

# Own resources: harmonisation of gross national income GNI at market prices

2002/0245(CNS) - 15/10/2002 - Legislative proposal

**PURPOSE** : to present a proposal for a Council Regulation on the harmonisation of Gross National Income at market prices ("GNI Regulation"). **CONTENT** : Gross National Product (GNP) and Gross Domestic Product (GDP) play a major role in the own resource system and various Community policies, notably since the fourth GNP resource was set up in 1988. This makes it necessary to reinforce the comparability, reliability and exhaustiveness of Member States' GNP data. Up to now, GNP calculations were based on the former European System of Integrated Economic Accounts, the so-called ESA 79. Based on a Commission proposal, the Council adopted GNP Directive 89/130/EEC setting up a procedure to assess the comparability, reliability and exhaustiveness of GNP. This procedure is centred on the GNP Committee in which Member States and the Commission co-operate closely in order to further harmonise and improve the quality of GNP. Starting from the budgetary year 2002, the new European System of Accounts (the ESA 95) will be used to calculate GNP (now called GNI or Gross National Income) according to Decision 2000/597/EC on own resources. It is therefore necessary to redefine the legal framework for harmonisation and improvement work on GNI, taking account of ESA 95 specificities. This proposal for a Council GNI Regulation addresses this objective. Following the example of the current GNP Directive, this proposal: - defines the methods of calculation of GNI based on ESA 95, - specifies Member States' obligations concerning data transmission, - sets up the GNI Committee as the new forum for co-operation between Member States and the Commission concerning verification and improvement work on GNI. This proposal for a Regulation has been thoroughly discussed with Member States' representatives in the GNP Committee.