

EN  
E-000416/2021  
Answer given by Mr Gentiloni  
on behalf of the European Commission  
(12.4.2021)

In its Recommendation of 14 July 2020<sup>1</sup>, the Commission recommends that Member States adopt measures to refuse financial support to their undertakings if these have a direct or indirect link to other undertakings in jurisdictions that feature on the EU list of non-cooperative jurisdictions for tax purposes.

This Recommendation applies in general to all kinds of financial support that Member States can provide to undertakings, including State aid.

Member States should also refrain from providing financial support to undertakings if the undertaking or its owner have been subject to any of the exclusion grounds constituting crimes laid down in the Public Procurement Directive<sup>2</sup> or are in breach of their obligations relating to the payment of taxes or social security contributions. EU public procurement rules<sup>3</sup> mandate the exclusion of tenderers in breach of their obligations in relation to the payment of taxes or social security contributions, as well as oblige Member States to ensure that in the performance of public contracts economic operators comply with environmental, social and labour law.

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<sup>1</sup> C(2020) 4885 final

<sup>2</sup> Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, OJ L 94, 28.3.2014, p. 65-242

<sup>3</sup> Articles 57(2) and 18(2) of Directive 2014/24/EU.