

**CIRCLE III**

**Working document 17**

**"Discussion circle" on own resources**

**Subject :    Comments of Mr Henning Christophersen on Working Document 11**

Members of the "Discussion circle" on own resources will find hereafter a paper from Mr Henning Christophersen, Member of the Convention.

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### Discussion circle III on own resources - Comments of Henning Christophersen on Working Document 11

I would suggest amending paragraph 7 as follows:

“A ~~fair~~ number of members of the circle proposed that the article in Part One of the Constitution that dealt with the system of resources should distinguish between two legal bases each with its separate procedure:

- One for setting the ceiling of own resources and hence the size of the Union's budget *and for the introduction of new own resources*, ~~which would be governed by the more cumbersome procedure under the Constitution~~, in principle the current procedure of adoption by the Council acting unanimously, followed by national ratification.
- The other the practical procedures for financing the Union, which could be governed by a more streamlined procedure: adoption by the Council by a qualified majority [or superqualified majority if such a voting procedure were provided for in the Constitution] with the assent of the European Parliament. National ratification would no longer be required; ~~parliamentary representation would be through the European Parliament.~~”

[Comment:

It is my impression that to a number of members of the circle the distinction is to be drawn between on one hand the ceiling of the own resources and the possible introduction of new own resources and on the other hand other questions connected with the financing of the European Union.

A number of Member States have highly developed national parliamentary scrutiny of their government's vote in Council. It would therefore be misleading to suggest that the European Parliament would be the parliament to be involved.]

I would suggest amending paragraph 11(b) as follows:

“Other members believe that the current *legal* base ~~system~~ of own resources is ~~sufficiently fair and sound~~ *provides flexibility to allow changes to the own resources system*. Some of them would like the GNP resource to gain even further ground in the system. They were against any explicit provision for tax resources being made in the legal basis in Part One of the Constitution”.

[As set out in CONV 654/03 the pertinent question is not as much whether the current own resources system is fair and sound, as whether the existing procedure will allow amendments to be made to the own resources system]