

Press release – Ilham Tohti awarded the 2019 Sakharov Prize



Ilham Tohti
2019 Sakharov Prize laureate

European Parliament President [David Sassoli](#) announced the laureate in the Strasbourg chamber at noon on Thursday, following an earlier decision by the Conference of Presidents (President and political group leaders).

“I am very pleased to announce that the European Parliament has chosen Ilham Tohti as the winner of the 2019 Sakharov Prize for Freedom of Thought. Tohti has dedicated his life to advocating for the rights of the Uyghur minority in China. Despite being a voice of moderation and reconciliation, he was sentenced to life in prison following a show trial in 2014. By awarding this prize, we strongly urge the Chinese government to release Tohti and we call for the respect of minority rights in China”, President Sassoli said, following the decision.

Mr Tohti is an Uyghur economist, scholar and human rights activist serving a life sentence in China on separatism-related charges. Read more about the laureate, as well as the other finalists and nominees [here](#).

The Sakharov award ceremony will be held in the European Parliament’s hemicycle in Strasbourg on 18 December.

Background

The [Sakharov Prize for Freedom of Thought](#) is awarded each year by the

European Parliament. It was set up in 1988 to honour individuals and organisations defending human rights and fundamental freedoms.

Last year, the prize was given to the [Ukrainian film director Oleg Sentsov](#). It is named in honour of Soviet physicist and political dissident Andrei Sakharov and the prize money is 50 000 euros.

Successful action against VAT fraud with mobile phones

23 October 2019

The Hungarian, German, Austrian, Slovakian and Latvian authorities, with the support of Eurojust and Europol, have this month undertaken a successful four-day operation against large-scale VAT fraud involving the sale of mobile telephones by an organised crime group (OCG) in Hungary. Hearings were conducted for nine suspects (with six suspects in pre-trial detention), 37 searches were carried out, and items with a value of EUR 7 million were seized, including cash, luxury cars, real estate, company shares and bank accounts. Unlawful VAT payments claimed from the Hungarian tax authorities, amounting to EUR 1 million, were blocked.

In this so-called Missing Trader Intra-Community (MTIC) fraud scheme, the alleged perpetrators purchased mobile telephones from several companies located in different EU Member States, using companies that failed to pay VAT on the sales in Hungary. The telephones were then sold through a chain of buffer companies to a Hungarian wholesaler, and rapidly exported at a lower, more competitive price, with the VAT being illegally reclaimed by the criminal organisation. The crime, which has resulted in an estimated loss of nearly EUR 13 million in Hungary, was committed since 2017.

To prepare for the joint action days, Eurojust facilitated and coordinated the investigative measures by forwarding European Investigation Orders and other information. Eurojust provided assistance in establishing direct contact between the domestic and foreign law enforcement authorities during the action days. It also checked for possible linked criminal proceedings. Europol held an operational meeting and deployed mobile offices during the action days.

The National Tax and Customs Administration started the investigation in Hungary, under the supervision of the Chief Public Prosecution Office of Baranya County.



Photos © HU LEA: National Tax and Customs Administration

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Article – Tax transparency: MEPs

deplore Council's lack of action on multinationals



The image shows a blurred financial table with columns for company names and segments. The table contains several rows of data, including monetary values and percentages. The values are presented in a grid format with alternating light and dark green rows. Some values are in red, indicating negative figures. The table is partially obscured by a green header bar.

Company Name	Segment Name	Segment Name
\$150,000.00	\$125,000.00	\$275,000.00
\$80,000.00	\$190,000.00	\$140,000.00
\$335,000.00	\$435,000.00	\$650,000.00
(\$35,000.00)	(\$135,000.00)	\$350,000.00
0%	0%	100%

In 2016 the European Commission produced a proposal on country-by-country reporting of tax-related information by large businesses, which needs to be approved by both Parliament and the Council before it can enter into force. Parliament agreed its [position](#) on the issue in July 2017, but since then has been waiting for the Council to act so that they can start negotiations.

The proposal concerns big companies worldwide turnover of at least €750 million, which are operating in several countries. The rules would introduce a requirement for these companies to publicly disclose information on how much they earned and how much tax they paid in each EU country.

The EU has already adopted legislation that obliges companies to give such information to the [national tax authorities](#), but MEPs argue that making the information public would boost transparency and discourage companies from shifting profits they have made across the world to low-tax regimes in a bid to avoid fair taxation.

