Question for written answer E-004716/2015/rev.1
to the Commission
Rule 130
Ivan Jakovčić (ALDE)

Subject: Ratio of central to regional and local tax revenue

Some Member States are planning, as part of their austerity policies (deficit and public debt reduction), to reduce the number of regions, cities or municipalities using financial viability as one of the criteria. This ignores the question of their share of the total public budget. In the EU, the ratio in decentralised countries is as follows: from 30 % to 50 % for regions, cities and municipalities, with the rest going to central government. However, in centralised countries, the typical ratio is 10 % (local and regional authorities) and 90 % (central government). The assessment of the sustainability of local and regional self-government units does not take into account the unfair, non-developmental and subsidiarity-violating character of the centralised allocation of public money/tax revenues, which has an impact on absorption capacity with regard to EU cohesion policy.

Do any assessments exist on the impact on the absorption capacities of local and regional self-government units in respect of the use of EU cohesion policy funds?

Can the Commission adopt any measures to initiate a different division of tax revenues among central government and regional and local authorities in order to strengthen the absorption capacities of local and regional authorities in respect of the use of European structural and investment funds?