Question for written answer E-003397/2020 to the Commission Rule 138

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Subject: US initiates further investigations under Section 301 of the 1974 Trade Act against the

European Union and a number of its Member States in response to the digital levy

The United States has announced fresh investigations under Section 301 of the 1974 Trade Act in response to moves by a number of Member States seeking to adopt legislation introducing taxes on profits earned in their territories by large digital companies, most of them officially headquartered in the United States, for which they are currently being taxed too lightly.

As a result, the European Union and a number of its Member States, including Spain, are once again being threatened with possible unilateral tariff and non-tariff measures arbitrarily imposed by the US administration.

These investigations are likely to trigger a trade war aggravated by the imposition of tariffs and other trade barriers, wreaking havoc on the global economy, with especially harsh repercussions for European companies, workers and producers already reeling from the COVID-19 fallout.

In view of this:

- 1. What measures is the Commission prepared to take in response to the threat of new US tariffs on our exports?
- 2. How will the Commission seek to strike a balance between the need for legislation for the taxation of US tech giant profits on the one hand and measures to protect European exports on the other?