During a plenary debate on 22 October, MEPs insisted that the public has the right to know more about the taxation of multinationals. [Evelyn Regner](#) (S&D, Austria) said: "Often these very large companies are not paying sufficient tax. They are creating fictional constructs so that they can reduce their tax burden. Companies owe it to citizens to be clear where and how much tax they

have paid.”

“It is a way to shine a light on tax avoidance,” said [Othmar Karas](#) (EPP, Austria). He pointed out that the EU had successfully introduced public country-by-country reporting for banks. “Why don’t we continue with multinationals? What are we trying to hide?”

Others argued that the lack of transparency about how multinationals are paying tax is hurting small firms. “This [proposal] is not only beneficial for tax authorities, but also for local businesses, many of them small and medium-sized enterprises, who compete at home against such companies yet do not have the advantage of being able to spread their tax expenditures across multiple jurisdictions,” said [Ondřej Kovařík](#) (Renew Europe, Czech Republic).

However, EU countries have struggled to agree on a position. Tytti Tuppurainen, speaking on behalf of the current EU Council presidency, told MEPs that work on this was advancing and more meetings are being planned before adding: “On the Council’s side, we will still probably need more time to clarify our position.”

The Council is also questioning the legal base of the Commission proposal, which is the justification for EU action and affects how the decision would be taken. The Commission has classified it as a single market issue, which would require Parliament and Council to agree on the text under the ordinary legislative procedure, while the Council’s legal service argues that it is a matter of taxation where decisions require unanimity in Council and Parliament is only consulted.

During the debate MEPs were critical about the Council’s failure to act. [Sven Giegold](#) (Greens/EFA, Germany) said: “It is a real puzzle to a lot of Europeans why we have these tax havens where tax money ends up. There has been a proposal on the table for three years with regard to transparency. Governments are standing in the way of fair taxation and fair competition.”

Parliament will be voting on a [resolution](#) regarding this on 24 October.

[Press release – EU investment budget for 2020: A boost for the climate](#)



Parliament underlines, in its [draft resolution](#), that the 2020 EU budget is “the last chance for the European Union to come closer to meeting the political commitments set for that period, including towards reaching the EU climate target”. It should pave the way for the new long-term 2021-2027 EU budget, the so-called multiannual financial framework (MFF).

MEPs have boosted the [Commission’s draft budget](#) by adding altogether more than €2 billion to protect the climate. Furthermore, they increased the Youth Employment Initiative (YEI) and the Erasmus+ programmes and approved further support in line with Parliament’s priorities in areas such as SMEs, research, digitalisation, migration and external policy, including development and humanitarian aid.

Parliament voted on a budget amounting to almost €171 billion in commitment appropriations (what the EU commits to invest in 2020 or the years beyond, as projects and programmes run over several years), representing an increase of around €2,7 billion compared to the [Commission’s draft budget](#). It sets the payment appropriations (what will be concretely spent in 2020) at €159 billion.

Quote

General Rapporteur for the 2020 EU budget (Commission section), [Monika Hohlmeier](#) (EPP, DE) said: “Today’s vote on the 2020 Budget shows Parliament’s united front and a common understanding among the political groups: ambitious climate targets and environmental protection can go hand in hand with programmes that create new jobs, support European research and development facilities and boost competitiveness. MEPs also confirmed our commitment to further increase the Youth Employment Initiative, the exchange programme

Erasmus+ and DiscoverEU, a highly successful project to provide 18-year-olds with Interrail tickets to give them the opportunity to discover a Europe without borders”.

An interview with the General Rapporteur for the 2020 EU budget (Commission section), [Monika Hohlmeier](#) (EPP, DE) can be [downloaded here](#). A background briefing is [available here](#).

Next steps

The plenary vote will kick off three weeks of “conciliation” talks with the Council, with the aim of reaching a deal between the two institutions in time for next year’s budget to be voted on by Parliament and signed by its President during the November II plenary session (25-28 November). If no agreement is reached, the Commission must table a new draft budget.

Background

About 93% of the EU budget funds real activities on the ground in EU countries and beyond. It goes to citizens, regions, cities, farmers, researchers, students, NGOs and businesses.

The EU budget is unique. Unlike national budgets, which are used in large part for providing public services and funding social security systems, the EU budget is primarily an investment budget and, unlike national budgets, the EU Budget cannot run a deficit.