



TECHNOLOGY

SEPTEMBER

ACCOUNTANCY INITIATIVES

ACCOUNTANCY EUROPE - DIGITAL DAY 2018



A special edition of the newsletter dedicated to the Accountancy Europe Digital Day 2018 is featuring:

Event highlights – [What was it all about?](#)

Tomorrow's Accountant Superheroes – interviews with [Jarno Van Hurne](#) and [Sara Green Brodersen](#):

Jarno tells accountants to stop the busy work and go digital from his perspective as a Solution Marketing Director at Exact Software.

As the CEO of a Danish tech start-up, Sara explains how accountants should respond to today's digital client.

Break-out sessions - summaries

- [Tax: Harnessing the potential of technology](#)
- [Audit & Innovation](#)
- [Accounting: Reporting from input to output](#)

& more is available [here](#).

CONTINUING THE DEBATE FROM THE DIGITAL DAY

Digital Hour webinar, 25 October 11:00-12:00 CET

Technology can automate many repetitive tasks, freeing accountants to offer more expertise, time and attention to clients, building trust and expanding the practice. Join us for a webinar that will highlight the coming changes in the profession and offer insights on embracing new technologies.

Register [here](#) (For Members only).

EU FINANCE MINISTERS DISCUSS PROPOSAL ON A DIGITAL SERVICES TAX

On 7-8 September the EU Finance Ministers during the informal meeting in Vienna discussed the European Commission's (EC) proposal on a Digital Services Tax (DST).

To recall, on 21 March 2018 the EC put forward a two-phased approach for the taxation of the digital economy: a [long-term](#) proposal to establish rules for digital activities and a [short-term](#) interim solution referred to as the Digital Services Tax (DST).

The long-term proposal seeks to introduce the concept of significant digital presence (SDP) into the tax system. This should enable subjecting business activities to corporate tax when they generate significant digital value in a jurisdiction without having lots of physical investments, plants, resources, or work force, for example the GAFSA companies (Google, Amazon, Facebook and Apple). The short-term interim solution targeting the digital giants imposes 3% turnover tax on the provision of certain types of digital services. These measures aim at ensuring fair taxation of the digital economy.

While France and Spain are in favour of the interim solution, Ireland and Luxembourg hosting the European headquarters of the tech giants oppose the proposals. To facilitate the compromise France proposed to introduce a "sunset clause" – 3% tax would apply as a temporary solution until an agreement on an international level has been reached. The aim is to reach an agreement on the DST proposal by the end of 2018.

EUROPOL REPORT ON CYBERCRIME

On 18 September Europol published its annual assessment of the current and anticipated threats and developments in cybercrime. The [report](#) highlights key findings and offers recommendations to law enforcement, policy makers and regulators how to best respond to these risks.

According to the report, ransomware is still prevalent in banking and is likely to continue to represent a threat in the coming years. Unlawful acquisition of data as a result of data breaches is also a major threat. In this respect, the EU GDPR legally obliges to report within 72 hours data breaches; fines related to breaches can go up to €20 million or 4% of global annual turnover (whichever is higher). According to Europol, the new legislation could even lead to a rise in cyber-extortion as it could be less costly to pay ransom than a fine imposed by the GDPR for data breaches.

With a more common use of cryptocurrencies as a conventional payment mechanism, their users are also targeted by hackers. The report highlights that cryptocurrencies are prevalent in cybercrime such as money laundering and other criminal activities. This is mainly due to their decentralized infrastructure which does not require to Know Your Customer and pseudonymous nature of transactions.

Europol highlights that trust, information sharing and cooperation between all stakeholders will be essential to tackle these challenges.

PUBLIC CONSULTATION ON DIGITAL ETHICS - SUMMARY OF OUTCOMES

On 25 September, the European Data Protection Supervisor (EDPS) published a [summary](#) of outcomes to its public consultation on digital ethics. The EDPS is the EU's independent data protection authority. The consultation aimed to explore wider ethical matters, which go beyond compliance with rules and laws. For example, what ethical challenges organisations face or whether they have any policies for ethical assessment.

