



To: H.E. Mr António Costa, Prime Minister of Portugal

6th May 2021

cc. Prof João Leã, Minister of State for Finance of Portugal

cc. Mr. António Mendonça Mendes, Secretary of State of Tax Affairs

cc. H.E. Ambassador Nuno Brito, Permanent Representative of Portugal to the European Union

Welcoming Portugal's strong efforts on the FTT file and urging the tabling of a new legal text

Dear Prime Minister,

We, the undersigned, trade unions and civil society organisations from 26 EU member states, representing more than 20 million European citizens, campaigning for the achievement of a European Financial Transactions Tax (FTT), are writing to express our appreciation and support for Portugal's important efforts to progress the FTT dossier under your Presidency of the EU Council. In seeking constructively to navigate the way forward on the FTT file, your government's actions represent a welcome impetus to proceedings.

We acknowledge your thoughtful and considered approach to working with the 10 Participating Member States under the Enhanced Cooperation Procedure by offering modest but significant improvements to the narrow Franco-German model for the levy, which has been the basis of discussions since mid-2018. Specifically, we support your proposal to include equity derivatives in the taxation of share transactions - to prevent avoidance through trading in substitute products - and to offer the potential for an enlargement of the tax base to other classes of financial instruments through an improved, more robust, review clause.

At a time when countries need to calibrate their policies to the pandemic crisis and its economic consequences, we welcome Portugal's Compromise Proposal as offering the opportunity to harness the FTT's enormous potential to generate substantial revenue to benefit the lives of countless citizens, both in the EU and beyond, in the pursuit of jobs, healthcare, sustainable development and an improved environment for all.

To this end, we strongly urge you to respond positively to the requests by a number of Member States for Portugal to produce a legal text reflecting your proposals at the earliest possible time as a basis for the furthering of discussions to find consensus and agreement on the FTT file in the remaining weeks of your Presidency.

We look forward to your response at the earliest opportunity.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Hillman', with a horizontal line underneath.

David Hillman - Director, Stamp Out Poverty on behalf of the European FTT campaign



Representing 400,000 workers in Portugal



Representing 20 million members, 669 unions in 154 countries, inc. 26 in the EU



Representing 8 million workers in Europe



Representing 6 million workers in Germany



Representing 3 million Austrian employees and consumers



Representing 1.5 million members in Belgium



Representing 1.2 million Austrian members



Representing 1 million workers in Spain



Representing more than 100,000 workers in Spain



National Union of Public Services - Finance sector



Representing 1.7 million members in Belgium



32 national networks including the Czech Republic and Germany



The Italian FTT coalition of 60 NGOs and trade unions



A coalition of 60 NGOs



A coalition of 46 NGOs and grass-roots organisations



A coalition of 90 Belgian NGOs



Workers' Group EESC