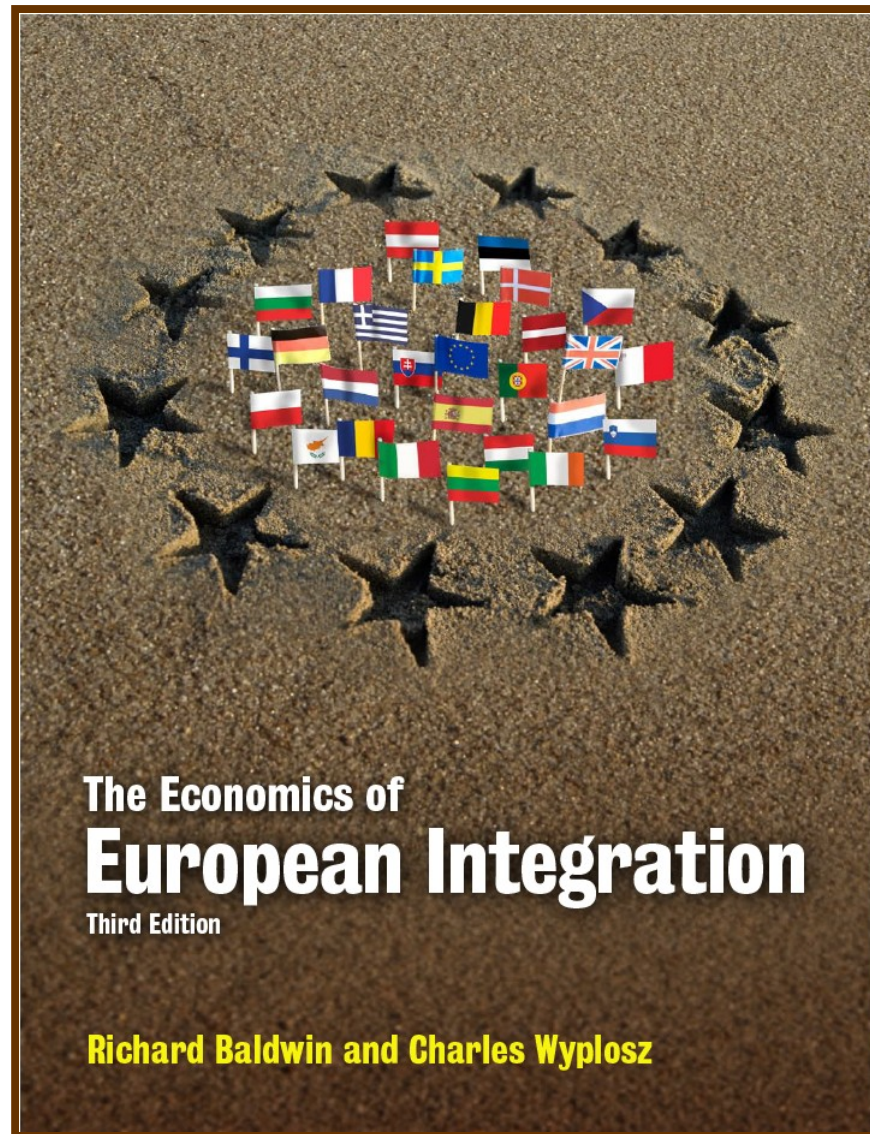


Chapter 2





Chapter 2

Facts, Law, Institutions and the Budget

Economic integration in the EU



- 1958 Treaty of Rome (ToR) is fountainhead of economic integration.
 - Most economic integration up to 1992 Maastricht Treaty was agreed in ToR; subsequent treaties fostered the implementation of policies agreed in principle in 1957.
 - ToR now called “Treaty Establishing the European Community”; If the Lisbon Treaty comes into force ToR will be called “Treaty on the Functioning of the EU”.
- Best to think of ToR’s economic integration as a plan for ‘unified economic area’ (from 1950s perspective).
 - “4 freedoms”: goods, service, workers & capital agreed in ToR.
 - Common policies where necessary (1950s perspective).
- Students should read original ToR articles 1, 2 and 3. (Only one well-written page); see Box 2-2.

Main Elements



- Free trade in goods.
 - Eliminate tariffs, quotas and all other barriers that act like tariffs or quotas.
- Common trade policy with the rest of the world.
 - Formation of a Customs Union necessary to avoid controls inside EU (Rules of Origin); also forces a degree of supranationality.
- Ensuring undistorted competition (to avoid other policies offsetting trade barrier removal). Main ones:
 - State aids regulated by Commission (most prohibited),
 - Anti-competitive behaviour regulated by Commission,
 - Approximation of laws (i.e. harmonisation) necessary to ensure free movement of goods,
 - Taxes (weak restrictions aimed at preventing subsidies via lower tax rates for some firms); no explicit harmonisation or coordination.

Main elements (cont'd)



- Unrestricted trade in services.
 - ToR established principle of freedom of movement of services, but implementation has been hard.
 - barriers are domestic economic regulations (e.g. banking regulation may raise barriers to foreign banks);
 - these are not explicitly coordinated by ToR, so EU cannot mandate liberalisation.
 - Single European Act made some progress, 2006 EU Services Directive made more.

