

Agenda Item 2

Working Draft

Chapter 2

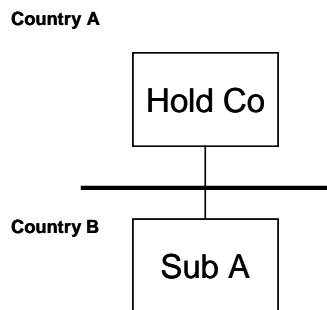
Business Framework

[This paper is based on a paper prepared by Members of the UN Tax Committee's Subcommittee on Practical Transfer Pricing Issues, but includes Secretariat drafting and suggestions not yet considered by them – the Secretariat takes responsibility for any relevant errors and omissions.]

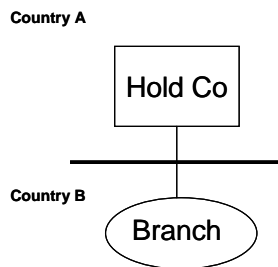
Legal Structure

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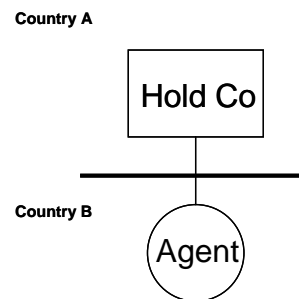
Company/Subsidiary



Branch



Agent



Companies and branches

Divisional Structure

Matrix Structure

Supply Chain Analysis

to

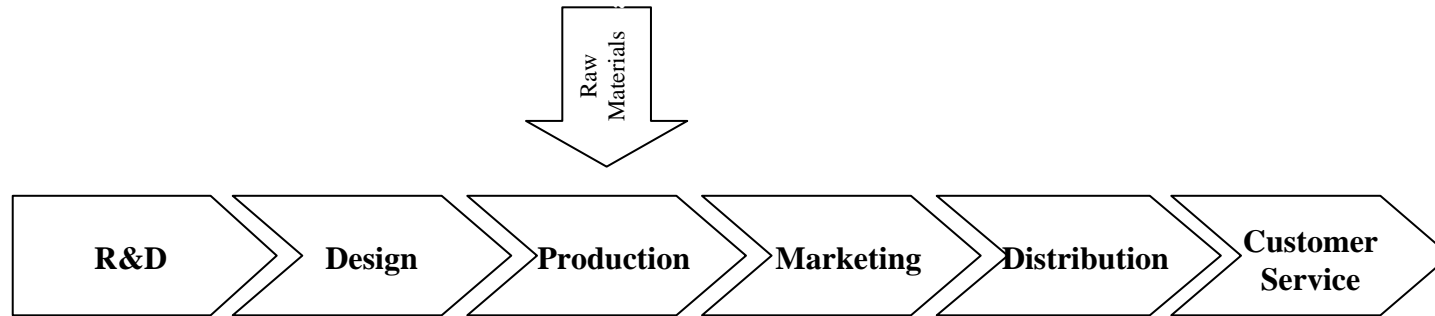
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as

MNE Group A

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SUPPLY CHAIN ANALYSIS:



Examples of how different Groups could “customise” the above generic value chain:

Company 1

Company 2

Company 1

3rd Party

Company 2

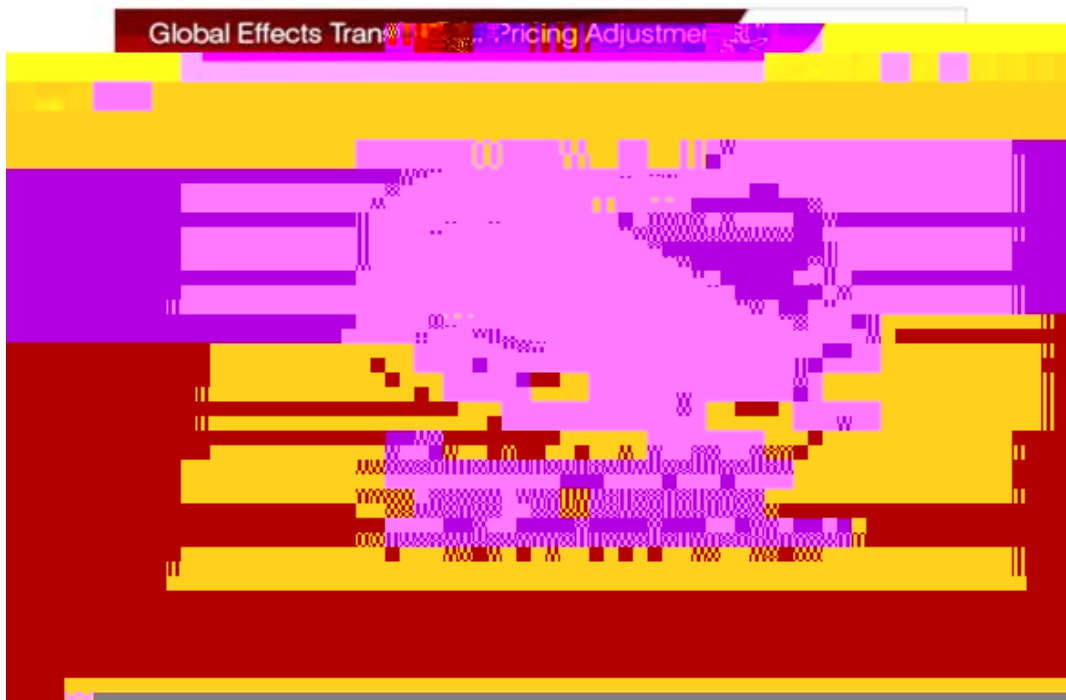
3rd Party

Company 2

3rd Party

Company 1 & 2 & 3

Cost Contribution Arrangements



policy gr5 Tax pricing)Tj /TT9 1 W 2.75 0 TD 0 T55 9(gr5 0 TD -.0023 Tc (of)

Advising

Documentation

Audit support/dispute resolution

Global Effects Transfer Pricing Adjustments

