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PUBLIC FINANCES- ADMINISTRATIVE AUTONOMIES



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The Budget of the European Union as the Basis of its Financial Autonomy

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Abstract: Financial means which supplying the general budget of the EU, should be characterized by stability and independence, so as to enable the functioning of the EU and achievement its objectives, including the period of economic recession. Taking into consideration these circumstances, the article tries to find answers the following crucial issues: to what extend the EU budget constitutes a basis of its financial autonomy, what important components create it and to what extend the EU budget allows to carry out its objectives in smooth and permanent way. In this article, autonomy of the general budget of the EU will be considered having regard to several elements: relationships to the budgets of the Member States, the procedure establishment of the budget and influence of the Member States on its shape, legal status of an act in which the budget is included, nature of budget revenue, enforcing claims to the budget.

Keywords: EU general budget, legal form of the general budget, special legislative act, financial autonomy, multiannual financial framework, own resources system.

1. Introduction

The objectives of the European Union (EU) as referred to in article 3 of the Treaty on European Union¹ have been quite widely defined and refer to various spheres of life. For their effective and efficient implementation, as well as contribute to sustainable and smooth development of whole EU and its Member States, there is a necessity of substantial financial resources collected within single public fund, which is the annual general budget of the EU. Means providing it, should be characterized by stability (steady revenue) and independence, so as to enable the functioning of the EU, including the period of economic recession. Therefore, aspect of financial independence has an influence on its real, not only formal, legal autonomy.

The issue of autonomy of the EU is all the more crucial because it is the political and economic organism assembling 27 Member States and mainly from them, there are collected resources for realization fixed objectives. Many times, these states present conflicting interests as well as among them there are appearing trends to reduce transferred revenue, particularly in richer countries, belonging to the so-called a group of *old members*.

In these circumstances, issues which seem to be crucial are: to what extent the EU budget constitutes a basis of its financial autonomy, what important components create it and to what extent the EU budget allows to carry out its objectives in smooth and permanent way. In this paper, autonomy of the general budget of the EU will be considered taking into account several elements: relationships to the budgets of the Member States, the procedure establishment of the budget and influence of the Member States on its shape, legal status of an act in which the budget is included, nature of budget revenue, enforcing claims to the budget.

2. The general budget of the EU and budgets of Member States

For analysis of relations that exist between the EU budget and budgets of Member States, first of all there must be determined a crucial issue - legal personality of the EU. Before the entry into force of the Lisbon Treaty, it brought about a number of doctrinal disputes², however currently treaty provisions do not leave any doubts. Firstly, there may be indicated art. 47 TEU, which clearly states that Union has legal personality. This fact does not remain without prejudice to the sphere of its distinctiveness in economic (financial) aspect as well. Emanation of its autonomy in financial sphere, which was already mentioned in the introduction, is own and separate from Member States annual budget, equipped with its own revenue.

Although, the EU budget and Member States' budgets do not operate in total isolation. Mutual correlations appear in many spheres. In revenue and expenditure sphere there are performed transfers of financial means, resulting in division of Member States into *net contributors* and *net beneficiaries*. On the one hand, they all are obliged to transfer due revenue to the general budget, on the other – they are its beneficiaries. In political and legal sphere, Member States have an impact on its shape, although it has not unlimited nature.

It is also important to note that the general budget, despite its separateness, within its scope, embraces not only the EU, but also the European Atomic Energy Community and in this respect is the common budget. The provision of art. 4 para. 1 of the Financial Regulation³ expressly provides for the principle of unity, in the light of which, the budget for each financial year, forecasts and authorises all revenue and expenditure considered necessary for the European Community and the European Atomic Energy Community. In passing, there may be mentioned that, there exist EU institutions and financial means, which are outside the budget, e.g.: European Development Fund, European Investment Fund, European Central Bank.

3. The importance of the procedure of establishment of the EU annual budget to its autonomous nature

3.1. Impact of the Member States on the process of EU budget establishment

Despite the mentioned separateness of the general budget, Member States that transfer budget revenue, have influence on the basic financial figures contained therein. The largest impact occurs in the legislative sphere. During specific legislative procedures referring to the adoption of the budget, taking political decisions, Member States through their representatives in the various bodies, decide on the scale of financial means, which will be collected in the budget and thereby, on the quantity of expenditure allocated on defined targets⁴. However, the ability to take decisions in this scope and their extent depend on the stage of legislative process. The procedure of budget adoption is not only considered, but first and foremost establishment of multiannual financial framework of the EU, also called as financial perspectives. The financial perspectives are instruments of the multiannual financial planning of the EU, containing general objectives and the financial resources allocated to their implementation for a period of at least five years. Although nowadays perspectives are adopted for periods of seven years. The current financial perspective is binding for the period 2007-2013⁵.

