

System of the European Communities' own resources: timing for making available the adjustments

2014/0332(NLE) - 12/11/2014 - Legislative proposal

PURPOSE: to amend Regulation (EC, Euratom) No 1150/2000 implementing Decision 2007/436/EC, Euratom on the system of the European Communities' own resources.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: pursuant to [Regulation \(EC, Euratom\) No 1150/2000](#), the Commission should calculate and inform Member States of adjustments to the own resources referred to in [Council Decision 2007/436/EC, Euratom](#) - VAT resources and the Gross National Income (GNI) based own resource -, in time for them to enter these adjustments in the Commission's account on the first working day of December.

These adjustments vary from year to year. Under exceptional circumstances these adjustments may result in very high amounts which may exceed substantially, as regards some Member States, two monthly twelfths to be made available as VAT resources and the additional resource, and in total, for all Member States, half of aggregate monthly twelfths.

For some Member States the obligation to make available such high amounts may represent a **high financial burden** which may cause a severe fiscal strain on the country, particularly towards the end of the year.

According to the current rules in Regulation (EC, Euratom) No 1150/2000, these adjustments have to be made available on the first working day of December. There is no discretion to agree on a later date.

CONTENT: the proposal aims to amend Regulation (EC, Euratom) No 1150/2000 in order to provide Member States with the possibility to **make available the amount resulting from these adjustments (the VAT and GNI balances)** at any moment between the first working day of December and the **first working day of September of the following year** in the following cases: excess of the individual threshold and or excess of the general threshold.

According to the proposal :

- any Member State which decides to apply this option should inform the Commission well in advance of the first working day of December of the date or dates of making available the adjustments, in order to allow an efficient management of the Union's cash requirements;
- any delay in making available those adjustments on the date or dates communicated to the Commission should give rise to interest under the conditions of Article 11 of Regulation (EC, Euratom) No 1150/2000.

This option should be applicable for the first time for adjustments which, pursuant to Regulation (EC, Euratom) No 1150/2000, would have to be entered in the Commission's accounts on the first working day of December 2014.

Regulation (EC, Euratom) No 1150/2000 will be retroactively repealed by [Regulation \(EU, Euratom\) No 609/2014](#). Therefore, the amendments made by this proposal would need to be taken into due consideration in the context of the proposal to amend Regulation (EU, Euratom) No 609/2014, which the Commission has committed to present by the end of March 2015.