European Parliament
2019-2024

Committee on Constitutional Affairs
The Chair

[XX.YY.2020]

Johan Van Overtveldt
Chair
Committee on Budget
BRUSSELS

Subject: Proposal for a Council decision on the system of Own Resources of the European Union ((2018/0135 (CNS))

Dear Mr Van Overtveldt,

Under the procedure referred to above, the Committee on Constitutional Affairs has been asked to submit an opinion to your committee. At its meeting of 14 July 2020, the committee decided to send the opinion in the form of a letter.

The Committee on Constitutional Affairs considered the matter at its meetings of 14 July 2020 and of 27 August 2020. At the latter meeting**(**[1]**)**, it decided to call on the Committee on Budget, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

((signed)**)** Antonio Tajani

([1]) Variable, depending on DG. See *00_02. Rules on footers in Parliament's documents.*

SUGGESTIONS

1. Reiterates the need for the rapid introduction of new genuine own resources, in line with the position of the European Parliament[1], in order to constitute a solid Union budget focused on the common European interest, able to tackle today's challenges and that delivers results that matter to European citizens;

2. Welcomes the amended Commission proposal of 27 May 2020 aimed at empowering the Commission to borrow EUR 750 billion in 2018 prices on capital markets, the proceeds of which will be transferred to Union programmes in accordance with the European Union Recovery Instrument (Next Generation EU), to address the consequences of the COVID-19 crisis, and to increase the own resources ceiling to bear the liability related to the recovery bonds;

3. Considers that the proposed mechanism, entailing "borrowing for spending" and extensive use of assigned revenue, respects the principles of budgetary balance and budgetary discipline, and the integrity of the own resources system, as enshrined in the Treaties;

4. Insists that the new mechanism requires the appropriate parliamentary accountability for the European Parliament and as much transparency as possible;

5. Proposes to use the momentum of the Conference of the Future of Europe to put forward an amendment to the Treaties to ensure that it is the Parliament and the Council, by majority vote, who establish provisions relating to the Union's own resources without approvals at national level since it does not affect national budgets; believes this would ensure both the permanence and the effectiveness of the own resources system by establishing an autonomous fiscal capacity for the Union.

[1] European Parliament resolution of 14 November 2018 on the Multiannual Financial Framework 2021-2027 – Parliament's position with a view to an agreement (COM(2018)0322 – C8-0000/2018 – 2018/0166R(APP)), P8_TA(2018)0449
European Parliament resolution of 15 May 2020 on the new multiannual financial framework, own resources and the recovery plan (2020/2631(RSP)), P9_TA(2020)0124