

# Methods and procedure for making available the traditional, VAT and GNI-based own resources and measures to meet cash requirements: interest rules; annual adjustment of VAT and GNI-based own resources

2015/0204(NLE) - 07/12/2015 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Budgets adopted the report by Gérard DEPREZ (ALDE, BE) and Janusz LEWANDOWSKI (EPP, PL) on the proposal for a Council regulation amending Regulation (EU, Euratom) No 609/2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements.

The committee called on European parliament to **approve the Commission proposal**.

However, Members stressed the need for efficient rules on how Member States make their timely contributions to the Union budget available, to allow the Commission to effectively manage its treasury. In this regard, they supported the option granted to the Commission to ask Member States for the payment of a third twelfth of VAT and GNI resource in the first half of the year, in order to allow the Commission to reduce a more important part of the previous year's payment backlog in the European Agriculture Guarantee Fund (EAGF) and in the European Structural and Investment Funds (ESIF), and to reduce default interest.

Moreover, Members welcomed the proposed amendment to the Article 12 of Regulation (EU, Euratom) No 609/2014, which aims not only at increasing the incentives to pay on time by making more expensive any late payment but also at ensuring proportionality, by capping the maximum increase of the interest rate at 20 percentage points.

The adjustments of contributions should be dealt with as **automatically** as possible to avoid political interference with the agreed ways of financing the Union budget and to limit the discretion left to Member States as to the timing of their additional contributions resulting from GNI adjustments to the Union budget to a minimum.

The Commission proposal to change the **due date** for making available the adjustments to the **beginning of the year** instead of on 1 December has been welcomed by the Members.

The resolution stressed the fact that the own resources system remains **too complex** and needs to be fundamentally reformed with the next Multiannual Financial Framework.

Against this background, the committee stressed the crucial role of the High Level Group on Own Resources in delivering proposals for overcoming the deficiencies of the current system.

As regards the adjustments to the VAT and GNI-based own resources of previous financial years, the Commission proposal provides that for each Member State, the Commission shall calculate the difference between the amount resulting from the adjustments referred to in paragraphs 1 to 4, with the exception of particular adjustments pursuant to paragraph 2(b), and the product of multiplying the total amount of adjustments by the percentage that the GNI of that Member State represents of the GNI of all Member

States, as applicable on 15 January to the budget in force for the year following the year of supply of the data for the adjustments.

Members proposed that the Commission should **inform the Member States and the European Parliament** of the amounts resulting from this calculation before 1 February of the year following the year of supply of data for the adjustments.