## **European Communities**

## **EUROPEAN PARLIAMENT**

## Working Documents

1983 - 1984

16 May 1983

DOCUMENT 1-315/83

MOTION FOR A RESOLUTION tabled by Mr de la MALENE on behalf of the Group of European Progressive Democrats

with request for early vote pursuant to Rule 42(5) of the Rules of Procedure to wind up the debate on Oral Question No 1-197/83

on the future financing of the Community

## The European Parliament,

- having regard to the communication from the Commission the 'Green Paper' on the future financing of the Community,
- having regard to the draft decision on the system of own resources of the Community forwarded by the Commission to the Council,
- A. in view of the threat represented by the foreseeable exhaustion of present own resources which is hanging over the development of the Community,
- B. recalling the need for extension and diversification of the Community's financial resources,
- C. recalling that the ad hoc provisional solutions in the form of financial compensation paid to certain Member States are directly opposed to Community principles,
- 1. Expresses its support for an increase in the Community VAT ceiling;
- 2. Believes that, above and beyond the needs of the CAP, the size of this increase should depend on a specific prior agreement by the Council on new Community activities to be financed;
- 3. Emphasizes and regrets the fact that the Commission's financial proposals represent an initial breach of the principle of financial solidarity, which is one of the three main pillars of the only genuinely common policy, the CAP;
- 4. Considers in effect that the application of variable VAT rates, notably in proportion to the size of the agricultural sector in each country, is tantamount to a kind of partial renationalization of agriculture, this time based on taxpayers' dues. We would be going from producer co-responsibility to state co-responsibility;
- 5. Is disturbed by the possible consequences of this first official stretching of a principle. Once the principle has been abandoned, it will always be possible to call thresholds and percentages into question depending on needs and compromises. Although this stretching of the principle is claimed to be limited and transitional, this could very soon turn out to be no more than a pious wish;

- 6. Is surprised that the proposed changes in respect of Member States' contribution to budget revenue have not been extended to cover other sectors besides agriculture;
- 7. Expresses its regret that this draft decision, ratification of which will be a long, cumbersome, formal procedure:
- . firstly, is on the one hand no more than a transfer to the Community of greater resources from VAT and, on the other hand, the granting of financial advantages to certain Member States,
- . secondly, although it calls into question the principle of financial solidarity, it does not compensate for this by providing that individual states should promise the Community to make significant progress such as the strict respecting of Community preference with regard to agricultural imports or the accession of all states to the European Monetary System;
- 8. Instructs its President to forward this resolution to the Council, the Commission and the European Council.