Head Office
10 Rue de Commerce
1000 Brussels
Belgium

Tel: +32 456 71 91 16
Email: yepp@epp.eu

# New Own Resources of the EU Budget for Europe's strong Future Generation

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*Presented by:* **Mladež Hrvatske demokratske zajednice** (MHDZ, Croatia)

*Supported by:* **Christian Democratic Youth of Slovakia** (KDMS, Slovakia), **Junge Volkspartei Österreich** (JÖVP, Austria), **Kristillisdemokraattiset Nuoret** (KDN, Finland), **Lebanese Forces Youth Association** (LFSA, Lebanon), **Mlada Slovenija** (MSi, Slovenia), **Mladež Hrvatske demokratske zajednice Bosne i Hercegovine** (MHDZ BiH, Bosnia and Herzegovina), **Organossi Neon Neas Demokratias** (ONNED, Greece), **PAS Youth** (Moldova), **Slovenska demokratska mladina** (SDM, Slovenia), **Top Tym** (Czech Republic), **Youth Forces Union of VMRO-DPMNE** (North Macedonia), **Youth of Democratic Rally** (NEDISY, Cyprus).

**RECOGNIZING THAT:**

1. The EU budget is financed through customs duties, VAT-based contributions and gross national income (GNI)-based contributions from Member States[1];
2. Since 1 January 2021, a contribution based on non-recycled plastic packaging waste has formed part of the EU's own resources[2];
3. The purpose of this resolution is not to endorse a broad expansion of new EU own resources, but to promote a cautious and realistic approach that avoids placing additional burdens on Member States, national administrations and European businesses, and gives priority to genuinely additional sources of European revenue rather than measures that effectively increase national contributions;
4. The European Union needs stable, predictable and sustainable own resources to finance common priorities and respond to economic, social and geopolitical challenges;
5. A stronger EU budget remains compatible with sustainable national public finances;
6. The proposed Multiannual Financial Framework would increase the EU budget from approximately EUR 1.22 trillion to EUR 2 trillion, making sustainable financing even more important[3];

[1] https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2021-2027/revenue/own-resources_hr
[2] https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/2021-2027/revenue/own-resources/plastics-own-resource_en
[3] https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/eu-budget-2028-2034_en

7. The European Commission proposes five new own resources based on 1) the EU Emissions Trading System (ETS 1), 2) the Carbon Border Adjustment Mechanism (CBAM) which places a carbon price on certain goods imported into the EU, 3) non-collected electronic waste, 4) tobacco excise duties and 5) the Corporate Resource for Europe (CORE) which is an annual lump-sum contribution from large companies operating in the EU with a net annual turnover of at least EUR 100 million;[4]
8. The Commission estimates that these resources would generate approximately EUR 9.6 billion annually from ETS 1, EUR 1.4 billion from CBAM, EUR 15 billion from non-collected electronic waste, EUR 11.2 billion from tobacco excise duties and EUR 6.8 billion from CORE, amounting to a combined total of approximately EUR 44 billion per year.[5]
9. New own resources may affect Member States differently depending on their economic structure, national revenues and the design of each resource;
10. New own resources should bring genuinely additional revenue rather than act as disguised national contributions, while remaining simple, transparent, fair and proportionate to administer;
11. The European Parliament alternatively proposed considering new own resources linked to digital services, online gambling and crypto-assets; however, such proposals require particular caution given their legal, economic and administrative complexity, the risk of unintended market distortions, and their potential impact on European competitiveness and investment.[6];
12. Reforming own resources is an opportunity to strengthen the EU's capacity to act while distributing the financial burden fairly among Member States;
13. Budgetary decisions taken today have long-term implications for intergenerational fairness and opportunities for young Europeans.
14. Young Europeans will live longest with the economic, social and fiscal consequences of today's budgetary decisions and should therefore be among the main beneficiaries of a stronger European budget.

**ACKNOWLEDGING THAT:**

1. Each proposal should be assessed for its financial, economic and administrative impact on Member States;
2. Any reform of EU own resources should aim to reduce unnecessary administrative and compliance burdens, strengthen the competitiveness of European producers and businesses, and support a simpler, more predictable and growth-friendly European economic environment.
3. Enrico Letta's report supports an EU budget that is less dependent on GNI-based national contributions[7];
4. The abolition of the customs duty exemption for imported parcels valued at €150 or less, effective from 1 July 2026, will generate additional EU revenue.

[4] https://commission.europa.eu/topics/budget/eu-budget-2028-2034-explained_en
[5] https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/eu-budget-2028-2034_en
[6] https://www.europarl.europa.eu/news/en/press-room/20260423IPR41835/eu-long-term-budget-responding-to-citizens-expectations-and-major-challenges
[7] Enrico Letta, Much more than a market, Report, April 2024

5. The EU budget needs to further strengthen programmes that directly benefit young people, including Erasmus+, support for apprenticeships, paid traineeships, internships and support for the transition from education to employment;
6. A sustainable own resources system must combine adequate financing for common priorities with a fair and predictable burden on Member States and across generations.

**YEPP CALLS ON:**

1. The European Commission and the Member States to build the reform of the EU's own resources on simplicity, transparency, predictability, stability and fairness;
2. The European Commission, before proposing a new own resource, to assess transparently its financial, economic, distributional and administrative impact on each Member State and on younger generations;
3. The European Commission and the Member States to reduce regressivity and avoid disproportionate burdens on Member States, national administrations and future generations;
4. The European Commission and the Member States to continue work on the CBAM-based own resource as one of the proposals for additional revenue for the European Union budget, while supporting the objectives of European trade and climate policy, as CBAM represents a genuinely additional source of revenue by extending a comparable carbon cost to certain imports from third countries to that already borne by EU producers under the ETS;
5. The European Commission, European Parliament and the Member States to reconsider the proposed own resources based on the ETS, electronic waste, tobacco excise duties and corporate contributions, as these measures risk creating disproportionate economic, social, fiscal and administrative burdens on individual Member States, households and businesses, while potentially undermining European competitiveness;
6. The European Commission, the European Parliament and the Member States to ensure the meaningful involvement of youth representatives, in decision-making on new EU own resources and in the preparation and allocation of the EU budget;
7. The European Commission, the European Parliament, and the Member States should ensure that a meaningful share of the additional revenue generated through new own resources is invested in young people;
8. The European Commission and the Member States to use the EU's increased financial capacity to strengthen Erasmus+, apprenticeships, paid traineeships and internships, develop young people's skills and support the creation of quality entry-level employment opportunities;
9. The European Commission, the European Parliament and the Member States to ensure that a stronger EU budget remains compatible with sustainable national public finances;
10. The EPP to advocate for a modern, transparent, fair and fiscally responsible system of own resources that strengthens Europe's capacity to act and creates visible opportunities for the next generation.

**CONCLUSION**

A stronger European Union needs stable and fair financing. New own resources should provide genuine additional revenue for common priorities without simply shifting the burden onto national budgets or future generations.

YEPP therefore calls for a responsible reform that turns a stronger EU budget into stronger opportunities for young Europeans. If our generation will live longest with the consequences of today's decisions, it must also share fairly in the opportunities those decisions create.