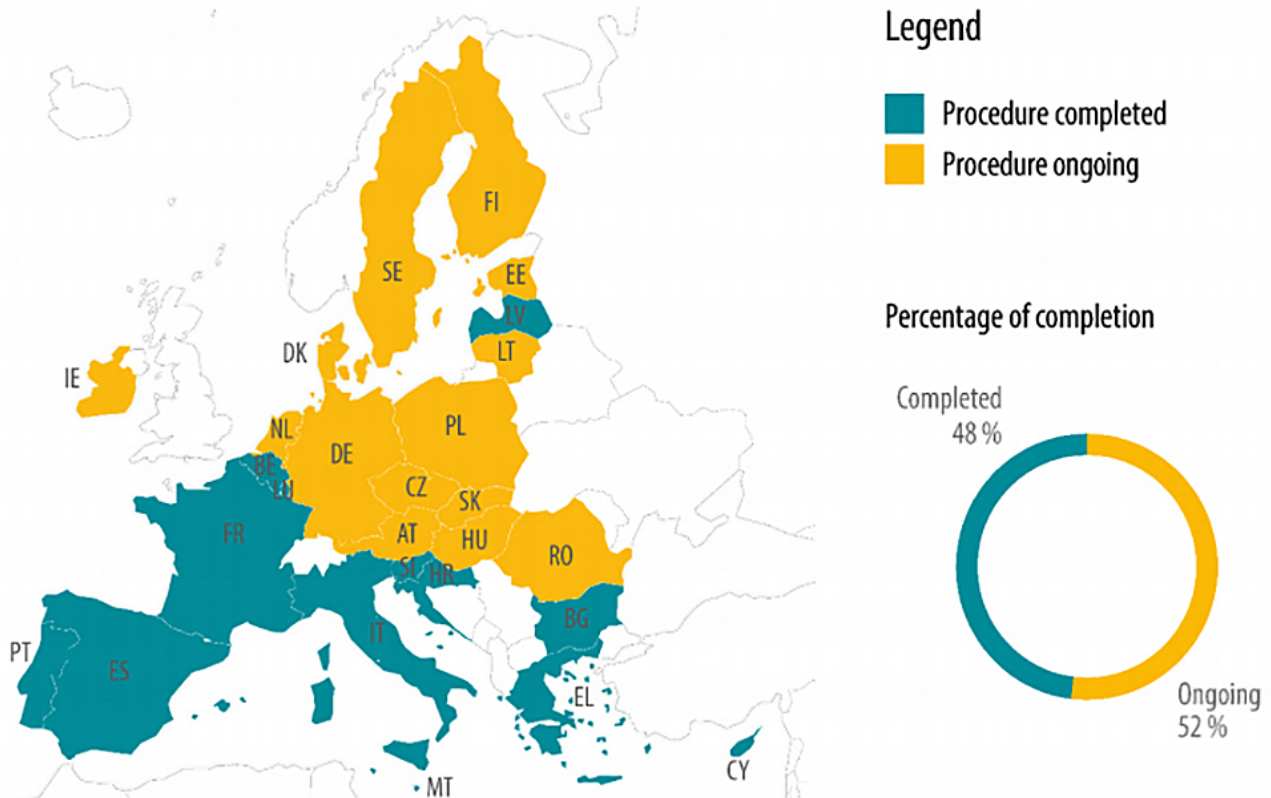


Press release – MEPs clear another hurdle for the COVID-19 recovery plan

Ratification of the Own Resources Decision as of 18/3/2021



On Thursday, MEPs adopted one implementing and two operational regulations on which methods to use to collect or make available specific Own Resources, which constitute the revenue for the EU budget. The three laws work in conjunction with the key [Own Resources Decision](#) (ORD), [approved by Parliament in September](#) and by Council in December 2020. The member states are currently in the process of ratifying this decision, with 13 out of 27 having done so already as of 18 March ([more information on the ratification here](#)).

The approved regulations include provisions on calculating and simplifying the EU's revenue, on managing cash flow, and on monitoring and inspection rights. These are needed to ensure the EU budget's reformed revenue side continues to function smoothly.

Once member states have ratified the Own Resources Decision, the [package](#) adopted today will apply retroactively from 1 January 2021. It will introduce the new plastics levy as the first of various new streams of revenue that will be set up between now and 2026. The ORD will enable the EU to borrow €750 billion for the [“Next Generation EU” recovery plan](#).

Quotes by the co-rapporteurs

[José Manuel Fernandes](#) (EPP, PT): “Once more, the European Parliament sets the tone. By approving this package, we are ensuring that the EU’s system of own resources will contribute to establishing the ‘Next Generation EU’ recovery plan as soon as the ORD has been ratified by the member states. Today’s vote is a reminder that we need to act quickly and decisively to set up the recovery.”

[Valérie Hayer](#) (RENEW, FR): “Parliament is again acting swiftly to make the recovery plan a reality. We now urge all member states to ratify the recovery plan as soon as possible. We cannot afford any delay. In addition, December’s repayment agreement binds the Commission to propose an EU digital levy in June of this year, regardless of what happens at OECD level.”

Vote results

Regulation on own resource based on plastic packaging waste

540 votes in favour, 109 against, 38 abstentions

Implementing measures for the system of own resources

560 votes in favour, 48 against, 82 abstentions

Collection of own resources accruing from value added tax

552 votes in favour, 69 against, 67 abstentions

Background

During the negotiations on the EU’s 2021-2027 long-term budget (“Multiannual Financial Framework”), [MEPs obtained a binding roadmap](#) for new sources of EU revenue. The three steps of the [Own Resources roadmap](#) are as follows:

- First step (2021): a contribution on plastic introduced in January 2021, new legislative proposals on a **carbon border adjustment mechanism, a digital levy and the Emissions Trading Scheme** will be submitted by June;
- Second step (2022 and 2023): Council will deliberate on these new sources of revenue by 1 July 2022 at the latest in order to be able to introduce them by 1 January 2023;
- Third step (2024-2026): by June 2024, the Commission will put forward a proposal for **additional new own resources, which could include a Financial Transaction Tax and a financial contribution from the corporate sector or a new common corporate tax base**. Council will deliberate on these new sources of EU revenue by 1 July 2025 at the latest in order to be able to introduce them by 1 January 2026.