



Joint Declaration on Own Resources

1. According to Article 311 of the TFEU the Union shall provide itself with the means necessary to attain its objectives and carry through its policies; it also stipulates that , without prejudice to other revenue, the budget shall be financed wholly from own resources. Article 311 al. 3 indicates that the Council, acting in accordance with a special legislative procedure, shall unanimously and after consulting the European Parliament adopt a decision on the system of own resources and that, in that context, the Council may establish new categories of own resources or abolish an existing category.
2. On this basis, the Commission presented in June 2011 a set of proposals to reform the Own Resources system of the Union. At its meeting of 7/8 February, the European Council agreed that Own Resources arrangements should be guided by the overall objectives of simplicity, transparency and equity. In addition, the European Council called on the Council to continue working on the proposal of the Commission for a new own resource based on value added tax (VAT). It also invited the Member States participating in the enhanced cooperation in the area of financial transaction tax (FTT) to examine if it could become the base for a new own resource for the EU budget.
3. The question of own resources requires further work. To this end, a high-level Group will be convened, composed of members appointed by the three institutions. It will take into account all existing or forthcoming input which may be brought by the three European institutions and by National Parliaments. It should draw on appropriate expertise, including from national budgetary and fiscal authorities as well as independent experts.
4. The Group will undertake a general review of the Own Resources system guided by the overall objectives of simplicity, transparency, equity and democratic accountability. A first assessment will be available at the end of 2014. Progress of the work will be assessed at political level by regular meetings, at least once every six months.



5. National Parliaments will be invited to an inter-institutional conference during 2016 to assess the outcome of this work.

6. On the basis of the results of this work, the Commission will assess if new Own Resource initiatives are appropriate. This assessment will be done in parallel to the review referred to in Article 2 of the MFF Regulation with a view to possible reforms to be considered for the period covered by the next multiannual financial framework.

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COUNCIL OF THE EUROPEAN UNION

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