



The President

D 203112 05.10.2015

Mr Alain Lamassoure
Chair
Special Committee on Tax Rulings and
Other Measures Similar in Nature or Effect (TAXE)
LOW T10065

Dear Chair,

I would like to thank you for your letter of 16 September 2015 where you draw my attention to the non-cooperative attitude of some of the multinational corporations (MNCs) that declined the invitations of TAXE to attend its public hearings or meetings. You suggest taking measures against a number of these MNCs, in particular, a removal of these corporations from the Transparency Register and the suspension or restriction of the access to Parliament's premises of their representatives.

First of all, I have to say that I was particularly displeased to hear that some MNCs simply declined the invitation without giving any justification or that others tried to impose their own conditions to any discussion. I do understand why TAXE Members want to follow up on this.

I have consulted the Legal Service on your proposals and it appears that there are several procedural and legal boundaries that would limit Parliament's means to react.

As regards the first measure, the Transparency Register being established jointly by Parliament and the Commission, a decision to remove a corporation cannot be taken unilaterally by Parliament but would have to be taken jointly with the Commission. According to the Interinstitutional Agreement on the Transparency Register (IIA), the Joint Transparency Register Secretariat is the competent body to decide on a removal. TAXE could therefore consider lodging a complaint with the JTRS, in liaison with Vice-President Sylvie Guillaume, to whom I delegated responsibility for the Transparency Register.

However, the corporations could only be removed from the Register if they did not comply with their obligations, in particular under the Code of Conduct annexed to the IIA. Neither the Code of Conduct, nor Parliament's Rules of Procedure oblige third parties to participate in a meeting or hearing of a Special Committee. A formal complaint procedure is therefore unlikely to be followed through.

As regards the second measure, the issue and withdrawal of long-term access passes to Parliament's premises fall under the responsibility of the Questors. According to Article 11(7) of Parliament's Rules of Procedure, "*badges shall be withdrawn by reasoned*

decision of the Quaestors". Hence, the decision of withdrawal must be justified by one of the reasons set out in that provision and must not be arbitrary or disproportionate. Moreover, one has to make sure that all MNCs are treated equally. Since MNCs that declined TAXE invitation did all not reply in the same way (some offered to meet, or to provide written contributions, etc.) one cannot treat them all in the same way without being discriminatory.

My understanding is that as things currently stand, Parliament is not fully equipped with appropriate legal tools to deal with the non-cooperative behavior TAXE experienced. In this regard, the Legal Service confirmed that an Inquiry Committee would have faced exactly the same legal boundaries in a similar situation.

Still, Parliament should be able to take action against entities, which, although enjoying permanent access to its premises, are reluctant to cooperate and exchange on issues that are central to European citizens. Parliament could therefore take this opportunity to revise the existing framework in two ways.

First, Parliament could consider revising its own rules regarding access passes in order to ensure that entities that benefit from an access to our premises are also under certain obligations to cooperate. I am therefore planning to raise the issue at the next Bureau meeting, on Wednesday 7 October.

Second, as part of the 2015 Work Programme, the Commission is planning to propose a mandatory Transparency Register by the end of the year. Members may also consider amending the Code of Conduct via this procedure and add new criteria for a possible removal from the Register.

I thank you again for raising this issue and hope that we can remedy to this situation so that it does not happen again in the future.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Martin Schulz', written in a cursive style.

Martin Schulz