As indicated in art. 312 para. 1 of the Treaty on Functioning of the European Union⁶ multiannual financial framework are intended to ensure that Union expenditure develops in an orderly manner and within the limits of its own resources. The significance of this document in the EU finances is considerable due to several reasons. Firstly, objectives included in it are going to be realized for next seven fiscal years. Secondly, it lays down the necessary measures to finance these objectives, thus they are expenditure ceilings, which not allowed to exceed. Despite the adoption of the financial framework does not relieve suitable bodies of the EU of annual establishment of the budget, however, it must be consistent with this framework (art. 312 para. 1 (3) TFUE). Thus, amounts included in the financial perspective may not be exceeded in the general budget, being non-exceedable limits. Thirdly, knowing the level of expenditure in perspective of seven years and bearing in mind the fact the principle of equilibrium is strictly observed in budgetary law of the EU, there is known the level of revenue as well. Simultaneously, these are financial means, which need to be transferred to the EU budget by Member States.

For these reasons, the possibility of taking the decision concerning the shape of the multiannual framework possesses crucial meaning. On the one hand, the richest Member States (so-called *net contributors*) are seeking possibility to reduce the scale of appropriations paid to the budget, on the other hand – poorer States (so-called *net beneficiaries*) try to receive the most financials means to themselves.

In compliance with article 312 para. 2 TFEU the adoption of a regulation containing the multiannual framework requires unanimity of the Council after obtaining the consent of the European Parliament (EP). However, reaching the agreement is often arduous. The political decision in this scope must be taken at the summits of the European Council, during of which the long-lasting negotiations are running that end with the lack of agreement very often.

The final adoption of the multiannual financial framework completes the crucial stage, in which in the medium term the shape of EU public finance is fixed, what also affects on the size of annual budgets. It should not be surprised the role of the Member States are considerable.

The participation of Member States in determining the shape of the annual budget occurs at the stage of the procedure of its establishment as well, but it has significantly smaller meaning than in case of the financial perspective. As mentioned above, amounts included in financial perspective are non-exceedable limits in annual budgets, therefore the legislative bodies involved in law-making processes must obey these limits, which signify the limitation of their legislative competences in favor of efficiency of budgetary procedure and financial stability of the EU. But there should be noted that expenditure cannot be spent on the basis of the multiannual framework, but only on annual budget, due to it has authorising power. Consequently, financial means predicted in the multiannual framework and not entered into the budget may not be executed.

3.2. The special nature of the procedure of EU budget establishment

Procedure of establishment of the EU annual budget in many aspects has a special value, what proves, at the same time, the remarkable – constitutional position of the budget being its *result*. First of all, it has treaty grounds, as has been clearly separated by provisions of the TFUE. The Lisbon Treaty has made a clear dichotomy of legislative procedures by distinguishing the ordinary and special legislative procedures (art. 289 para. 1 and 2 TFEU). The procedure of EU budget establishment has been recognized as a special legislative procedure (art. 314 (1) TFEU). It has not a supplementary nature, i.e. its provisions do not apply as a *lex specialis* in relation to other legislative procedures. The annual budget is adopted on the basis of the budgetary procedure without any references to other legislative proceedings. Thereby, there can be stated that it is characterized by complexity and covers all work stages on the budget, until the definitive adoption. The main roles during this procedure are played by the EP and the Council called as *budget authority*, what does not mean a consolidation themselves into one body⁷. They have the same decision competences in establishing the budgetary act within each of two readings, which means their roles are in balance. Since the late 1970s, there has been a process of gradual strengthening position of the PE in the entire proceedings and the result is, both before the entry into force of the

Lisbon Treaty and now, the prerogative to reject the whole draft budget in second reading⁸.

The effect of the procedure of the EU budget establishment is the budgetary act (act including the annual budget) – joint act of the EP and the Council⁹. The Court of Justice of the European Union (ECJ) stressed that it has a mixed nature (there was used phrase *a combined act*), which has no equivalent in any other acts passed by Community institutions¹⁰. In one of the judgment, the Court concluded that natural or legal person cannot under any circumstances be directly concerned by the steps in budgetary procedure. Such a person may be directly concerned only by the measures taken to implement the budget¹¹.

