



**2022/2172(INI)**

7.2.2023

# **OPINION**

of the Committee on Economic and Monetary Affairs

for the Committee on Budgets

on own resources: a new start for EU finances, a new start for Europe  
(2022/2172(INI))

Rapporteur for opinion (\*): Rasmus Andresen

(\*) Associated committee – Rule 57 of the Rules of Procedure

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## SUGGESTIONS

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

- A. whereas, according to Article 311 of the Treaty on the Functioning of the European Union, the Union must provide itself with the means necessary to attain its objectives and carry through its policies; whereas the same article requires the budget to be financed wholly from own resources, without prejudice to other revenue;
- B. whereas the new own resources proposed by the Commission in December 2021 are intended to cover part of the repayment of the Next Generation EU loans from 2028, and thus to limit the impact of the COVID-19 pandemic on national budgets so that future generations will not have to bear the financial burden of paying for the recovery plan; whereas new own resources will ensure the sustainability of the Next Generation EU repayment plan and strengthen the EU's credibility on the financial markets; whereas the need to repay Next Generation EU loans and the mounting long-term challenges facing the EU underline that it is necessary to reassess the EU system of own resources by exploiting the full potential of genuine own resources to guarantee sustainable financing of the EU budget in the long term;
- C. whereas Russia's invasion of Ukraine has led to a major humanitarian crisis and has triggered an enormous economic and social shock of uncertain duration worldwide;
- D. whereas the legally binding Interinstitutional Agreement of 16 December 2020 provides for the implementation of a roadmap of new own resources, including a second basket of own resources to be proposed by June 2024; whereas the institutions have committed to cooperating sincerely and transparently and working towards the implementation of the roadmap;
- E. whereas the first basket of new own resources is based on the recently agreed EU Emissions Trading System, the Carbon Border Adjustment Mechanism and a share of the revenue collected under Pillar I of the Inclusive Framework on Base Erosion and Profit Shifting established by the Organisation for Economic Co-operation and Development (OECD) and the G20;
- F. whereas the Interinstitutional Agreement of 16 December 2020 provides that the Commission could include in the second basket of new own resources a financial transaction tax and a financial contribution linked to the corporate sector or a new common corporate tax base;
- G. whereas the Commission announced a proposal entitled 'Business in Europe: Framework for Income Taxation' (BEFIT) and any initiatives must be considered with this in mind;
- H. whereas the revenue side of the Union budget must be aligned with core EU objectives and policies; whereas the current system of own resources makes only a rather limited contribution to these objectives;

- I. whereas at the Conference on the Future of Europe, European citizens proposed strengthening the Union budget through new own resources;
1. Notes that, according to the legally binding roadmap in the Interinstitutional Agreement of 16 December 2020, the Commission is required to put forward a proposal, based on impact assessments, for the second basket of new own resources by June 2024; welcomes the fact that the Commission has announced that it will finally present this second basket during the third quarter of 2023 and expects this commitment to be duly fulfilled;
2. Is concerned that none of the new own resources from the first basket are yet in place, following the Commission's delayed presentation of its proposal;
3. Welcomes the provisional agreement of 18 December 2022 on the Emissions Trading System reform and the Carbon Border Adjustment Mechanism and notes that, according to the Commission, this provisional agreement is a solid basis for stepping up negotiations on new own resources; urges the Council, therefore, to move forward as quickly as possible on introducing these instruments as own resources for the EU budget; considers this to be particularly urgent given that Next Generation EU was designed on the basis of the premise that repayments would be made using new own resources; notes that the first basket is comprised of environment-related charges, which, by their very nature, should decrease over time if successful;
4. Is concerned that the first basket of own resources will not generate the revenues expected (estimated at EUR 15 billion per year until 2058) for several reasons; observes further that beyond the funding needed for Next Generation EU, the Union needs additional resources to assist Ukraine financially and to further mitigate the impact on the Union of Russia's unjustified and unprovoked war against Ukraine; recalls that the Commission has stated that the unforeseen needs created by war in Europe are well beyond the means available under the current multiannual financial framework;
5. Emphasises that the collection of genuine new European own resources is not an end in itself; underlines further that own resources are key for enabling the Union to implement its policy priorities;
6. Stresses that introducing new own resources would guarantee that the EU budget is financed sustainably in the long term, thus ensuring that financing for new EU priorities does not come at the detriment of valuable EU programmes and policies, and preventing future cuts to Union programmes that would undermine the very purpose of long-term planning; underlines, therefore, that the amount of additional EU own resources must be sufficient not only to cover the debt service of the EU bonds, including the interest, but also to sustain and facilitate the investments needed beyond 2026 to finance the transformation of the EU economy, including the provision of an adequate European response to the US Inflation Reduction Act;
7. Underlines, moreover, that the introduction of new own resources will strengthen the fiscal autonomy and independence of the EU and achieve lasting benefits, not only in delivering EU policies but also in ensuring the Union's standing as a credible and smart debt issuer for the Next Generation EU financing;

