

## Newsletter 14 October 2024

Coming up in the next committee meetings:

ECON meeting, 14 October 2023, 15.00 – 17.30  
Room: ANTALL (6Q2)

The meeting will be webstreamed:

[See live broadcast](#)

**Monday, 14 October, 15.00 - 17.00**

### **Annual hearing with the Chairpersons of the European Supervisory Authorities (ESAs)**

The Committee on Economic and Monetary Affairs (ECON) will hold its first annual hearing in the 10<sup>th</sup> term with the Chairpersons of the ESAs, in accordance with Article 3 of the EBA, EIOPA and ESMA Regulations, on 14 October 2024:

- **Verena Ross**, Chairperson of the European Securities and Markets Authority (ESMA) as well as Chairperson of the Joint Committee of the European Supervisory Authorities (ESAs) and, in that capacity, second Vice-Chairperson of the European Systemic Risk Board (ESRB);
- **José Manuel Campa**, Chairperson of the European Banking Authority (EBA);
- **Petra Hielkema**, Chairperson of the European Insurance and Occupational Pensions Authority (EIOPA).

The discussion is expected to focus on the institutions' experience throughout the previous year, including the Authorities' role in rulemaking, supervision and coordination, as well as on the institutions' expectations regarding their future development and key challenges in the context of their respective budgetary and resource needs.



Monday, 14 October, 17.00 - 17.30

## Council directive amending Directive 2006/112/EC as regards the electronic value added tax exemption certificate

### *Consideration of draft report and decision on procedure*

The proposed amending Directive seeks to replace the paper VAT and Excise Duty exemption certificates with an electronic version, confirming that certain transactions, such as those under diplomatic, consular, and international organization arrangements, qualify for exemptions. This move aims to reduce administrative burdens and costs without altering the scope of VAT exemptions or impacting the EU budget, as GNI-based own resources remain unaffected. The implementation costs will be covered by the FISCALIS programme within its foreseen financial envelope in the current Multiannual Financial Framework. The costs for Member States, mainly related to providing access to the central application, are estimated to be low. The proposal strengthens anti-abuse measures by stipulating that if the exemption conditions outlined are not met or cease to apply, the eligible body or individual who issued and signed the certificate will be responsible for paying the VAT to the relevant Member State.



**Rapporteur:** Aurore LALUCQ (S&D)

**Shadows:** Markus FERBER (EPP), N.N. (P/E), Roberts ZĪLE (ECR),  
Ľudovít ÓDOR (Renew), Kira PETER-HANSEN (Greens/EFA),  
Jussi SARAMO (The Left), N.N. (ESN)

Monday, 14 October, 17.00 - 17.30

## Faster and Safer Relief of Excess Withholding Taxes

*Consideration of draft report and decision on procedure*



In June 2023, the Commission proposed a Council Directive on Faster and Safer Relief of Excess Withholding Taxes which addresses the barriers to cross-border investments created by the differences between withholding tax procedures among Member States and seeks to prevent abuses of these refund procedures, such as through cum-ex and cum-cum schemes.

After the Parliament delivered its opinion on 28 February 2024, the Council reached a general approach on 14 May 2024 with far-reaching changes. The agreement extends the deadline for the issuing of an electronic tax residence certificate and provides exemptions for Member States who already have a comprehensive relief-at-source system in place and who have a relatively small financial market, i.e. when their market capitalisation ratio is below a threshold of 1,5% (as reported by ESMA). Moreover, the deadline for the entry into force is postponed from January 2027 to January 2030.

In view of the substantial changes, the Council decided to re-consult the Parliament and asked to deliver its opinion as soon as possible and by 31 January 2024 at the latest. In view of the short deadline and given that the Council agreement preserves key elements of the proposal, the Rapporteur Herbert Dorfmann (EPP) proposes to follow a simplified procedure without amendments to approve the Council position. In his explanatory statement, he recalls the Parliament's position on the file and regrets that the entry into force is delayed, given the current importance of the completion of the Capital Markets Union.

**Rapporteur:** Herbert DORFMANN (EPP)

**Shadows:** Niels FUGLSANG (S&D), N.N. (P/E), Roberts ZĪLE (ECR), Gilles BOYER (Renew), Rasmus ANDRESEN (Greens/EFA), N.N. (The Left), René AUST (ESN)

## ECON: Draft Agenda 14 October 2024



### Next committee meetings:

ECON: 21 October 2024, 19:30 - 20:00

BUDG-ECON: 21 October 2024, 20:00 - 21:00

### ECON is responsible for:

- the economic and monetary policies of the Union, the functioning of Economic and Monetary Union and the European monetary and financial system (including relations with the relevant institutions or organisations);
- the free movement of capital and payments (cross-border payments, single payment area, balance of payments, capital movements and borrowing and lending policy, control of movements of capital originating in third countries, measures to encourage the export of the Union's capital);
- the international monetary and financial system (including relations with financial and monetary institutions and organisations);
- rules on competition and State or public aid;
- tax provisions;
- the regulation and supervision of financial services, institutions and markets including financial reporting, auditing, accounting rules, corporate governance and other company law matters specifically concerning financial services;
- the relevant financial activities of the European Investment Bank as part of European economic governance in the euro area.

ECON is assisted by a subcommittee on tax matters (FISC), for tax-related matters and particularly the fight against tax fraud, tax evasion and tax avoidance, as well as financial transparency for taxation purposes.

### Contact



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