

Joint Statement from the United States and Turkey Regarding a Compromise on a Transitional Approach to Existing Unilateral Measures During the Interim Period Before Pillar 1 Is in Effect

November 22, 2021

1. On October 8, 2021, the United States and Turkey joined 134 other members of the OECD/G20 Inclusive Framework (including Austria, France, Italy, Spain, and the United Kingdom) in reaching political agreement on the Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalization of the Economy.
2. On October 21, 2021, the United States, Austria, France, Italy, Spain, and the United Kingdom reached a political compromise on a transitional approach to existing Unilateral Measures while implementing Pillar 1 (“Unilateral Measures Compromise”). The Unilateral Measures Compromise is reflected in the joint statement that was issued by those six countries on that date (“October 21 Joint Statement”).
3. The United States and Turkey have agreed that the same terms that apply under the Unilateral Measures Compromise shall apply as between the United States and Turkey with respect to Turkey’s Digital Service Tax and the United States’ trade actions regarding the Digital Service Tax. Accordingly, the Unilateral Measures Compromise described in the October 21 Joint Statement is incorporated by reference into this joint statement between the United States and Turkey.
4. The United States and Turkey will remain in close contact to ensure that there is a common understanding of the respective commitments under this agreement and endeavor to resolve any further differences of views on this matter through constructive dialogue.