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Debate on Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe

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I would like to speak on the need to move towards own resources reform. The dominating role of the GNI based revenue, which in reality plays a residual role in the sense that it fills the gap between the actual spending and the revenues provided by the traditional resources and the VAT, makes the decision on the EU budget overpoliticized and less efficiency oriented. It facilitates demands to freeze or to reduce the EU spending. It leads to the logic, expressed in the context of 2011 budget negotiations, that as we cut on national budgets due to the crisis we should apply the same approach to the EU budget.

But it is not at all obvious that with an additional own resource which would reduce the dependence on GNI based revenue we can expect a revolution in EU capacities to finance growth and structural change. There is always the risk that the same coalition that votes the budgetary decision in the Council, can also vote the same decision in the European Parliament.

If we care for Europe we should move away from responding to ministers of finance expectations and more towards citizens expectations. Success of a national politician returning home from Brussels negotiations should not be based on the message that the government will pay less to EU budget but, for example, on the message that EU will help to make small companies fund their innovation projects.

It is clear that the way EU cost is financed should ensure full transparency. This could be easier to achieve with one tax only, but it is also feasible to build

the revenue on a group of taxes that meet criteria of transparency, equity, visibility, efficiency, sufficient harmonization.