


# Procedure file

Basic information		
CNS - Consultation procedure Decision	<a href="#">1997/0188(CNS)</a>	Procedure lapsed or withdrawn
EC own resources: improvement of the collection system		
Subject 8.70.01 Financing of the budget, own resources		

Key players	
European Parliament	
Council of the European Union	

Key events			
02/07/1997	Legislative proposal published	<a href="#">COM(1997)0343</a>	Summary
15/09/1997	Committee referral announced in Parliament		
21/01/1998	Vote in committee		Summary
20/01/1998	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A4-0041/1998</a>	
20/02/1998	Debate in Parliament		
20/02/1998	Decision by Parliament	<a href="#">T4-0109/1998</a>	Summary
02/04/1998	Modified legislative proposal published	<a href="#">COM(1998)0209</a>	Summary
06/08/2004	Additional information		Summary

Technical information	
Procedure reference	1997/0188(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	EC Treaty (after Amsterdam) EC 279; Euratom Treaty A 183
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	CONT/4/09210

Documentation gateway					
Legislative proposal		<a href="#">COM(1997)0343</a>	03/07/1997	EC	Summary

		<a href="#">OJ C 267 03.09.1997, p. 0064</a>			
Document attached to the procedure		N4-0575/1997	21/10/1997	CofA	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A4-0041/1998</a> <a href="#">OJ C 080 16.03.1998, p. 0004</a>	21/01/1998	EP	
Text adopted by Parliament, 1st reading/single reading		T4-0109/1998 <a href="#">OJ C 080 16.03.1998, p. 0285-0298</a>	20/02/1998	EP	Summary
Modified legislative proposal		COM(1998)0209 <a href="#">OJ C 150 16.05.1998, p. 0020</a>	03/04/1998	EC	Summary

#### Additional information

European Commission

[EUR-Lex](#)

## EC own resources: improvement of the collection system

OBJECTIVE: to improve financial management of the Community's own resources by improving the system laid down by Regulation for the collection of those resources. SUBSTANCE: the proposal for a Regulation constitutes part of the follow-up to the operational conclusions of the SEM 2000 initiative (Sound and Efficient Management), phase III, approved by the Madrid European Council of 15-16 December 1995. It introduces two measures, covering both the conditions for the establishment of own resources contained in Article 2 of Regulation (EEC, Euratom) No 1552/89 and the procedure for writing off these resources set out in Article 17(2) of that Regulation under which Member States must ask to be released from their obligation to make available the amounts established when recovery has not been possible.?

## EC own resources: improvement of the collection system

The Commission unanimously adopted the draft legislative resolution containing a series of amendments to the basic proposal amending Regulation (EEC, EURATOM) no. 1552/89 on the system of the Communities' own resources. The rapporteur, Mr Otto Bardong (PPE, D) referred to certain weaknesses in the management of the mechanism for collecting traditional own resources and stressed that, although the proposal aimed to strengthen the regulatory framework for collecting own resources, it also made it more complex. He therefore suggested that the relevant texts should be recast to render them more readable and their application more coherent. Referring specifically to the "writing off" procedure introduced in Regulation no. 1552/89, Mr Bardong asked first that this approach be set on a clear legal basis. He then mentioned that, in his discharge resolution for the Commission in relation to the 1995 financial year, he encouraged transparency in the management of own resources entered in separate accounts by recommending that amounts not recovered by the Community by a certain date be published by Member State in an annex to the annual financial statements. As for the procedure to be applied, the rapporteur felt that it was premature to increase the threshold at which the Commission applied the notification and approval procedure from ECU 10 000 to 50 000; nor did he subscribe to the Executive's proposed system of tacit approval of writing off which would automatically exempt Member States from making the sums affected available; on the contrary, decisions such as these needed to be explicit, otherwise there would be grounds for pleading incompatibility with the objectives of proper financial management and the protection of the EU's financial interests. Finally, Mr Bardong asked the Executive to file an annual report summarizing communications from member states and to submit a one-off report by 30 September this year summarizing the last five years. ?

## EC own resources: improvement of the collection system

Adopting the report by Mr Otto Bardong (PPE,D), Parliament included some amendments to the draft regulation aiming to modify the system of EU own-resources. In general, Parliament considers that the current system is too complex and not sufficiently transparent, and that the relevant texts should be recast to render them more readable and their application more coherent. ?

## EC own resources: improvement of the collection system

The amended proposal takes into account all those amendments by Parliament which were intended to simplify the wording and improve the transparency and fairness of the procedure. The amendments incorporated serve in particular to: - clarify situations in which Member States bear financial liability; - introduce a distinction between amounts declared irrecoverable by decision of the administrative authority, stating reasons, and amounts declared irrecoverable after a period of five years; - stress the need for an explicit procedure for approval of requests for write-offs. However, for reasons of sound financial management and administrative efficiency, the amended proposal does not take account of the amendments concerning: - deletion of the threshold of ECU 2000 applicable to the procedure for independent determination by Member States; - the abandonment of the ECU 50 000 threshold for notification of write-offs; - the submission of a specific summary report on notifications from the Member States during the past five years; - taking account of any amounts recovered after they have been written off. ?

## EC own resources: improvement of the collection system

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As this proposal is no longer of topical interest, it has been withdrawn by the Commission.