



**2018/0135(CNS)**

11.10.2018

# **OPINION**

of the Committee on Economic and Monetary Affairs

for the Committee on Budgets

on the proposal for a Council decision on the system of Own Resources of the  
European Union

(COM(2018)0325 – C8-0201/2018 – 2018/0135(CNS))

Rapporteur for opinion: Ramón Jáuregui Atondo

PA\_Legam

## AMENDMENTS

The Committee on Economic and Monetary Affairs calls on the Committee on Budgets, as the committee responsible, to take into account the following amendments:

### Amendment 1

#### Proposal for a decision

##### Recital 1

*Text proposed by the Commission*

(1) The Own Resources System of the Union must ensure adequate resources for the orderly development of the policies of the Union, subject to the ***need for strict*** budgetary ***discipline***. The development of the Own Resources System ***can and should also participate, to the greatest extent possible, in the development of*** the policies of the Union.

*Amendment*

(1) The Own Resources System of the Union must ensure adequate resources for the orderly ***and efficient*** development of the policies of the Union ***and for addressing current challenges***, subject to the ***requirement of*** budgetary ***balance***. ***The Union budget should as much as possible be financed through*** the development of the Own Resources System ***to implement*** the policies of the Union. ***Nowadays, around 80% of the Union budget is financed through national contributions.***

### Amendment 2

#### Proposal for a decision

##### Recital 1 a (new)

*Text proposed by the Commission*

*Amendment*

***(1 a) Any reform of the system of own resources should be considered within the overall constraint of budget neutrality, so that the reform of own resources envisaged does not create additional direct taxes on EU citizens.***

### Amendment 3

#### Proposal for a decision

##### Recital 1 b (new)

*Text proposed by the Commission*

*Amendment*

***(1 b) In accordance with the report of the High Level Group on Own Resources of December 2016 the following criteria should be taken into account for identifying potential new own resources: equity/fairness, efficiency, sufficiency and stability, transparency and simplicity, democratic accountability, and focus on European added value.***

#### **Amendment 4**

**Proposal for a decision**

**Recital 1 c (new)**

*Text proposed by the Commission*

*Amendment*

***(1 c) The materialisation of Brexit will have a considerable, negative impact on the Union budget. In order to continue to fulfil the Union's obligations towards its citizens and to protect Union citizens and Member States from the potential fall-out, it is a matter of urgency to allocate new Own Resources to the Union.***

#### **Amendment 5**

**Proposal for a decision**

**Recital 1 d (new)**

*Text proposed by the Commission*

*Amendment*

***(1 d) The dominance of the GNI resource has reinforced the budgetary logic of juste retour on both the revenue and expenditure sides of the Union budget, thus creating constraints on the budgetary negotiations and ending in zero sum game agreements. Thus an in-depth reform of Union resources is imperative in order to realign the financing of the Union budget with the requirements of the Treaty on the European Union,***

*notably Article 3, and the needs of the Union as a whole.*

## **Amendment 6**

### **Proposal for a decision**

#### **Recital 1 e (new)**

*Text proposed by the Commission*

*Amendment*

*(1 e) The distinction, in terms of their current state of integration, between the euro area and the rest of the Union means that specific own resources can be found for those Member States which have adopted the single currency.*

## **Amendment 7**

### **Proposal for a decision**

#### **Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*(2 a) It is necessary to introduce other new own resources, such as those identified in the Report of the High Level Group on Own Resources of December 2016. Issues of democratic accountability, cohesion, equity, environmental protection, sustainable growth and synergy building, which are underlined by the report of the High Level Group on Own Resources, in December 2016, should be addressed.*

## **Amendment 8**

### **Proposal for a decision**

#### **Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

*(4 a) The financial provisions are laid down in the Treaties as follows: the annual budget procedure under Articles*

*313 to 316 TFEU; the multiannual financial framework under Article 312 TFEU; and the own resources system under Articles 311 and 322 TFEU.*

## **Amendment 9**

### **Proposal for a decision Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***(4 b) This Decision is adopted with a special legislative procedure whereby the European Parliament is merely consulted. Financing of future Union policies should be decided with a qualified majority voting within the Council and with a stronger role of the European Parliament, in order to ensure greater legitimacy.***

