



2017/2053(INI)

24.7.2017

DRAFT OPINION

of the Committee on Constitutional Affairs

for the Committee on Budgets

on a reform of the European Union's system of own resources
(2017/2053(INI))

Rapporteur: Mercedes Bresso

SUGGESTIONS

The Committee on Constitutional Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that the current system of own resources contradicts the letter and spirit of the Treaties in two major ways: firstly, in that Article 310(4) of the Treaty on the Functioning of the European Union (TFEU) stipulates that the Union shall not adopt any act that would have budgetary implications without providing assurance that such expenditure can be financed within the limit of the Union's own resources, and secondly, in that Article 311 of the TFEU stipulates that the Union budget shall be financed wholly from own resources, while in practice the majority of its revenue comes from national contributions in the form of a percentage of GNI (69.1 %) and VAT (12.4 %);
2. Insists on the use of the passerelle clause enshrined in Article 48(7) of the Treaty on European Union (TEU) to switch from voting by unanimity to qualified majority voting (QMV) and the ordinary legislative procedure for the adoption of own resources, thus putting Parliament on an equal footing with the Council when it comes to decision-making on both the revenue and expenditure sides of the EU budget;
3. Takes note of the opportunity presented by Brexit to reconsider the current system of rebates and corrections, which are not only contrary to the letter and spirit of the Treaties, but which have also proven to shift the focus of discussions from the European added value of the EU budget to the 'net balance' effect on the contributions of Member States;
4. Believes that any reform of the system of own resources should be based on the principles of subsidiary and comprehensibility for European citizens;
5. Considers that reform on the revenue side should go hand in hand with reform on the expenditure side to ensure a visible link with EU policies and priorities and to support EU policies in key areas of EU competence, such as the single market, environmental protection and climate action, energy union, and reducing fiscal heterogeneity in the single market, as recommended in the Monti report¹;
6. Takes the view that all five scenarios for the future of the EU presented by the Commission in March 2017 would necessitate additional financing for the new priorities of the Union derived from genuine own resources.

¹ Final report and recommendations of the High Level Group on Own Resources on the future financing of the EU, adopted in December 2016