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The EU Joint transfer pricing forum ("JTPF") released a report on low value adding intra-group services in February 2010. The main objective of the report purports to be the establishment of a reference framework for the assessment of such services.

Typical features of a transfer pricing review of these services would include sections detailing the scope of the relevant services, any critical assumptions, narrative (sufficient corroborative information to confirm that the services rendered comply with the arm's length principle), details of the various cost pools, shareholder costs, allocation keys, methodologies, mark-up considerations and other supporting documentation.

Furthermore, the JTPF report contains two Annexes, listing typical intra-group services on a non-exhaustive basis that may or may not be within the scope of the report, as well as listing a non-exhaustive and non-prescriptive list of shareholder costs involved.

The types of services that may fall within the scope of the report include amongst others:

- Information technology services
- Human resource services
- Marketing services
- Legal services
- Accounting and administration services
- Technical services
- Quality control services

The JTPF therefore has deemed it worthwhile to supplement the list of intra-group services mentioned in the OECD Guidelines 1995. In that respect, the JTPF has identified certain issues important to any government or taxpayer review for application of the Guidelines. These issues evolve from globalization tendencies and non-acceptance of some types of services by tax authorities due to lack of understanding on their very nature.

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