Responses to this consultation will form a part of a discussion paper, which will be published for the [2018 International Conference of Privacy and Data Protection Commissioners](#), hosted by the EDPS and dedicated to Debating Ethics: dignity and respect in data-driven life.

MEPS DISCUSS FACEBOOK-CAMBRIDGE ANALYTICA DATA BREACH

On September 27, the European Parliament civil liberties (LIBE) committee discussed a motion for a [resolution](#) drafted by Claude Moraes (S&D, United Kingdom) on 'The use of Facebook users' data by Cambridge Analytica and the impact on data protection'. This follows the hearing of the Facebook CEO, Mark Zuckerberg on 22 May 2018 and three follow up hearings on the Facebook / Cambridge Analytica and data protection, electoral processes, fake news in June and July 2018 which did not deliver appropriate response.

The resolution urged Facebook “to allow and enable ENISA (European Network Information Security Agency) and the EDPB (European Data Protection Supervisor) to carry out a full and independent audit of its platform investigating data protection and security of user personal data”.

ACCOUNTANCY INITIATIVES

If you would like to share your latest technology-related initiative, please contact [Iryna](#).

EVENT - COLLABORATIVE ECONOMY AND NEW BUSINESS MODELS' CHALLENGES

On 16 October ACCA, UEAPME and European Movement International are organising a panel to discuss the main features of the new business models, the opportunities but also their limits, and how policymakers can support innovation while also protecting consumers, workers and communities. For more info, please click [here](#).

EMBRACING ROBOTIC AUTOMATION DURING THE EVOLUTION OF FINANCE - A REPORT BY ACCA AND CA ANZ IN COLLABORATION WITH KPMG

The [report](#) highlights many benefits of adopting Robotic Process Automation (RPA) in finance, which go beyond mere cost reduction. Embracing opportunities RPA offers will bring improved control, faster processing speed, better data quality. Finance professionals will have more time to dedicate to more interesting and value-adding activities.

RPA has a transformative potential for finance when it is integrated with more common automation tools e.g. workflow automation and lean methodologies. Realising the potential of this disruptive technology holds many opportunities for businesses' future strategy, performance, innovation, effective risk management and better decisions.

IEC/IAB DIGITAL TOOL - UNIFIED BY INVOICING

IEC/IAB created a new [digital tool](#) for their members that would let them index their clients' invoices. Target members are SME accountants or smaller companies allowing them to access their invoices quickly and easily. The software offers a hands-on tool to deal with the changes in a digitalising world where clients can upload the invoices on the platform and their accountants have direct access to them. The basic tool is free to use; however, some extra services are paid.

NBA DEEP FINANCE CONGRESS: THE NEXT STEP IN FINANCIAL INTELLIGENCE

The [video](#) recap (with English subtitles)

ROBOTS IN THE NEWS

Technology is getting so much news coverage that it starts becoming difficult to keep track of what is happening or relevant. To help you navigate this ever-expanding information stream, we offer you our selection of articles that we found most interesting.

- [Europe should lead in greening digitalisation and AI](#), Euractiv
- [The economic potential and risks of crypto assets: is a regulatory framework needed?](#), Bruegel
- [Companies may try to bypass GDPR fines by negotiating with cybercriminals, Europol say](#), Euractiv
- [The Profession of the Digital Age: Accounting Engineering](#), IFAC
- [Who Will Get the First Big GDPR Fine and How to Avoid It?](#), Hogan Lovells
- [IMA Launches Global Ad Campaign to Help Management Accountants Seize the Opportunities in a Digital Age](#)
- [Future Readiness for Accountants: Blockchain](#) (video)

Is there an article missing that you think should be part of this list? Please send it to lyna and we will include it in our next update!