4. Legal form of the general budget of the EU

Establishing the legal form of the general budget is also important in the context of its autonomy. Legal framework of this financial plan determines its position in whole legal order of the EU, relationships to other forms of legislative activities, its binding content (possibilities for collection and spending financial means on its basis), control of the legality by the ECJ etc. Before going into a detailed analysis, the author puts the general hypothesis that term *the budget of the EU* has a double meaning, what results from art. 4 FR.

Treaty law does not enumerate the act authorizing of the budget among the sources of the secondary law as referred to in art. 288 TFUE. A similar situation appears in other parts of the Treaty devoted to the financial provisions (art. 310-325 TFUE) as well. The legislator consistently uses the term *a budget* and expressions in which this term is included: *all revenue and expenditure of the Union shall (...) be shown in the budget, (...) the budget shall be in balance, the draft budget, the budget has been definitively adopted*. The same situation occurs in FR. In this connection it should be noted the term *budget* refers to features of the financial plan (two-sides of the budget, balance of revenue and expenditure), as well as to the typical legal aspects, i.e. establishment (authorization) procedures, implementation, legal nature of its content (e.g. art. 4 FR: *The budget is the instrument which, (...), authorises all revenue and expenditure...*).

In case-law of the ECJ regarding the legal form of the annual budget, there may be noticed similar standpoints, which is a consequence of the provisions of EU budgetary law. However, in some cases, the Court clearly stressed, the nature of the budget not only as a financial plan, but also as a legal act. In one of the disputes between the Council and the EP concerning budgetary procedure¹², the representative of the Parliament argued that the budget cannot be the subject of the ECJ jurisdiction on the basis of art. 230 of the Treaty establishing the European Community (now article 263 TFUE). However, the Court stated that the roles of the Council and the Parliament in the procedure of budget adoption are complementary and decisions of these two

institutions leads to its establishment. In this connection the budget is a *combined act* that has no equivalent in any other acts passed by Community institutions. Of course, the use of the term *combined act* did not mean that the ECJ by way of a judgment defined the legal form of the budget, but it indicated its complexity and terminological indeterminacy in the light of existing legal instruments in whole legal order of the European Communities.

With reference to the form of the EU budget, there can be distinguished some groups of standpoints in the European doctrine. However, the standpoints which are prevailing – mainly in English and French literature¹³ – do not assign to the budget any named legal forms within the catalogue of sources of secondary law and *sui generis* acts. Authors do not make differences between terms a *budget* and a *budgetary act* in terminological and legal contexts. In these cases, there are no even attempts to give it wide name a *budgetary act*. D. Strasser, referring to the definition of the budget contained in art. 1 para. 1 of the Financial Regulation of 1977 uses the phrase: ... *a single document generally known as its budget*¹⁴ and afterwards he examines the role of the budget as a legal basis for expenditure spending¹⁵. H. G. Schermers and D. F. Waelbroeck place the budget in the part entitled *Binding acts contemplated by the Treaties*¹⁶. A similar situation may be encountered in Polish literature¹⁷.

There are also views according to which, the act containing the budget of the UE is generally deprived of legal nature. C. Mik, taking into consideration the form of termination of the procedure of the budget establishment – definitive adoption – affirms that it the resolution (budgetary resolution). Admittedly, he maintains that it has not the status of a legal (normative) act, however it is politically binding¹⁸.

The third group of standpoints emphasizes the distinctness of the budgetary act in relation to the budget itself, e.g. M. Cieślukowski claims on the basis of the budget definition contained in art. 4 para. 1 FR, that it is an act with the *indefinite* form¹⁹.

Considering these issues it is difficult to not refer to individual Official Journals of the EU, in which are published annual budgets. On the first page of each Official Journal including the heading of legal act, which informs about its type in principle, there is the following phrase: *Definitive adoption of the European Union's general budget for the financial year...*²⁰. The phrase *definitive adoption* derives from art. 314 para. 9 TFUE, according to which, if the procedure of passing of the budget has been completed, the President of the EP declares that the budget has been definitively adopted. On the basis of this provision and the budgetary act, it must be concluded that the *definitive adoption* is nothing else as the statement of the President of the EP about the termination of all legal steps headed to passing the budget.

