European system of national and regional accounts (ESA 95): allocation of financial intermediation services indirectly measured (FISIM) for the establishment of the gross national income (GNI) for the purposes of the EU budget and its own resources

2009/0068(CNS) - 23/02/2010

The Committee on Budgets adopted the report by Jean-Luc DEHAENE (EPP, BE) amending the proposal for a Council decision on the allocation of financial intermediation services indirectly measured (FISIM) for the establishment of the gross national income (GNI) used for the purposes of the European Union's budget and its own resources.

To recall, the Commission had proposed that two different periods, covered by two different decisions on own resources, would be covered:

- from 1 January 2005 to 31 December 2006, FISIM allocation would be applied for the purposes of Decision 2000/597/EC, Euratom;
- from 1 January 2007 onwards, it would apply for the purposes of Decision 2007/436/EC, Euratom.

The committee made two amendments:

- it deleted the clause stating that the allocation of FISIM shall apply for the purposes of decision 200 /597/EC, Euratom from 1 January 2005 to 31 December 2006; and
- it inserted a clause to the effect that the allocation of FISIM shall apply for the purposes of Decision 2007/436/EC, Euratom from 1 January 2010 (rather than from 1 January 2007).

Members note that the proposed retroactive application from 1 January 2005 has given birth to divergences amongst Member States, which do not agree on the exact extent of the retroactivity of the decision, and could be open to legal challenges. It appears that the only possibility for reaching an agreement between all Member States is that no retroactive application of the allocation of FISIM be considered. The allocation would then take place only from the year of the entrance into force of the decision on, which means from 1 January 2010 on.