

Remarks by Vice-President Dombrovskis at the ECOFIN press conference

Thank you, Toomas.

First, let me reiterate the European Commission's strong commitment to the fight against tax evasion and aggressive tax planning.

During this mandate, we have tabled many proposals. Together, they can change the current state of affairs. Several of those proposals have already been agreed.

But some are still outstanding, pending agreement from Member States. We hope that the Paradise leaks will help to create a new political momentum to reach the unanimity required for an agreement.

For example, we call on Member States to take forward our June proposal for transparency measures for so-called tax 'intermediaries'. Recent revelations confirm the powerful role that tax planners and tax advisers – or intermediaries – play in tax avoidance and aggressive tax planning strategies worldwide.

Recent reports show how EU legislation can be circumvented by clever schemes and structures put in place by advisers to avoid paying for example VAT.

This is why we insist that national authorities need to receive information on potentially aggressive tax planning schemes before they have been implemented.

Our view is that an agreement on our proposal for public country by country reporting should significantly increase tax transparency and shine a spotlight on big corporations that embrace aggressive tax planning.

We regret that Ministers could not reach a political agreement on the VAT e-commerce package today. But good progress was made and hopefully the deal can be sealed at the December ECOFIN.

Today we also discussed the EU blacklist for non-cooperative tax jurisdictions. The work on the list is on-going as planned. We call for an agreement on the list at the 5 December ECOFIN, but we also call for an agreement on countermeasures against those jurisdictions that will end up on the list. Only then this exercise will be credible and meaningful.

Today we also discussed the on-going legislative business as regards financial services. I would like to take this opportunity to thank the Estonian Presidency for their stewardship in reaching successful political agreements on the Bank Creditor Hierarchy, IFRS 9 and large exposures. Now it is important to maintain this positive spirit and work towards a general

approach on the rest of the Banking package, ideally by the end of the year.

Speaking of tackling remaining weaknesses in our banking systems, Commissioner Jourova and I explained how our Restructuring Directive, which aims at giving second change for viable enterprises, could also help to tackle high levels of non-performing loans. It can also help the on-going benchmarking exercise of national loan enforcement and insolvency regimes.

Issues related to insolvency and loan enforcement regimes are fundamental for our overall Action Plan for tackling non-performing loans. Finance ministers were broadly supportive of this initiative and we hope for swift adoption of this directive by the Justice and Home Affairs Council.

Today we presented to Ministers our proposals to review the European Supervisory Authorities and the European Systemic Risk Board. To reach our goal of a truly integrated European financial market, we need EU supervision that can support such a market. We need to ensure supervisory convergence. We also need a supervisory architecture that can weather new challenges such as Brexit, or seize opportunities such as the fast development of Fintech.

Today's discussion showed a broad support for Capital Markets Union and the need of supervisory convergence. But the devil is always in the detail.

A number of points were raised by Finance Ministers. So the next step is for technical teams to screen the Commission proposals in the coming months.

Finally, we welcome the Council conclusions on EU statistics. We will now consider the recommendations in detail and, where necessary, will improve our action further.

We share the same objective – to ensure regular, high quality and official statistics at Member States and EU level. They are indispensable for good decision-making in the European Union.

Reliable statistics are essential for European economic governance as they help create trust among Member States. This is why ensuring the independence of statistical offices in each and every EU country matters so much.

Thank you.