

Mr. Luca Cassetti, Secretary General  
Ecommerce Europe  
Rue du Commerce 31  
1000 Brussels  
Belgium

Mrs. Manal Corwin, Director  
Mr. Achim Pross, Deputy Director  
OECD Centre for Tax Policy and Administration  
Rue André Pascal 2  
75016 Paris  
France

## Re: Securing progress on the OECD Two-Pillar Agreement

Dear Director Corwin and Deputy Director Pross, Deputy Director Bradbury,

Ecommerce Europe, the voice of the European Digital Commerce industry, would like to bring to your attention our concerns regarding the OECD/G20 Inclusive Framework's Two-Pillar agreement. With the expiration of the moratorium on Digital Services Taxes (DSTs), we emphasise the critical need to safeguard the stability and integrity of this collaborative effort.

We strongly support the multilateral objectives of Pillar 1 in fostering a more stable and equitable international tax system. However, the moratorium's conclusion, coupled with emerging risks of unilateral actions and indications of potential withdrawal of commitments to continuing to work towards a multilateral agreement to address the challenges arising from the digitalisation of the economy by key members, such as the United States, have introduced significant risks to the credibility and sustainability of the entire Two-Pillar framework.

Allowing the expiration of the DST moratorium without follow-up and coordinated measures risks leading to the reintroduction of unilateral tax regimes such as DSTs at national level, creating double taxation, economic distortions, as well as risks of retaliatory tax and trade measures, resulting in uncertainty for businesses operating cross-border. In addition to undermining the harmonisation of the EU Single Market, any erosion of trust in the Two-Pillar framework caused by potential fragmentation risks undoing years of constructive progress achieved through international cooperation.

Ecommerce Europe would like to call on the OECD/G20 Inclusive Framework to:

- 1. Facilitate dialogue among stakeholders, including the new Administration of the United States of America, to reaffirm commitment to Pillar 2 and align on a path forward that**

addresses potential concerns that threaten its implementation and preserves the credibility of the framework.

2. **Extend the moratorium on DSTs and similar unilateral measures** to provide the necessary time for the negotiations, the finalisation of Pillar 1 and the alignment of national legislative frameworks.

At this point in time, credible and immediate actions are essential to prevent a fragmented international tax environment, which could create legal uncertainty, increase compliance costs and hinder cross-border trade. Collaboration and regular dialogue among stakeholders must be prioritised in order to reaffirm the international commitment to a global taxation agreement.

Ecommerce Europe remains ready to support a stable and fair international tax framework and is available to contribute with any additional information or insights on this matter.

We look forward to your response and to continued progress on this critical matter.

Yours faithfully,

A handwritten signature in black ink that reads "Luca Cassetti".

Luca Cassetti  
Secretary General

#### **About Ecommerce Europe**

*[Ecommerce Europe](https://ecommerce-europe.eu) is the united voice of the European Digital Commerce sector, representing the interests of companies selling goods and services online to consumers in Europe. Our mission is to act at EU level by engaging with policymakers to create a better regulatory framework for all e-merchants. Ecommerce Europe is a platform where our members can stay informed, exchange best practices, and define common positions on EU legislation impacting the sector.*