EUROPEAN PARLIAMENT 2009 - 2014

Committee on Budgets

2012/2151(INI)

11.10.2012

OPINION

of the Committee on Budgets

for the Committee on Economic and Monetary Affairs

on the report of the Presidents of the European Council, the European Commission, the European Central Bank and the Eurogroup "Towards a genuine Economic and Monetary Union"
(2012/2151(INI))

Rapporteur: Alain Lamassoure

(Initiative – Rule 42 of the Rules of Procedure)

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SUGGESTIONS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible:

– to incorporate the following suggestions in its motion for a resolution:

A. Whereas the debt crisis has prompted the Union and especially the euro area to set up new financial solidarity instruments in Europe: the European Financial Stability Facility (EFSF), the European Stability Mechanism (ESM) and other projects related to the roadmap towards a genuine Economic and Monetary Union; whereas the financial impact of those instruments is much greater, in terms of the amounts involved, than the Union Budget and whereas the innovative idea of a central budget for the euro area funded by members of the euro area is now being proposed as the ultimate guarantee for this new financial solidarity;

B. Whereas the multiplication of these solidarity instruments makes it difficult to evaluate the actual contribution made by each Member State to European solidarity, which far exceeds the Member States' respective financial contributions to the Union Budget; whereas, moreover, the diversity of existing instruments, in terms of legal bases, intervention mode and the Member States concerned, is likely to make the whole set-up hard to steer by European leaders, difficult to understand for the European citizens at large and unamenable to any parliamentary control;

C. Whereas, in addition, the diversity of existing stabilisation mechanisms makes their possible combined impact difficult to assess, especially on Member States that have not yet adopted the euro or have an opt-out, and could lead to systemic control deficiencies, mutual spill-over effects between the participating countries of the 'banking union' and the non-participating ones;

D. Whereas, without appropriate consolidated data on the public accounts of the Union, Member States and local and regional authorities, it is impossible to assess the right policy mix within the euro area and within the rest of the Union; whereas such data should also make it possible to evaluate which proportion of national, regional and local budgets is dedicated to the financing of the Union's objectives, such as the Europe 2020 strategy; whereas, currently, even the magnitude of such basic data is unknown;

E. Whereas all risks and benefits of the euro area affect the entire Union; whereas the stability of the euro is a concern of all EU Member States; whereas any departure from the community method and increased use of intergovernmental agreements shall divide and weaken the European Union, including the euro area;

F. Whereas any division of the EU, being on the line of the euro area membership or elsewhere threatens the achievements of the Union and impairs its capabilities;

G. Whereas the Pact for Growth and Jobs, which was approved at the European Summit of 28 and 29 June 2012, can bring an important contribution to growth, employment and improved European competition capacities, the Union and the Member States must take on their responsibility and act quickly by allowing the necessary resources;

H. Whereas the instrument of enhanced cooperation should be used more frequently in the field of taxation; whereas reference can be made to the European Parliament's position on the common consolidated corporate tax base (CCCTB) and the financial transactions tax (FTT) as a genuine own resource;

I. Whereas, regardless of which institutional option is chosen, the Single Supervisory Mechanism envisaged for the European banking sector will have budgetary consequences for the existing European Supervisory Authorities;

– to incorporate the following recommendations in the annex to its motion for a resolution:

1. All commitments and guarantees undertaken by the Union or by some of its Member States in the framework of the new European solidarity instruments, such as the EFSF, ESM or other projects related to the roadmap towards a genuine Economic and Monetary Union, should be summed up in an overview annexed to the Union Budget;

2. Further budgetary coordination within the Union requires consolidated data on the public accounts of the Union, Member States and local and regional authorities, reflecting the Union's objectives. The Commission should therefore include the establishment of such consolidated data in upcoming legislative proposals;

3. The situation whereby the financing needs of the Union Budget conflict with the necessary budget consolidation in Member States should be addressed urgently. The time has come, therefore, to engage in a progressive return to a situation in which the Union Budget is financed by genuine own resources, which would relieve national budgets accordingly. It is furthermore reminded that in its resolutions of 29 March 2007[1], 8 June 2011[2], 13 June 2012[3] and of 23 October of 2012[4], the Parliament explained its views on what a genuine own resources system means and how to make this system compatible with the needed fiscal consolidation at national level in short term;

4. In the meantime, the Commission should explore the possibility of excluding, in a spirit of solidarity and consistency, Member States' gross GNI-based contributions to the Union Budget from the calculation of the structural deficit as defined in the 'two-pack', the 'six-pack'' and in the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, while strictly avoiding the risk of creating a precedent which may lead to distortion of the unified method by which structural deficits are calculated;

5. All decisions related to the strengthening of the Economic and Monetary Union have to be taken on the basis of the Treaty on the European Union; any departure from the community method and increased use of intergovernmental agreements shall divide and weaken the European Union, including the euro area;

[1] OJ C 27 E, 31.1.2008, p. 214
[2] Texts adopted, P7_TA(2011)0266
[3] Texts adopted, P7_TA(2012)0245.
[4] in the interests of achieving a positive outcome of the Multiannual Financial Framework 2014-2020 approval procedure (COM(2012)0388 – 2011/0177(APP))

6. The Commission must take into account the budgetary consequences of the Single Supervisory Mechanism, particularly with regard to the existing European Supervisory Agencies.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	10.10.2012
Result of final vote	+: 30 –: 2 0: 5
Members present for the final vote	Marta Andreasen, Richard Ashworth, Francesca Balzani, Reimer Böge, Zuzana Brzobohatá, Jean Louis Cottigny, James Elles, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Jens Geier, Ivars Godmanis, Ingeborg Gräßle, Lucas Hartong, Jutta Haug, Sidonia Elżbieta Jędrzejewska, Ivailo Kalfin, Sergej Kozlík, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, George Lyon, Barbara Matera, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Potito Salatto, Alda Sousa, Helga Trüpel, Derek Vaughan, Angelika Werthmann
Substitute(s) present for the final vote	Alexander Alvaro, Jürgen Klute, Georgios Papastamkos, Nils Torvalds, Catherine Trautmann