

European Communities

---

EUROPEAN PARLIAMENT

# Working Documents

1984-1985

---

2 April 1984

DOCUMENT 1-78/84 *A*

## Report

drawn up on behalf of the Committee on Budgets

on a second amendment to the proposal for a Council  
Regulation (Doc. 1-1039/83 - COM(83) 621 final)  
amending Regulation (EEC, Euratom, ECSC) No. 2891/77  
implementing the Decision of 21 April 1970 on the  
replacement of financial contributions from Member  
States by the Communities' own resources

Rapporteur: Mr H. A. C. M. NOTENBOOM

PE 89.338/fin/*A*  
Or. Ne.



By letter of 11 November 1983, the President of the Council of the European Communities requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a second amendment to the proposal for a Council Regulation (EEC, Euratom, ECSC) amending Regulation (EEC, Euratom, ECSC) No. 2891/77 implementing the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources.

On 16 November 1983, the President of the European Parliament referred this proposal to the Committee on Budgets as the committee responsible and to the Committee on Economic and Monetary Affairs and the Committee on Budgetary Control for opinions. At its meeting of 23 November 1983, the Committee on Budgets appointed Mr NOTENBOOM rapporteur.

The committee considered the Commission's proposal and the draft report at its meetings of 25 January, 22 February and 21 March 1984 and, at the last meeting, decided unanimously to approve the Commission's proposal together with the amendments.

The committee then adopted the motion for a resolution as a whole.

The following took part in the vote: Mr LANGE, chairman; Mr NOTENBOOM, rapporteur; Mr ARNDT, Mr ADONNINO, Mr BALFE, Lord DOURO, Mr HELMS (deputizing for Mr PFENNIG), Mr HORD (deputizing for Mr JACKSON), Mr LOUWES and Mr NEWTON DUNN.

The report was tabled on 26 March.

The opinion of the Committee on Economic and Monetary Affairs is attached. The Committee on Budgetary Control is not delivering an opinion.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

C O N T E N T S

	<u>Page</u>
Amendments	5
A. MOTION FOR A RESOLUTION	10
B. EXPLANATORY STATEMENT	12
OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS	20

The Committee on Budgets hereby submits to the European Parliament the following amendments to the Commission's proposals and motion for a resolution together with explanatory statement :

SECOND AMENDMENT TO THE PROPOSAL FOR A COUNCIL REGULATION (EEC, EUROATOM, ECSC) AMENDING REGULATION (EEC, EURATOM, ECSC) NO. 2891/77 IMPLEMENTING THE DECISION OF 21 APRIL 1970 ON THE REPLACEMENT OF FINANCIAL CONTRIBUTIONS FROM MEMBER STATES BY THE COMMUNITIES' OWN RESOURCES

---

Amendments tabled by the Committee on Budgets

Text proposed by the Commission of the European Communities

Article 1

Amendment No. 1

1. The Community's own resources within the meaning of Article 2 of the Decision of 21 April 1970, hereinafter called 'own resources' shall be acquired by the Community at such time as the entitlement becomes payable.

2. The entitlement shall be deemed to become payable at the moment that the Member States, pursuant to their national legal and administrative provisions and in accordance with all the relevant provisions laid down in Community law, make an initial official establishment of the standard and basis of collection.

The Communities' own resources within the meaning of the Decision of 21 April 1970, hereinafter called 'own resources', shall be established by Member States in accordance with their own provisions laid down by law, regulation or administrative action and shall be made available to the Commission and inspected as specified in this Regulation, without prejudice to Council Regulation (EEC, Euratom, ECSC) No. 2892/77 of 19 December 1977 implementing in respect of own resources accruing from value added tax the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources.

3. The initial official establishment of the standard and basis of collection of the entitlement shall be deemed to be the entry in the accounts in cases where the Community rules impose an obligation to enter an entitlement in the accounts.

4. The Council, acting by a qualified majority on a proposal from the Commission and after consulting Parliament and the Economic and Social Committee, shall determine by means of a regulation when and how the initial official establishment of the standard and basis of collection of the entitlement is to be made in those cases where Community rules do not impose an obligation to enter such an entitlement in the accounts.

Amendment No. 2

Article 2

Where it becomes necessary to rectify an initial official establishment of the standard and basis of collection of the entitlement within the meaning of Article 1, the competent department or agency of the Member State shall make a new establishment.

1. The first (unnumbered) paragraph of Article 2 is numbered paragraph 1 and is amended as follows:
  - (a) For the purpose of applying this Regulation, in cases where Community rules impose an obligation to enter an entitlement in the accounts, the entitlement shall be deemed to be established as soon as it has been entered in the accounts.
  - (b) In cases not covered by these rules, however, an entitlement shall be deemed to be established as soon as its amount has been determined by the appropriate department or agency of the Member State.
2. The second (unnumbered) paragraph of Article 2 is numbered paragraph 2.

