

YEPP urges the EU to implement a European Resource Programme.

Given the fact that:

- The predecessors of the EU-budget were funded by levies on custom rights,
- Policy areas like coal and steel policy, agricultural or monetary policy have been fully integrated by consecutive EU-treaties,
- The EU has the Commission which is entitled to propose a budget,
- The EU has the European Parliament where the European People are represented, and who bring legitimation to the Commission by a vote of approval,
- The entire EU-budget is of very limited financial impact on the GDP of the EU,

Considering that :

- The political institutions are aggravated by the complex negotiation process between Commission, Council and Parliament,
- The EU-budget emerges out of a political bargain. Dividing lines between net-contributors versus net-receivers are dominant in finding a compromise budget proposal,
- The European political project has staunch supporters who are held back by national budgetary confinements as agreed upon in the Treaty of Maastricht and are thus de facto locked in a vicious circle,
- The actual spending of the EU-budget should be aimed at the further integration of the EU-Member States and is thus of general benefit to the entire Union,

Keeping in mind that :

- The general tax burden all over the EU is already among the most elevated in the world, and this is often an economic hinderance for stronger economic growth and welfare,
- Any form of EU community resource must be compensated within the national fiscal policy competencies which only can be implemented following a reform in the national fiscal policy preceding to any community resource on the European level,
- The total tax burden must stay stable or diminish after the realisation of a EU community resource,
- The Lisbon Agenda, aimed to make the European economy the most competitive knowledge-based economy in the world remains priority. The

rejuvenated European economy will benefit from a clearer EU-policy on the fields of research and development, of innovation and of education.

- All improvements to the financing of the EU-budget are to be implemented following a general scheme of reiterated economic, job and competitiveness growth.

YEPP wants a system where proper revenues of the EU are guaranteed whereby:

- The Commission has the right of initiating the EU-Budget,
- The Parliament has the “power of the purse” and needs to control, jointly with the European Court of Auditors, the financial currents of the EU,
- The actual act of issuing and collecting the tax revenues remains within Member States’ responsibility,
- The public finance cycle of budgeting, accounting and auditing be fully transparent, meaning the role and means of the European Court of Auditors are improved in order to create a sufficiently informed decision making process,
- The funding of the EU-budget be gradually increased from 27% of direct resource at the moment to a situation where ever more of the EU-budget comes through direct channels,

YEPP sees this shift in institutional budgetary policy as a step in the right direction, which is a well-functioning and well-funded EU with progressively stronger cooperation and integration on the competencies as agreed upon in the Constitutional Treaty as proposed by the European Convention and already adopted by 15 Member States.

Adopted at the YEPP Council, 17th June 2006, Palma de Mallorca