With regard to formal aspect the *definitive adoption* is the resolution, what is proved by art. 75e of the Rules of Procedure of the EP²¹, but it does not constitute a legal form for the budget itself. The statement of the President of the EP should be recognized only as a declarative (not constitutive) act, however it is a necessary formal

component for validity of whole procedure. *Definitive adoption* informs the whole legal procedure concerning the budget establishment with the participation of the Council and EP has been completed and both these bodies reached to an agreement on the shape of the budget. Absence of such agreement may be reason of invalidity of the budgetary act and the resolution, as the ECJ stated in one of the judgments²².

At the beginning of this analysis author has put hypothesis on the basis of art. 4 para. 1 FR. This provision constitutes two institutions. First one – budget as a financial plan: *The budget is the instrument which, (...), forecasts (...) all revenue and expenditure*. The second one – budget as a legal act: *The budget is the instrument which, (...) authorises all revenue and expenditure*. In budgetary law authorisation of revenue and expenditure means their confirmation, i.e. validation (granting) the legal power. In practical dimension this means right as well as obligation to execution of the budget, but this obligation must be understood in a specific manner.

Having regard above considerations as well as provisions of Union budgetary law, doctrine and case-law of the ECJ, the author proves that the institution of the EU budget has double meaning. Firstly, it is public financial plan with economic and managerial content. It is also the instrument of financial policy of the EU. Secondly, the EU budget is a legal act with the same name, which includes the annual budget as a financial plan. Budget in this meaning is a legal form (category of legal act), excluding issues of the nature of its content right now. Although, the TFUE does not determine its legal form literally, but in compliance with art. 314 (1) and 288 para. 3, it has been classify as a *legislative act* alongside regulations, directives and decisions. There may be said that it belongs to the specific group of *sui generis* acts with its own name *budgets*. Headings of Official Journals containing individual annual budgets of the Union are source of this claim²³.

Category of act, taking into consideration organs that adopt it, appears to be so crucial due to possibility of judicial control of its legality. Pursuant to art. 263 (1) TFEU, ECJ reviews the legality of:

- 1) legislative acts;
- 2) acts of the Council, of the Commission and of the European Central Bank;
- 3) acts of the EP and of the European Council intended to produce legal effects vis-à-vis third parties;
- 4) acts of bodies, offices or agencies of the Union intended to produce legal effects vis-à-vis third parties.

Before reforms of the EU legal system, introduced by the Lisbon Treaty, possibility of the ECJ's legal control of the budgetary act was called into question due to it came only from the EP with regard for its President, who made a statements on definitive adoption. Mentioned art. 263 in previous meaning (as art. 230 TEC²⁴) did not provide for that type of acts. However the ECJ recognized itself as entitled to examine legality of the annual budget, furthermore it adjudicated on its annulment and whole

budgetary procedure in many cases²⁵. Currently, in the light of the art. 263 TFEU, this issue should not bring about any doubts, because the annual budget belongs to group of legislative acts.

5. Autonomous nature of revenue of the EU general budget

The most crucial component of the general budget of the EU, proving its financial autonomy, is budget revenue. The basic sources of revenue, supplying the budget, compose so-called *own resources system*. Admittedly, there may be indicated other categories of means, but they are of less importance, taking into account their amounts in relation to total revenue. Pointing at two groups of sources of revenue derives from the art. 311 (2) TFEU, which provides that the budget is financed wholly from own resources without prejudice to other revenue. The provision also proves that collected appropriations should be sufficient to achieve the objectives of the EU. Apart from art. 311 TFEU, subject matter of budget revenue has been regulated in decision on the system of the European Communities' own resources²⁶. Those provisions provide the EU with financial autonomy. With good reason those funds are defined as *own*. Their collection is centralized, non-returnable and legally secured. Any failures of Member States in transferring financial means are recognized as infringement of obligation under the Treaties. Own resources are characterized in literature as *revenue allocated irrevocably to the Union to finance its budget and accruing to it automatically without the need for any subsequent decision by the national authorities*.²⁷

Nature of the own resources system can be considered in three dimensions:

- 1) financial,
- 2) economic,
- 3) legal.

Repeatedly, it is affirmed they determine the essence of whole system²⁸.

