

Remarks by Vice-President Dombrovskis at the second informal ECOFIN press conference in Tallinn

I would like to thank the Estonian Presidency for these two productive days in Tallinn.

I welcome the Estonian Presidency's initiative to launch a debate in the EU on how to modernise the tax rules to take into account new business models and the digitalisation of the global economy.

Everyone agrees that this issue raises major political and economic questions and that we need to act. It's a question about our tax revenues. It's a question of fairness and efficiency. It's also about maintaining the integrity of the Single market.

We need to continue the work at global level, notably at the OECD, to find comprehensive solutions with our partners outside the EU.

At EU level, the CCCTB can also help to provide a long-term solution to the issue of taxing digital giants, as it would also address issues such as virtual permanent establishment.

But there are also strong arguments for more immediate action. The Commission will be setting out its thinking on the way forward in a Communication before the digital summit on 29 September.

We will work to arrive at a common EU position by December so that we can speak with the same voice within the OECD.

In parallel, we will start working on a proposal at EU-level on fair taxation of the digitalised economy, in line with President Juncker's announcement in his State of the Union address.

In preparing our proposal, we will of course take account of the different ideas raised by Member States, including for a so-called quick fix solution such as an equalisation tax. We will also be mindful of international discussions on this issue. We aim to be ready with the Commission's proposal by next Spring.

On customs, we welcome the fact the Presidency put this on the agenda. We remain convinced that the best way forward is to gradually centralise our IT systems to make customs more efficient and cost-effective.

There was strong support for a pilot project to pave the way and ministers agreed to return to this issue in November.

Thank you.