms which prevent the displacement of revenues to tax havens," said Scholz.

The European Commission, the EU's executive arm, has pro-

posed a European tax on "big tech" with substantial digital revenue in Europe, based on overall revenue in Europe and not just profits.

But lead opponent Ireland says a growing number of countries are grumbling about hidden problems with the tax, including that it could inadvertently snag European companies.

There is also concern as to what consequences might flow from such a plan at a time against the backdrop of a potential full-blown EU-US trade war. Berlin worries that crank-

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OLAF SCHOLZ
GERMAN FINANCE MINISTER

ing up the ante on trade with the United States by launching what Washington could see as an attack on Silicon Valley's corporate giants may threaten German auto exports.

Germany has already shown some opposition to a French plan to tax tech giants three percent of certain forms of revenue including advertising and sale of personal data.

French Finance Minister Bruno Le Maire said Thursday he will in the coming days urge EU members to commit to backing a tax.

A March proposal by the Commission includes introducing a tax as a bridge measure until such time as the OECD can roll out a measure which can be applied globally.

Karak Break!



MOHAMED ISA

When the fabulous fail!

I have been a longtime advocate for this fabulous airline. However, last summer, I had a few terrible customer experiences with it. First off, I experienced a few delays in my flights ranging from 30 to 45 minutes. As you can imagine, the problem of flight delays is compounded if you have connecting flights to your final destination. At times, I had to rush to complete the transfer procedures and to arrive at the departure gates. Travel should be a pleasant experience, not a terrifying race!

The saga did not end here for one flight, before shortly arriving in Zurich International Airport, the cabin crew informed me that our bags were not loaded to the aircraft and asked us to fill two forms to ship our bags to our hotel. They promised to deliver them on the same day at night. In the next morning, I checked with the hotel reception to see if they received the bags. Their reply: No. I checked again in the evening, yet they said: No. So, did this airline deliver on its promise? No. Did my frustration level build up? Of course!

I called the customer service center in Zurich a few times to follow up on the issue. But there was one particular long call that I will never forget. I started this call when I left the city of Interlaken and did not end it until I reached the town of Engelberg. It lasted for more than 90 minutes! The bottom-line, the agent told us: "You did not complete one form, and that's why we cannot ship your bags to the hotel!"

Upon hearing this, I launched my tirade: Tell me if I got this wrong about your airline's mistakes. First, we encountered a delay in Bahrain. This delay made us rush to the departure gate. Second, you did not load our bags into the aircraft. This is your operations department's mistake. Third, you gave us a very late notice about the delayed bags. That made us fill the forms in a rushed manner. Fourthly, I suppose that your cabin crew is professionally trained, why she didn't check the forms for completeness. Finally, how can you blame me for your mistakes?

The agent did not say anything for a few seconds. And then, he continued bringing up different excuses on why he cannot help us in any way except to force to go back to the airport. I proposed two solutions for him, and he obtained the required approvals. Ultimately, our bags arrived three days late. There are more things to this story, but I will end it with this takeaway:

To be fabulous with your customers, follow through and fulfill your promises. But keep in mind, you must be consistent day in and day out because even the fabulous can fail.

Mohamed Isa is an Award-Winning Speaker & Best-Selling Author. Reach him at mohamed@3dspeaking.com.



Jassim Abdulaal, the Managing Partner of Grant Thornton Abdulaal and Senior Partner, Jatin Karia along with their VAT Leader, Suresh Nandlal Rohira hosting a session on "Journey to VAT". The discussion unfolded the level of preparedness businesses need in the next 12 weeks to be 'VAT Ready'. A panel discussion on the occasion was led by industry stalwarts Redha Faraj, Founder & CEO of Al Faraj Consulting, Jamal Al-Hazeem, Chairman of Jeem Holdings, Zeeba Askar, Investment Director at Ithmaar Development Company, Mohamed Abdulaal, Founder & CEO of All Food for Food Stuff and Alok Gupta, CEO of Y K Almoayyed & Sons.



Long service employees of the Bahrain Bourse & Bahrain Clear during an award ceremony held at the Bourse's premises where awards were presented to 16 employees. Employees who had completed five, ten, fifteen and twenty years of service were recognised for their achievements and years of dedication.

Four Seasons to host Spago restaurant pop-up

● True taste of Beverly Hills to Manama

TDT | Manama

Four Seasons Hotel Bahrain Bay said it is launching a pop-up version of celebrity Chef Wolfgang Puck's legendary Spago restaurant at Four Seasons Hotel Bahrain Bay.

The one-off event will bring a true taste of Beverly Hills to Manama and offers an opportunity to sample specially crafted tasting menus from the kitchen of one of the world's most glamorous restaurants.

The two-day event at Four Seasons will transform the Hotel's CUT by Wolfgang Puck steakhouse into a faithful representation of this iconic eatery from 8 to 9 of November.

Each and every detail of the Spago experience will be authentically recreated, from the cocktail list to the staff uniforms and – most excitingly – the two Michelin-starred cuisine by Chef Tetsu Yahigi, who will be flying in from the States to cook up a storm in the kitchen alongside Brian Becher – Executive Chef, Wolfgang Puck restaurants at Four Seasons Hotel Bahrain Bay.

KPMG's regional partners' conference

TDT | Manama

Partners from KPMG member firms across the Middle East and South Asia (MESA) region, as well as members of KPMG's Global and Europe, Middle East and Africa (EMA) leadership teams, will come together in Bahrain on November 7 and 8 for the 17th KPMG MESA Partners' Conference.

The KPMG member firm

in Bahrain was selected to host the conference this year as the firm celebrates its' 50 years anniversary in Bahrain.

Attendees for the two-day event include Bill Thomas, KPMG's Global Chairman; Sikander Sattar, KPMG's Europe, Middle East & Africa Chairman; and Reyaz Mihular, KPMG's Middle East & South Asia Chairman.

GIB names new board

TDT | Manama

Gulf International Bank (GIB) yesterday named new Board of Directors for the period from 26 August 2018 to 25 August 2021.

The new board will be headed by Dr Abdullah bin Hassan Alabdulgader, who also continues in his role as Chairman.

New board members are Abdulla bin Mohammed Al Zamil, CEO of Al Zamil Group,

Abdulaziz bin Abdulrahman Al-Helaissi, CEO, GIB, Sultan bin Abdul Malek Al-Sheikh,

Vice President, Public Investment Fund (Kingdom of Saudi Arabia), Bander bin Abdulrahman bin Mogren, COO, Public Investment Fund (Saudi Arabia), Dr Najem bin Abdullah AlZaid, Founding Partner of ZS&R Law Firm in association with Hogan Lovells (Saudi), Rajeev Kakar, Founder and continues in his role as Chairman. Dunia Finance (UAE) and Frank Schwab, Co-founder of FinTechForum.de (Germany).

The board also appointed Abdulla bin Mohammed Al Zamil as Vice Chairman.