

# **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) - 15/12/2015 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 559 votes to 85 with 43 abstentions, a legislative resolution 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 European Parliament **approved 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.

Underlining the need for the timely delivery of payments to beneficiaries of the Union budget, Parliament 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 resolution stressed that the contributions made by Member States to the Union budget as well as 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.

Accordingly, Members welcomed the Commission proposal to **change the due date** for making available the adjustments to the **beginning of the year instead of on 1 December**.

Furthermore, Parliament supported the Commission proposal that, in order to prevent any losses for the Union budget, each Member State ensures that the amounts it has credited to the own resources account is **not reduced by any negative interest** or other charges for the time it has to remain in the account.

Members stressed the fact that the own resources system remains too complex and needs to be fundamentally reformed with the next Multiannual Financial Framework. They emphasised 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.