## **Amendment 10**

### **Proposal for a decision Recital 6**

*Text proposed by the Commission*

*Amendment*

(6) In order to better align the Union's financing instruments with its policy priorities, to better reflect the Union's budget role for the functioning of the Single Market, to better support the objectives of Union policies and to reduce Member States' Gross National Income-based contributions to the Union's annual budget, it is necessary to introduce new categories of Own Resources based on the Common Consolidated Corporate Tax Base, the national revenue stemming from the European Union Emissions Trading System and a national contribution calculated on the basis of non-recycled plastic packaging waste.

(6) In order to better align the Union's financing instruments with its policy priorities, to better reflect the Union's budget role for the functioning of the Single Market, to better support the objectives of Union policies and to reduce Member States' Gross National Income-based contributions to the Union's annual budget, it is necessary to introduce ***ambitious*** new categories of Own Resources, ***including but not limited to***, the Common Consolidated Corporate Tax Base, the national revenue stemming from the European Union Emissions Trading System, ***an EU Financial Transaction Tax, the revenues from the Border Carbon Adjustments Mechanism, the proceeds from fines generated by rulings of the Court of Justice of the European***

*Union and a national contribution calculated on the basis of non-recycled plastic packaging waste. In addition to the categories of own resources, it is necessary to introduce also the contributions from Member States to the Stabilisation Support Fund, which should notably be calculated on the basis of amounts of monetary income allocated to the national central banks of the Eurosystem pursuant to Article 32 of Protocol No 4 on the Statute of the European System of Central Banks and the European Central Bank, in accordance with the agreement accompanying the Regulation on a European Investment Stabilisation Function.*

## Amendment 11

### Proposal for a decision

#### Recital 7

##### *Text proposed by the Commission*

(7) The European Single Market greatly benefits companies that operate in more than one Member State. However, the heterogeneity of tax systems across the Union creates an unfair advantage for companies that can avoid paying corporate taxes where they create value. The 2016 Commission proposals<sup>19</sup> for a Common Corporate Tax Base and a Common Consolidated Corporate Tax Base address this unfairness by restoring a level playing field. The Own Resource should consist in applying a uniform call rate to the share of taxable profits attributed to each Member State pursuant to Union rules on Common Consolidated Corporate Tax Base. ***The Own Resource should only apply to the entities for whom the Union rules on the Common Consolidated Corporate Tax Base are mandatory.***

##### *Amendment*

(7) The European Single Market greatly benefits companies that operate in more than one Member State. However, the heterogeneity of tax systems across the Union creates an unfair advantage for companies that can avoid paying corporate taxes where they create value. The 2016 Commission proposals<sup>19</sup> for a Common Corporate Tax Base (***CCTB***) and a Common Consolidated Corporate Tax Base (***CCCTB***) address this unfairness by restoring a level playing field. ***Member States should unanimously adopt these two proposals as soon as possible and no later than 2019 elections, since a uniform EU call rate on corporate taxation revenue cannot be introduced as long as the CCTB and CCCTB are not adopted.*** The Own Resource should consist in applying a uniform call rate to the share of taxable profits attributed to each Member State pursuant to Union rules on Common

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<sup>19</sup> COM (2016) 683 of 25.10.2016.

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## **Amendment 12**

### **Proposal for a decision**

#### **Recital 10**

##### *Text proposed by the Commission*

(10) *It is necessary to avoid that Member States which benefit from corrections are confronted with a significant and sudden increase in their national contributions. It is therefore necessary to provide for temporary corrections in favour of Austria, Denmark, Germany, the Netherlands and Sweden by means of lump sum reductions to their Gross National Income-based contributions during a transitional period. Those corrections should be phased out by the end of 2025.*

