

Question for written answer E-004771/2025
to the Commission
Rule 144
Billy Kelleher (Renew)

Subject: Impact on the EU's competitiveness of certain jurisdictions' non-implementation of pillar II of the OECD base erosion and profit shifting Pillar II agreement

Pillar II of the OECD base erosion and profit shifting agreement, reached in 2021, was heralded as a huge step forward in securing tax fairness among companies and countries on a global level. The EU fully respected this agreement by adopting the Minimum Taxation Directive¹ the following year.

Unfortunately, some of the world's largest economies and the EU's biggest competitors, namely the United States, China, India and Brazil, have thus far failed to implement the 15 % minimum taxation level. As a result, EU multinational enterprises are finding themselves at a considerable competitive disadvantage in comparison to their global competitors.

This situation could be exacerbated by the recently announced 'side-by-side' approach agreed by the G7 which would provide a carve-out for US companies.

In this context:

1. Is the Commission actively monitoring and assessing the impact of the non-implementation of the Pillar II agreement by large economies on the EU's competitiveness and the potential impact on attracting inward investment to or encouraging capital flight from the EU?
2. How does the Commission plan to address the impact on the EU's competitiveness and the lack of a global level playing field while respecting our international commitments?

Submitted: 2.12.2025

¹ OJ L 328, 22.12.2022, ELI: <http://data.europa.eu/eli/dir/2022/2523/oj>.