

# **Union's budget: system of the European Communities' own resources, adjustment of the United Kingdom correction, financial framework 2007-2013**

2006/0039(CNS) - 20/06/2006

The committee adopted the report by Alain LAMASSOURE (EPP-ED, FR) on the proposed decision on the system of the European Communities' own resources. MEPs in the committee took the view that the proposal simply cemented the unsatisfactory status quo, maintaining a system which was unfair, unnecessarily complicated, lacking transparency and "anti-European". As a result, they did not attempt to amend the substantive provisions of the proposal, but instead focused on the "full and wide-ranging review of all areas of EU expenditure and revenue, including the British rebate" which the Commission was instructed to undertake by the December 2005 European Council, with a view to reporting in 2008 /2009. A number of amendments, adopted under the consultation procedure, therefore stressed the importance of this review process and Parliament's involvement therein, as laid down in the new Interinstitutional Agreement of 17 May 2006 on budgetary discipline and sound financial management.

MEPs pointed out that the aim of the review should be to reach agreement on "a new, comprehensive financial system which is fair, buoyant, progressive and transparent and which equips the European Union with the ability to match its aspirations with own resources rather than by contributions from Member States". They also noted that special provisions for certain Member States may be "unavoidable" for the time being until the current system had been reformed.

The committee stressed that the review of taxation issues was closely related to the Communities' own resources system and that both subjects should be taken into consideration at the same time. Lastly, the report stipulated that the review should take into account the results of the consultation process on the own resources system that had been taking place for some time now between the national parliaments and the European Parliament.