##### *Amendment*

(10) *Following the conclusions of the High Level Group on Own Resources, it should be recalled that, when the UK withdraws from the Union, the UK correction will become obsolete. Consequently, all corrections linked to the financing of the UK correction should be immediately terminated after the UK's withdrawal from the Union. The context of Brexit is also an occasion to consider the suppression of all other correction mechanisms granted to some Member States, which are no longer justified from the beginning of the new EU Multiannual Financial Framework. This will allow to restore a perfect equality of treatment of Member States with regard to their contribution to the Union's budget. In order to avoid that Member States which benefit from corrections are confronted with a sudden increase in their national contributions, it is possible to provide for temporary corrections in favour of Austria, Denmark, Germany, the Netherlands and Sweden by means of lump sum reductions to their Gross National Income-based contributions. Those corrections should be phased out within the next Multiannual Financial Framework.*

## **Amendment 13**

### **Proposal for a decision**

#### **Article 2 – paragraph 1 – subparagraph 1 – point e a (new)**



*Text proposed by the Commission*

*Amendment*

***(e a) an EU Financial Transaction Tax: the application of a uniform call rate on financial transactions of securities and derivatives for countries participating in the current enhanced cooperation procedure. Their contributions shall be deducted from their GNI-based contributions to the EU budget;***

#### **Amendment 14**

##### **Proposal for a decision**

**Article 2 – paragraph 1 – subparagraph 1 – point e b (new)**

*Text proposed by the Commission*

*Amendment*

***(e b) fines of the Court of Justice: proceeds from fines generated by rulings of the Court of Justice of the European Union. Revenues generated by the EU Court of Justice should be considered as additional own resources and should no longer reduce the share of each Member State's GNI contribution;***

#### **Amendment 15**

##### **Proposal for a decision**

**Article 2 – paragraph 1 – subparagraph 1 – point e c (new)**

*Text proposed by the Commission*

*Amendment*

***(e c) a Border Carbon Adjustments Mechanism: an obligation to purchase ETS allowances for importers of energy-intensive goods offsetting the difference in carbon pricing inside and outside the EU;***

#### **Amendment 16**

##### **Proposal for a decision**

**Article 2 – paragraph 1 – subparagraph 2**

*Text proposed by the Commission*

*Amendment*

***For the purposes of point (c) of the first subparagraph, the uniform call rate shall apply only to the profits of the tax payers for whom the Union rules on the Common Consolidated Corporate Tax Base are mandatory.*** ***deleted***

*Justification*

*For the sake of consistency with what has been laid down in the European Parliament's position on the Commission's proposal for a Common Corporate tax base, which called for the measure to apply to all companies established in the Union.*

## **Amendment 17**

### **Proposal for a decision**

#### **Article 2 – paragraph 1 – subparagraph 4**

*Text proposed by the Commission*

*Amendment*

***Austria shall benefit from a gross reduction in its annual Gross National Income-based contribution of EUR 110 million in 2021, EUR 88 million in 2022, EUR 66 million in 2023, EUR 44 million in 2024, and EUR 22 million in 2025. Denmark shall benefit from a gross reduction in its annual Gross National Income-based contribution of EUR 118 million in 2021, EUR 94 million in 2022, EUR 71 million in 2023, EUR 47 million in 2024, and EUR 24 million in 2025. Germany shall benefit from a gross reduction in its annual Gross National Income-based contribution of EUR 2 799 million in 2021, EUR 2 239 million in 2022, EUR 1 679 million in 2023, EUR 1 119 million in 2024, and EUR 560 million in 2025. The Netherlands shall benefit from a gross reduction in its annual Gross National Income-based contribution of EUR 1 259 million in 2021, EUR 1 007 million in 2022, EUR 755 million in 2023, EUR 503 million in 2024, and EUR 252 million in 2025. Sweden shall benefit*** ***deleted***

*from a gross reduction in its annual Gross National Income-based contribution of EUR 578 million in 2021, EUR 462 million in 2022, EUR 347 million in 2023, EUR 231 million in 2024, and EUR 116 million in 2025. Those amounts shall be measured in 2018 prices and adjusted to current prices by applying the most recent Gross Domestic Product deflator for the Union expressed in euros, as provided by the Commission, which is available when the draft budget is drawn up. Those gross reductions shall be financed by all Member States.*