Financial dimension of the system is based on two assumptions. Firstly, the size of collected funds into the general budget should ensure security and financial stability of the EU. In connection with integration processes both in subjective (accession of new members) and objective (unifying or harmonising provisions of following areas of life) aspects, functioning expenses still growing annually. Therefore, the system should guarantee the possibilities for execution of foreseen targets. Secondly, it should be characterized by flexibility and correlation between established a maximum ceiling of own resources and the real tasks being carried out within one financial year. Moreover, having regard to the negative effects of fiscalism, system is aimed at protection against too much demand on funds acquired from Member States. For this reason, art. 3 para. 1 of the decision 2007/436/EC provides that the total amount of own resources to cover appropriations for payments may not exceed 1.23% of Gross National Income (GNI)²⁹. This amount constitutes a maximum level of allocated financial means, of which must

not exceed by the Commission during budget execution. However, it does not mean that quantity of money on maximum level is flowing into the EU budget every year. The system should ensure appropriate funds in relation to real needs. In Financial Perspective for 2007-2013 they shall be from 1.00% (2007) to 1.07% (2013) of GNI³⁰. Left difference to the amount of 1.23% represents the available margin, covering demand for additional means, if such demand occurs.

Economic dimension of the system assumes a more equitable financing of the EU. Estimation of amounts of two last sources of income – VAT resource and GNI resource – is based on GNI of all Member States. GNI is aggregated value estimated on the basis of many macroeconomic factors (production activity, revenue of entities of economic activity)³¹ reported by Member States, which reflect condition of their economies. In the report on the functioning of own resources system, the Commission concludes that, it meets set its tasks with regard to sufficiency and stability, but it is complicated and does not contribute significantly to a more efficient allocation of economic resources in the EU³². In connection with conclusions of the EU summit in Brussels in December 2005, during the debate on the current Financial Perspective, the Council adopted new decision on own resources system, in which there was simplified a methodology for estimation of revenue based on VAT by introducing a uniform rate at 0,30%.

Legal dimension of the system consists of several elements: centralized and Treaty nature, non-returnable and mandatory character of revenue.

The Treaty nature of the own resources system mainly justified the way and priority of provisions. As a matter of fact, detailed regulations are included in decision 2007/436/EC, Euroatom and implementing regulation³³, but the basic framework of the system, as mentioned above, has been regulated in art. 311 TFEU, thus in the act with the higher priority in entire hierarchy of legal sources of the EU, which makes its constitutional law³⁴. A centralized dimension of the system is proved by the fact according to which, financial means are transferred from 27 Member States into one public fund – budget of the EU. In every financial year, its revenue is assessed approximately at the level of over 120 billion euro³⁵.

Non-returnable character of EU budget revenue is based on the recognition, that the transfer of budgetary payments of Member States are treated as *a definitive transfer to the EU*³⁶.

Allocation payments of financial means to EU budget are recognized as obligations of Member States under the Treaties, what was stated by the ECJ in his judgments repeatedly³⁷. Ensuring the due application of these obligations as well as consequences of their failure, has been regulated in many aspects.

Firstly, Member States are obliged to notify on collected revenue for the benefit of the annual budget as well as to report on cases of fraud and detected irregularities

involving entitlements of over 10 000 euro (art. 6 para. 4 and 5 of the regulation 1150/2000).

Secondly, any delays in making the entry in the account set for the collection of own resources by Member States, cause a rising the duty of payment of interest by them (art. 11 of regulation 1150/2000). As the ECJ noted: (...) *there is an inseparable link between the obligation to establish the Communities' own resources, the obligation to credit them to the Commission's account within the prescribed time-limit and the obligation to pay default interest.* They are payable regardless of the reason for the delay, resulting either from the mistakes of officials, or error in law. Even the unintentional nature of the delay in making the entry cannot eliminate the obligation to pay default interest³⁸.

Thirdly, infringement of obligations in transferring amount dues into the general budget, including interest, is recognized as a failure the obligations under the Treaties. In compliance with art. 260 TFEU, the Commission may bring the case before the Court against the Member State³⁹.

Fourthly, decreasing of due revenue constitutes a violation of the financial interests of the EU. Mostly irregularities⁴⁰ refer to *traditional own resources* (agricultural levies, customs duties) due to the Member States are committed to their collection from third parties (entrepreneurs). Although, they accountable for negligence or lowering of payments, but consequences may be borne by Member States as well⁴¹. In one case, the ECJ affirmed that Greece failed to pay to the Community own resources from agricultural levies. Because Greece has not taken appropriate legal steps against the perpetrators of fraud engaged in export of agricultural goods, in effect there has been a reduction of contributions to the annual budget of the EU⁴².

6. Enforcing claims to the amounts contained in the general budget of the EU

Financial autonomy of the EU may be considered in another aspect – enforcing claims to the amounts of revenue and expenditure contained in the general budget. This issue should be examined separately in referring to natural persons and to Member States.