8. Calls on the Commission to review the first basket of own resources by the end of 2023, including by conducting an impact assessment, and to start working on alternative resources, in particular to guarantee the resources from the reform of OECD/G20 Pillar I;
9. Recalls its position of 23 November 2022 on the proposal for a Council decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union<sup>1</sup> and its strong call for a proposal for a digital levy or similar measure should there be no agreement at OECD/G20 level by the end of 2023;
10. Regrets the lack of flexibility in the current multiannual financial framework, which hampers the development of effective European solutions to new challenges such as the absence of a level playing field resulting from the US Inflation Reduction Act; stresses that own resources are crucial for addressing these new challenges, including in the next revision of the current multiannual financial framework;
11. Urges the Commission to present ambitious proposals for the second basket of new own resources, ensuring that these yield sufficient revenues to meet the Union's increasing needs, and calls on the Member States to cooperate; stresses that any new own resources must be proportionate, balanced and fair for all Member States, take into account their size and economic power, and be based on measures that require a coordinated European approach;
12. Calls on the Commission to cover, in its second basket of own resources, financial services, including financial transactions; calls on the Commission to therefore consider an EU-wide financial transaction tax;
13. Urges the Commission to reflect on the limits and blockades of its 2011 financial transaction tax model and to ensure the support of all Member States; stresses that any proposal should be accompanied by a thorough impact assessment, contribute to the EU's policy objectives and follow the EU's subsidiarity principle;
14. Calls on the Commission to evaluate, as further options, a common and standardised withholding tax framework or an excise duty on the repurchase of shares by corporations, as proposed in the US Inflation Reduction Act; invites the Commission, in this regard, to assess the potential impact of such an excise duty on the single market ahead of any future proposal;
15. Calls on the Commission, in connection with a financial contribution relating to the corporate sector or a new common corporate tax base, to present an assessment and consider an own resource linked either to a share of revenues determined by the upcoming BEFIT proposal contributing to a fairer distribution of taxation rights between Member States, or to a share of revenues determined by the adopted Minimum Tax Directive<sup>2</sup> implementing the OECD-led global tax deal; stresses that any such own resource must take account of the impact of the implementation of Pillars I and II of the global tax deal on the distribution of revenues in the Member States; warns that if the

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<sup>1</sup> Texts adopted, P9\_TA(2022)0404.

<sup>2</sup> Commission proposal for a Council directive on ensuring a global minimum level of taxation for multinational groups in the Union (COM(2021)0823).

negotiations regarding BEFIT are not concluded within a reasonable timeframe, the Commission should consider securing other sources of revenue from large corporations; highlights, in this context, the competitiveness of companies and the state of play of global tax negotiations;