## **Amendment 18**

### **Proposal for a decision Article 2 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*In addition to the categories of own resources referred to in paragraph 1, the contributions from Member States to the Stabilisation Support Fund, which shall notably be calculated on the basis of amounts of monetary income allocated to the national central banks of the Eurosystem pursuant to Article 32 of Protocol No 4 on the Statute of the European System of Central Banks and the European Central Bank, in accordance with the agreement accompanying the Regulation on a European Investment Stabilisation Function.*

## **Amendment 19**

### **Proposal for a decision Article 4 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

The revenue referred to in Article 2 shall be used without distinction to finance all

The revenue referred to in Article 2 shall be used without distinction to finance all

expenditure entered in the Union's annual budget.

expenditure entered in the Union's annual budget, *with the exception of contributions referred to in paragraph 1a, which shall be used solely for the purpose of the Stabilisation Support Fund as stipulated in the Regulation on a European Investment Stabilisation Function.*

## **Amendment 20**

### **Proposal for a decision Article 8 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

**6a. In accordance with Article 48(7) TEU, the European Council may adopt a decision allowing for acts falling under the special legislative procedure, including the System of Own Resources of the European Union, to be adopted in accordance with the ordinary legislative procedure.**

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	Proposal for a Council decision on the system of own resources of the European Union	
<b>References</b>	COM(2018)0325 – C8-0201/2018 – 2018/0135(CNS)	
<b>Committee responsible</b> Date announced in plenary	BUDG 31.5.2018	
<b>Opinion by</b> Date announced in plenary	ECON 31.5.2018	
<b>Rapporteur</b> Date appointed	Ramón Jáuregui Atondo 20.6.2018	
<b>Discussed in committee</b>	29.8.2018	8.10.2018
<b>Date adopted</b>	9.10.2018	
<b>Result of final vote</b>	+: 32 –: 9 0: 3	
<b>Members present for the final vote</b>	Pervenche Berès, Markus Ferber, Jonás Fernández, Stefan Gehroid, Sven Giegold, Roberto Gualtieri, Brian Hayes, Georgios Kyrtos, Philippe Lamberts, Werner Langen, Sander Loones, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Marisa Matias, Gabriel Mato, Alex Mayer, Bernard Monot, Luděk Niedermayer, Stanisław Ożóg, Pirkko Ruohonen-Lerner, Anne Sander, Martin Schirdewan, Molly Scott Cato, Peter Simon, Ramon Tremosa i Balcells, Ernest Urtezar, Marco Valli, Tom Vandenkendelaere, Miguel Viegas, Sotirios Zarianopoulos	
<b>Substitutes present for the final vote</b>	Mady Delvaux, Ashley Fox, Ramón Jáuregui Atondo, Jan Keller, Jeppe Kofod, Alain Lamassoure, Thomas Mann, Nils Torvalds, Lieve Wierinck	
<b>Substitutes under Rule 200(2) present for the final vote</b>	Gérard Deprez, Monika Hohlmeier, Bernd Kölmel, Paul Rübig	

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
ALDE	Gérard Deprez, Nils Torvalds, Ramon Tremosa i Balcells, Lieve Wierinck
PPE	Markus Ferber, Stefan Gehrold, Brian Hayes, Monika Hohlmeier, Georgios Kyrtzos, Alain Lamassoure, Werner Langen, Ivana Maletić, Thomas Mann, Gabriel Mato, Luděk Niedermayer, Paul Rübig, Anne Sander, Tom Vandenkendelaere
S&D	Pervenche Berès, Mady Delvaux, Jonás Fernández, Roberto Gualtieri, Ramón Jáuregui Atondo, Jan Keller, Jeppe Kofod, Olle Ludvigsson, Alex Mayer, Peter Simon
Verts/ALE	Sven Giegold, Philippe Lamberts, Molly Scott Cato, Ernest Urtasun

9	-
ECR	Ashley Fox, Bernd Kölmel, Sander Loones, Bernd Lucke, Stanisław Ożóg, Pirkko Ruohonen-Lerner
EFDD	Bernard Monot
GUE/NGL	Miguel Viegas
NI	Sotirios Zarianopoulos

3	0
EFDD	Marco Valli
GUE/NGL	Marisa Matias, Martin Schirdewan

Key to symbols:

+ : in favour

- : against

0 : abstention