Having regard to the principle of legality, amounts contained in the EU budget will not be the subject of claims from the beneficiaries. This rule will also apply to Member States, if they possess such status. This is justified by the fact that beneficiaries do not belong to the category of addressees of the budgetary act and any financial means are transferred to them on the basis of separate legal acts, including individual decisions. As a matter of fact, non-claiming rule has not been regulated in budgetary law of the EU, but it stems from the ECJ case-law. In one of the judgments the Court stated that: *An action for the annulment of measures entering into commitments of expenditure and validating, authorizing and implementing the payment of expenditure*

*is inadmissible. Such measures have only internal legal effects within the administration and give rise to no rights or obligations on the part of third parties; they therefore do not constitute decisions adversely affecting any person*⁴³.

On the other hand, there is legally admissible a presentation of claims by the Commission to Member States concerning duties on advance payments in referring to VAT resources and GNI resources, transferred during the financial year. Their basics are amounts included in part A of the annual budget *Introduction and financing of the general budget*⁴⁴. Failure or delay in transferring of advanced payments causes default on duties arising from EU law on the basis of art. 260 TFEU.

7. Conclusions

Bearing in mind the considerations made above, the financial autonomy of the general budget and thereby whole EU in legal sphere is quite broad. Because of this, it has a possibility to implement established objectives in the Treaties. On the other hand, Member States are not excluded completely from the processes of decision making on the shape of the EU budget, including amounts of revenue and expenditure. However, their impact has more political nature. It may be affirmed, there is a specific balance between total financial autonomy of the general budget and influence of Member States on it.

References

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3. Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the financial regulation applicable to the general budget of the European communities (OJ UE 16.9.2002, L 248/1), hereinafter referred to as FR.
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20. E.g.: *Definitive adoption of the European Union's general budget for the financial year 2011* (OJ EU 15.3.2011, L 68/1); *Definitive adoption of the European Union's general budget for the financial year 2010* (OJ EU 12.3.2010, L 64/1).
21. *Rules of Procedure of the European Parliament*.
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29. In compliance with art. 3 para 1 of the decision 2007/436/EC, Euratom maximum ceiling of appropriations for payments amounts to 1.24 % of GNI. However in 2010 methodology of GNI calculation was changed. As a result of it, currently the ceiling amounts to 1.23 % GNI (COM(2010)162 final).
30. *Communication from the Commission to the European parliament and the Council on the technical adjustment of the financial framework for 2011* (COM(2010)160 final).
31. Calculation of GNI is made on the basis of Council Regulation (EC, EURATOM) No 1287/2003 of 15 July 2003 on the harmonisation of gross national income at market prices (GNI Regulation) (OJ EU 19.7.2003, L 181/1) and Council Regulation (EC) No 2223/96 of

- 25 June 1996 on the European system of national and regional accounts in the Community (OJ EU 30.11.1996, L 310/1).
32. European Commission (2004): Financing the European Union. Commission report on the operation of the own resources system, COM(2004) 505 final, Volume II, Luxembourg, 12.
 33. Council Regulation (EC, EURATOM) No 1150/2000 of 22 May 2000 implementing Decision 2007/436/EC, Euratom on the system of the European Communities own resources (OJ EU 31.5.2000, L 130/1)
 34. Lenaerts Koen, Van Nuffel Piet (2011): European Union law, London, 819.
 35. See reference 30.
 36. European Commission (2008): European Union Public Finance, Luxembourg, s. 140.
 37. ECJ judgment of 12 June 2003, Commission v. Italy (case C-363/00), points 43-45. See also: ECJ judgment of 10 May 2006, Commission v. Belgium (cases C-275/04, C-377/03); ECJ judgment of 15 September 2005, Commission v. Denmark (case C-392/02).
 38. Ibidem.
 39. Ibidem.
 40. Definition of irregularities is included in art. 2 para 2 of the Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ EU 23.12.1995, L 312/1)
 41. Haekkerup Nick (2001): Controls and sanctions in the EU law, Copenhagen, 83; White Simone (1998): Protection of the financial interests of the European Communities: The fight against fraud and Corruption, Hague – London – Boston, 38.
 42. ECJ judgment of 21 September 1989, Commission v. Greece (case. 68/88).
 43. ECJ judgment of 25 February 1988, Parti écologiste *Les Verts* v. European Parliament (case 190/84).
 44. See for example: Definitive adoption of the European Union's general budget for the financial year 2011 (OJ EU 15.3.2011, L 68/1).

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