

System of own resources of the European Union

2021/0430(CNS) - 16/10/2023 - Committee final report tabled for plenary, reconsultation

The Committee on Budgets adopted, in the framework of a special legislative procedure (Parliament's consultation), a report by José Manuel FERNANDES (EPP, PT) and Valérie HAYER (Renew, FR) on the proposal for a Council decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union.

On 20 June 2023, the Commission submitted a proposal for amending and updating the December 2021 initiative. It aligns the emissions trading system (ETS) and carbon border adjustment mechanism (CBAM) based own resources with the outcome of the legislative Fit for 55 negotiations and changes the call-rate for the ETS-based own resource from 25% to 30%.

In addition, the Commission proposes a new own resource based on corporate profits. This national contribution is calculated on the basis of the statistical data on gross operating surplus in the financial and non-financial sectors which are available in the context of the European System of National Accounts (ESA).

The committee called on the European Parliament to approve the Commission proposal as amended below.

Implementation of the roadmap

Members wish to recall that this amended Decision constitutes a further important step, for the **implementation of a roadmap for the introduction of new own resources**. It will make sure that the revenue from a basket of new income sources will become available and will be sufficient for the payment of the interest and the principal of NGEU debts and that the distributive financial implications of the basket are acceptable to all Member States.

The implementation of the Roadmap in the Interinstitutional Agreement of 16 December 2020 (IIA) should be completed by **future reforms** that would replace the transitional solution of the statistics-based national contribution on corporate profits into a more genuine, tax-based own resource as soon as the necessary directives or Union-wide harmonisation frameworks on corporate taxation are in place.

Lump sum reductions

The annual adjustment of the lump sum reductions by applying the GDP deflator in a context of exceptionally and unexpectedly high inflation has resulted in unjustifiably high rebates for the Member States concerned, that is Denmark, Germany, the Netherlands, Austria and Sweden. Members considered that such 'windfall' discounts and the distributional distortions they entail, can be avoided **by aligning the annual adjustment of the amounts with the 2% automatic deflator** that is also used for the MFF ceilings according to Article 4, paragraph b of the MFF regulation. Those gross reductions should be financed by all Member States.