Press release | 27.11.2014

Tax evasion/Luxembourg leaks

EU Parliament must go the distance and launch real inquiry on tax dumping

The European Parliament's conference of presidents of political groups today postponed a decision on how the parliament should follow up to the Luxembourg Leaks revelations and the wider implications on tax dumping in Europe. The Greens/EFA group has renewed its push for MEPs to support a full inquiry committee into tax evasion and dumping (1). Commenting after the Conference of Presidents, Greens/EFA co-president **Philippe Lamberts** said:

"With EU governments refusing to take serious steps to tackle the problem of tax evasion in Europe, it is all the more important that the European Parliament fills this vacuum. The EU Parliament cannot cop out on its electorate. For this reason, our group proposed a robust inquiry committee. We are already close to having the required support for the establishment of such a committee and are renewing our call on the other political groups to go the distance and support such an inquiry (1). While we are not opposed to an initiative report of the European Parliament, it is a very limited tool and would not in itself be an adequate response from the EU's directly-elected institution to the tax avoidance scandal."

Green economic and finance spokesperson **Sven Giegold** added:

"An inquiry committee is the most powerful tool available to the EP and goes beyond the powers of a mere initiative report. It can investigate breaches of EU law by member states and if the Commission acted in accordance with its duties under the EU treaties. It can also make any recommendation for action it deems necessary and provides the strongest basis for legislative follow-up. Aggressive tax competition by the Netherlands, Luxembourg, Ireland, Austria and others is a breach of the treaty obligation of sincere cooperation between EU member states. 'Luxembourg leaks' is a watershed moment for the battle against tax evasion and the issues raised by these leaks must be subject to a thorough inquiry.

"It is clear that some of the concrete measures the EU must take in response are already evident, with some of them having been on the table for an extended period of time but blocked by EU governments. Our group has set out a clear action plan and believe the key figures in the EU institutions need to act or go (2)."

(1) The European Parliament can set up committees of inquiry to investigate cases of breaches or poor application of EU law. To be created, the proposed committee must have the support of 25% of MEPs, with the terms of reference to be confirmed by the conference of presidents of the political groups, before the European Parliament plenary votes to approve the committee:

http://www.europarl.europa.eu/aboutparliament/en/00aab6aedf/Committees.html

The Greens/EFA group today presented a proposal for a committee of inquiry into tax avoidance and dumping practices in the European Union. The full draft mandate for the committee can be found at: legacy/fileadmin/dam/Documents/2014-11-18_luxleaks_inquiry_committee_mandate.pdf

(2) The Greens/EFA action plan on tax avoidance and dumping can be found at: http://act-orgo.eu/assets/Actionplan_EN.pdf

Our campaign website can be found at: http://act-or-go.eu/en/about.php

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Responsible MEPs



Sven Giegold

Member



Philippe Lamberts

Member

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