

ROCÍO REYERO: "THE POST-COVID WORLD IS MUCH MORE COMPLEX FOR TALENT MANAGEMENT"

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She leads EY's Tax practice in Europe West and is one of Spain's leading experts in tax matters. In an interview with Iberian Lawyer, Rocío Reyero analyses the most relevant current issues on the European tax agenda and, among other things, explains why she is no longer co-head of the firm, which she has been part of for 32 years. "Talent is one of the biggest challenges we face right now because professionals after the pandemic have different attitudes and interests," she says.



What are your responsibilities as tax practice leader for Europe?

EY is a globally integrated firm. With the formation of this new region, it has taken a step forward. My role is an executive one, working with teams ranging from market issues, supply, investment, both in the tax and legal areas. Then there are the talent challenges. It is one of the most complex areas, because the post Covid world is much more complex in terms of talent management. I spend a lot of my time on issues of executing the firm's global strategy and then investments. All these issues are on my day-to-day agenda. The Europe West region is an area where countries are extraordinarily connected. It is not only the economies, it is the legislation, we are member countries of the European Union and there is a lot of legislation based on EU directives. The sustainability challenge for a French multinational is the same as the sustainability challenge for a Spanish multinational. The BEPS 2.0 common minimum tax project is the same in France, the Netherlands, Germany, Switzerland and Spain. Forming teams that share knowledge, tools, experiences, gives us tremendous power. Talent right now is one of the big challenges we have because professionals after the pandemic have different attitudes and interests. And one of those challenges is the need to have experiences of accelerating learning and exposure to new opportunities. I think being able to have them work in a broader market, with more relevant issues and with clients from all over Europe West opens up a very attractive horizon for them.

In terms of Europe's post-pandemic fiscal strategy, what measures do you think can contribute to fostering economic growth?

If we look at the European Union's agenda, we can see the importance that sustainability will have in the coming years: environmental taxation will gain in importance, as well as the fiscal issues derived from decarbonisation. We can also expect a review of tax incentives with special emphasis on R&D and the patent box. Another issue that has been on the EU's agenda for some time is the balanced tax treatment of the two main sources of corporate financing: equity and debt. The EU has been considering for some time the possibility of a mechanism that would allow for the deductibility of notional interest in cases where companies are financed by equity. Another issue on the EU agenda is the need for an overhaul of SME taxation.

What is your analysis of the current economic context in terms of taxation in Spain?

If we look at the tax agenda in Spain, there are very clear issues that are pending resolution: the lack of harmonisation of regional taxes and local treasuries. We are also going to see developments in environmental taxation. In the area of decarbonisation and sustainability, it is necessary to carry out a strategic review of which activities we want to incentivise, where it is necessary to impose penalties to reduce other activities that may be more harmful to the environment.

You have been co-director of EY together with Ramón Palacín, what was that experience like?

When we started, it was the first time that the firm had a co-directional situation and the truth is that it worked out very well. We didn't distribute plots of responsibility, we understood that we both had to be perceiving the project 100% and not partially with different areas of responsibility. We were co-directors for a year and a half. It was a magnificent experience. Then came my new position in the region and the need to dedicate my efforts to this new responsibility. Ramón and I are in contact all day long, we have been with the firm for so many years that it is natural for us to comment on the day-to-day running of the firm and to bring different perspectives to each other.

What advice would you give to other female lawyers aiming to become managing partners?

For me, the recipe for success is to enjoy the journey. Getting up in the morning and finding that you are passionate about what you do, that you are learning, that you see how you are overcoming challenges. It is essential to understand that this is a long road, but that with each step you feel that you are learning and enjoying yourself. The arrival is not the important thing, for me it's the journey. I haven't finished the journey.

There is also a personal confidence to get there...

When you have been able to overcome adversity and difficult moments, there comes a time when you gain tremendous confidence and from there that confidence gives you a solidity, solvency. That can only be achieved if you have had difficult moments, hard moments.

And what have been the most difficult moments?

My professional activity has been mainly focused on mergers and acquisitions. I have lived in an already tough world, very complex issues, impossible deadlines, long nights. Twelve years ago, the great financial crisis taught us a lesson. Overnight the business shut down, there were no operations, it was a global crisis. And suddenly you find yourself with a team depending on you. I felt I couldn't let that team that was working so well go down, I couldn't let them down. That was very hard, but we pulled through together and survived stronger and more united. That difficult situation made me learn and, above all, to have confidence not only in myself but in the strength of the team.

What made you decide to specialise in taxation?

There are many decisions in life that you don't even realise, it was very early on in my career. I started working in banking, in a financial institution. At that time, the tax area was not so important. I did a master's degree at the Instituto de la Empresa and there I began to discover it and it seemed like a very interesting world to me. At a certain point EY came along with an offer to join the tax department and I was thrilled by the idea. Besides, I always liked the international character of the firm: one foot in Spain and the other global.

It's a world that requires a lot of passion because of the demands, isn't it?

It is very demanding, because tax legislation is constantly changing. New rules, new interpretations. You always have to be up to date, studying. There is a huge investment in knowledge and in your own training. If you are not passionate about taxation, you are not capable of being a good tax advisor. And I am passionate about it.

What have these two years with the pandemic been like, in terms of the change in regulations?

We have made tremendous digital progress. In a matter of weeks we had made progress that previously took years, and training was never a problem. The most difficult thing in these two years has been to maintain the personal connection, the relationships of trust without human contact. Now the world has changed, we combine face-to-face and virtual work, with much more fluidity than before. It has been a tough two years, but I think we should be proud of the agility, resilience and speed with which we have adapted.

For 32 years you have been one of the leading firms, and a benchmark in tax matters. If you had to summarise your journey over the years, how would you describe it?

In this firm I have always had the opportunity to grow, I have been able to launch new projects, to develop my ability to take on new challenges. I have always felt motivated, I have had space to execute and, above all, I have had the opportunity to share ideas and learn from others. It has been such an interesting professional life, with access to clients and projects that have given me so much. The constant challenges and the ability and ongoing support to meet them has been what has driven me the most to continue at Ey.

By Florencia Gagliardi

To read the full interview on issue number 112 click [here](#).