Amendment No. 3

Article 10(1)

1. Subject to the provisions of Articles 10a to 10c, the entry in Article 9(1) shall be made at the latest by the first working day of the second month following the month during which the first official establishment of the standard and basis of collection of the entitlement referred to in Article 1 was made.

At the beginning of Article 10(1) the following is inserted: 'Subject to the provisions of Articles 10a and 10b, the entry ...'.

Amendment No. 4

Article 10a, paragraph 2

The following Article 10a is inserted after Article 10:

- Paragraph 1: Article 17(1) becomes Article 10a(1).
- Paragraph 2:

(a) The Commission may authorize the Member States to defer making available an entitlement established in accordance with article 1 where the entitlement cannot be recovered within the normal time allowed.

(b) After consulting the committee referred to in Article 20, the Commission shall draw up a list of model cases in which this provision may be applied without prior authorization.

(c) Unchanged.

(d) Unchanged.

(a) The Member State may, however, subject to the conditions set out below, defer making available an entitlement established in accordance with Article 2(1)(b) where the entitlement cannot be recovered within the normal time allowed.

(b) The Member States shall send the Commission a description of the situations in which they plan to make use of this provision. After consulting the Committee referred to in Article 20 the Commission shall draw up a list of model cases in which this provision may be applied

(c) The amounts of the entitlements to which the Member State applies this provision shall be recorded in a special section of the own resources accounts referred to in Article 6, broken down by the type of resource involved and the type of case as contained in the list provided for in (b) above.

(d) The entitlements referred to in this paragraph shall be made available to the Commission not later than the first working day after the 19th day of the second month following that in which:

- they were recovered; any interest paid on the entitlements by the person liable shall also be made available;
- the Member State decided to terminate the recovery procedure without making use of the provisions of Article 10b;

- e) Unless the Commission decides otherwise in accordance with paragraphs a and b, the making available of an entitlement may not be deferred for longer than three months. The authorization permitting deferral may be renewed.

Article 10b

Unchanged

Amendment No. 5

Article 10c

The following article 10c is inserted after Article 10b:

'If the authorization referred to in Articles 10a and 10b is not given or if the authorization proves to have been given incorrectly, the provisions in Article 11 concerning the payment of interest in the event of any delay in the entry in the accounts shall apply.

Amendment No. 6

Additional Article

Article 9 of Council Regulation 1697/79 of 24 July 1979<sup>1</sup> is deleted.

<sup>1</sup> OJ no. L 197/1 of 3.8.79

MOTION FOR A RESOLUTION  
-----

embodying the opinion of the European Parliament on a second amendment to the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC, Euratom, ECSC) no. 2891/77 implementing the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources.

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM (83) 621 fin.),
  - having been consulted by the Council (Doc. 1-1039/83),
  - having regard to its opinion on the basic proposal from the Commission for a regulation amending Regulation 2891/77 (Doc. 1-1006/82 - OJ C 13 of 17.1.83),
  - having regard to the first amendment of the above-mentioned proposal pursuant to Article 149 of the EEC Treaty and Article 119 of the Euratom Treaty (COM (83) 254 final),
  - having regard to the result of the votes on the Commission's proposals,
  - having regard to the report of the Committee on Budgets and the opinion of the Committee on Economic and Monetary Affairs (Doc. 1-78/84),
- A. Whereas the Commission's aim with this proposal is to improve the system of levying<sup>\*</sup> own resources and the Commission's ability to control and monitor the transfer of those entitlements in respect of which problems arise in their establishment at national level;
- B. Whereas these amendments should in no case weaken the financial autonomy of the Community and whereas, on the contrary, significant progress is urgently required in this area, not least in view of the increasing number of abuses connected with the system of own resources;

-----  
\* See Article 6 (1) of the Decision of 21 April 1970

1. Notes that, 14 years after the decision to introduce own resources there are still major differences in the way in which Member States establish, collect and make available own resources to the Commission;
2. Regrets that the Council and Commission have made little progress since 1970 in drawing up Community rules for a uniform method for determining own resources and have even permitted the system of own resources to be undermined;
3. Recognises that the present proposals from the Commission are intended to make concrete improvements to the arrangements for making available own resources; considers, however, that these proposals also weaken the entitlement of the Community to these own resources;
4. Hopes therefore that the Commission will amend its proposal, particularly with a view to
  - making clear that own resources are to be acquired by the Community from the moment that the event entitling them to be levied occurs;
  - achieving progress towards harmonization of national provisions in order to secure a uniform application of the system of own resources;
  - defining more precisely the exceptions to the obligation to make entitlements available;
5. Regrets the delay caused to the Community by the Council with the revision of Regulations 2891 and 2892/77; urges the opening of the conciliation procedure on this revision, including the present proposals, as quickly as possible;
6. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.