16. Invites the Commission and the Member States, in view of the recent economic challenges, to think ahead and accommodate the EU's increased need for financing, and to evaluate additional new and innovative own resources in line with the EU's green and digital objectives, with a view to ensuring the EU's competitiveness and fighting inequality in the Union so as to ensure socially fair and just green and digital transitions;
17. Calls on the Commission and the Council, in this regard, to accommodate the increased need for financing following an in-depth analysis of the implications of Russia's war against Ukraine for existing EU policies, and to take into account the shift to new emerging needs; suggests that the Commission and the Member States come up with new own resources similar to the non-recycled plastic contribution;
18. Acknowledges the important role of the existing VAT-based EU budget own resource; reiterates that tackling the VAT gap and tax fraud should be an urgent priority for the Union and the Member States in the post-COVID-19 economy; welcomes, in this regard, the European Public Prosecutor's Office's major success in uncovering organised crime groups responsible for VAT fraud estimated at EUR 2.2 billion; takes note of the legislative proposals of 8 December 2022 on improving the EU's VAT system;
19. Recalls that the arrangements for own resources should be guided by the overall objectives of simplicity, transparency and equity.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	31.1.2023
<b>Result of final vote</b>	+: 37 -: 12 0: 4
<b>Members present for the final vote</b>	Rasmus Andresen, Anna-Michelle Asimakopoulou, Gunnar Beck, Marek Belka, Isabel Benjumea Benjumea, Stefan Berger, Gilles Boyer, Markus Ferber, Jonás Fernández, Giuseppe Ferrandino, Frances Fitzgerald, Claude Gruffat, José Gusmão, Enikő Győri, Eero Heinäluoma, Michiel Hoogeveen, Danuta Maria Hübner, Stasys Jakeliūnas, France Jamet, Ondřej Kovařík, Georgios Kyrtos, Aušra Maldeikienė, Csaba Molnár, Siegfried Mureşan, Caroline Nagtegaal, Luděk Niedermayer, Lefteris Nikolaou-Alavanos, Piernicola Pedicini, Kira Marie Peter-Hansen, Sirpa Pietikäinen, Eva Maria Poptcheva, Evelyn Regner, Antonio Maria Rinaldi, Dorien Rookmaker, Joachim Schuster, Ralf Seekatz, Pedro Silva Pereira, Paul Tang, Irene Tinagli, Inese Vaidere, Marco Zanni
<b>Substitutes present for the final vote</b>	Nicola Beer, Damien Carême, Margarida Marques, Eva Maydell, Andželika Anna Możdżanowska, Mikuláš Peksa, Jessica Polfjärd, Erik Poulsen, Mick Wallace
<b>Substitutes under Rule 209(7) present for the final vote</b>	Andreas Glück, Camilla Laureti, Leopoldo López Gil

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

37	+
PPE	Anna-Michelle Asimakopoulou, Isabel Benjumea Benjumea, Stefan Berger, Markus Ferber, Danuta Maria Hübner, Leopoldo López Gil, Aušra Maldeikienė, Eva Maydell, Siegfried Mureşan, Luděk Niedermayer, Sirpa Pietikäinen, Ralf Seekatz, Inese Vaidere
Renew	Gilles Boyer, Giuseppe Ferrandino, Georgios Kyrtos, Eva Maria Poptcheva
S&D	Marek Belka, Jonás Fernández, Eero Heinäluoma, Camilla Laureti, Margarida Marques, Csaba Molnár, Evelyn Regner, Joachim Schuster, Pedro Silva Pereira, Paul Tang, Irene Tinagli
The Left	José Gusmão, Mick Wallace
Verts/ALE	Rasmus Andresen, Damien Carême, Claude Gruffat, Stasys Jakeliūnas, Piernicola Pedicini, Mikuláš Peksa, Kira Marie Peter-Hansen

12	-
ECR	Michiel Hoogeveen, Anđželika Anna Mozdżanowska, Dorien Rookmaker
ID	Gunnar Beck, France Jamet
NI	Enikő Győri, Lefteris Nikolaou-Alavanos
PPE	Jessica Polfjård
Renew	Nicola Beer, Andreas Glück, Caroline Nagtegaal, Erik Poulsen

4	0
ID	Antonio Maria Rinaldi, Marco Zanni
PPE	Frances Fitzgerald
Renew	Ondřej Kovařík

Key to symbols:

+ : in favour

- : against

0 : abstention