

System of the European Communities' own resources: timing for making available the adjustments

2014/0332(NLE) - 12/12/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Budgets adopted (Parliament's consultation) the report by Gérard DEPREZ (ALDE, BE) and Janusz LEWANDOWSKI (EPP, PL) on the proposal for a Council regulation amending Regulation (EC, Euratom) No 1150/2000 implementing Decision 2007/436/EC, Euratom on the system of the European Communities' own resources.

In its motion for a legislative resolution, the committee underlined that this proposal to amend Regulation (EC, Euratom) No 1150/2000 finds its origin in the one-off consequences of the application of that Regulation for certain Member States. It appeared that a number of Member States underpaid their due contributions to the Union budget over a number of years, while others overpaid theirs.

Certain Member States which had benefited from past underestimation of their GNI expressed their reluctance to pay by the legal deadline the additional amounts due.

In accordance with the on-going legislative revision, **seven Member States decided not to enter in the EU account their respective GNI and VAT balances on the first working day of December 2014.**

Members deplored that **the issue of the deferral of national contributions adjustments** took precedence, within the Council, over finding a negotiating position on the 2014 and 2015 budgetary negotiations, which was only established on the final day of the 21-day conciliation period provided for in Article 314 TFEU and contributed to the failure of the Conciliation Committee to reach an agreement.

The Committee on Budgets was **concerned by the proposed larger discretion left to Member States** as to the timing of their additional contributions resulting from GNI adjustments to the Union budget. According to Members, this has created a precedent that could have an impact on the Commission's treasury, the timing of payments to the beneficiaries of the Union budget and, ultimately, the credibility of the Union's budget.

Members stressed the fact that **this proposal makes the Own Resources system even more complex** and is aimed at amending legislation that will soon be replaced, retroactively, by already agreed pieces of legislation. In this regard, they highlighted the crucial role of the High Level Group on Own Resources in delivering proposals for overcoming the deficiencies of the current system.

The committee acknowledged nevertheless the exceptionally high amounts of 2014 adjustments in the VAT- and GNI-based own resources, which may represent a high financial burden for certain Member States. In this context, **it recommended that the European Parliament approve the proposal as amended:**

- According to the proposal, Member States may only apply the provisions of the amended Regulation if they have informed the Commission before the first working day of December of their decision, and of the date or dates of entry of the amount of the adjustments in the account referred to in this Regulation. Members specified that the **Commission shall notify the European Parliament and the Council** of any such decision, including the concerned Member States, the number of instalments, the amount of each instalment and the dates of entry in the accounts.

- As regards the operations which constitute modifications to revenue in respect of the financial year in which they occur, the **Commission shall report to the European Parliament and the Council** on the modifications of revenue under this Regulation.