Main elements (cont'd)



- Labour and capital market integration.
 - Free movement of workers (not people) in ToR.
 - Free movement of capital was in principle but many loopholes.
 - 1950s economists sceptical about capital mobility (inter-war problems);
 - most EU nations retained capital controls until the Single European Act.



Main elements (cont'd)

- Exchange rate (ER) & macroeconomic co-ordination
 - ToR includes mechanisms for macro coordination, and ER are 'matter of common interest', but coordination informal.
 - SEA brought EMS into Treaty framework
 - Maastricht Treaty made big step to ER & macro coordination (Chapters 13 and 15).
- Common agriculture policy (CAP).
 - Commitment in ToR but no details; CAP set up in 1962.
 - Used to be a much more important sector than it is today
 - In France about 1/3 of population was involved in agriculture in 1950s; today less than 5%.
 - See Chapter 9.

Omitted elements

- Social policies.

- Argument was that ‘general policies’ (i.e. not sector specific) did not distort competition and so did not need to be harmonised (contrast with competition policy).
 - Gains to harmonisation small.
 - France forced exception for one policy into ToR: equal pay for men and women (was aimed at avoiding uneven competition in clothing section in 1950s).
- Basic idea was that national wage and exchange rates would adjust to offset any unfair advantage.
 - If lower social standards meant lower production costs, long term result would be higher wages that offset the advantage.
- Political costs of harmonisation very high.
 - Social policies touch workers lives and EEC6 had very different approaches.



Omitted elements



- Single currency.
 - 1950s economists very sensitive trade integration & ER stabilization connection (avoid competitive devaluations).
 - EU founders believed fixed ER important to economic integration and political support for free trade.
 - e.g. inter-war experience of link between ER volatility and protectionist pressures.
 - But EU members were embedded in IMF's worldwide fixed ER system "Bretton Woods" so no need for strong measures in ToR.
 - Still, 1st plan for single currency came in 1970 ("Werner Report") as pressure on Bretton Woods began to grow.

Maastricht: 2nd 'foundation treaty'



- The Maastricht Treaty (known as Treaty Establishing the European Union) was:
 - Massive step up in economic integration
 - Monetary union, further capital market and financial market integration.
 - Massive institutional change that delimited extent of future EU integration more clearly (the pillars).
- Beginning of explicit variable geometry (e.g. UK opt out of the common currency).

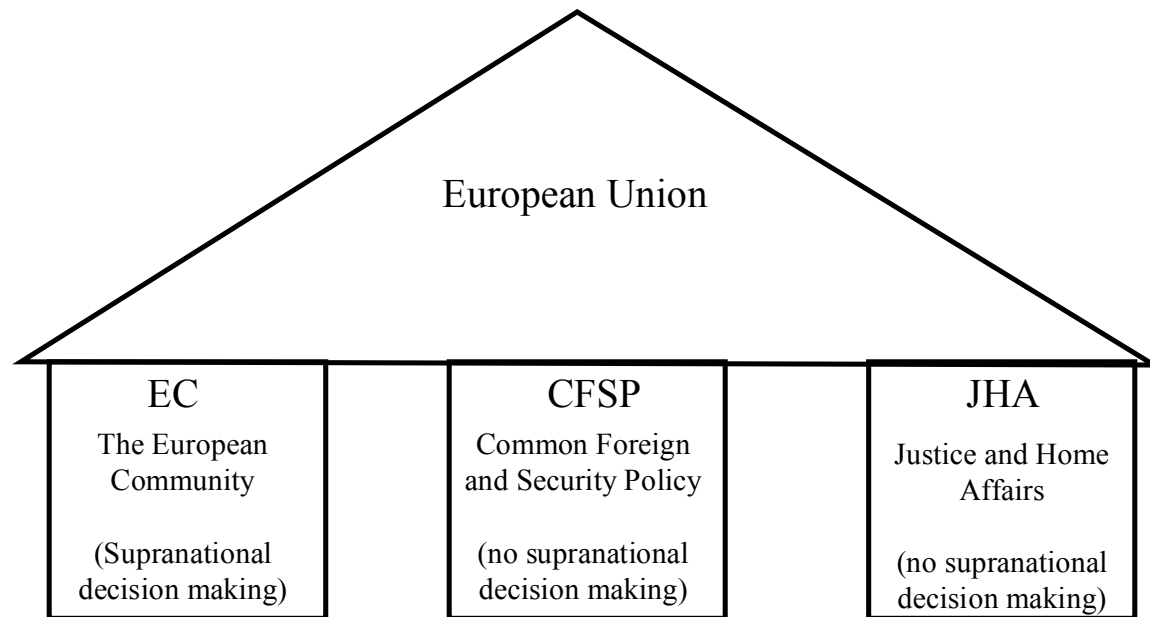


Organisational structure: 3 pillars & a roof



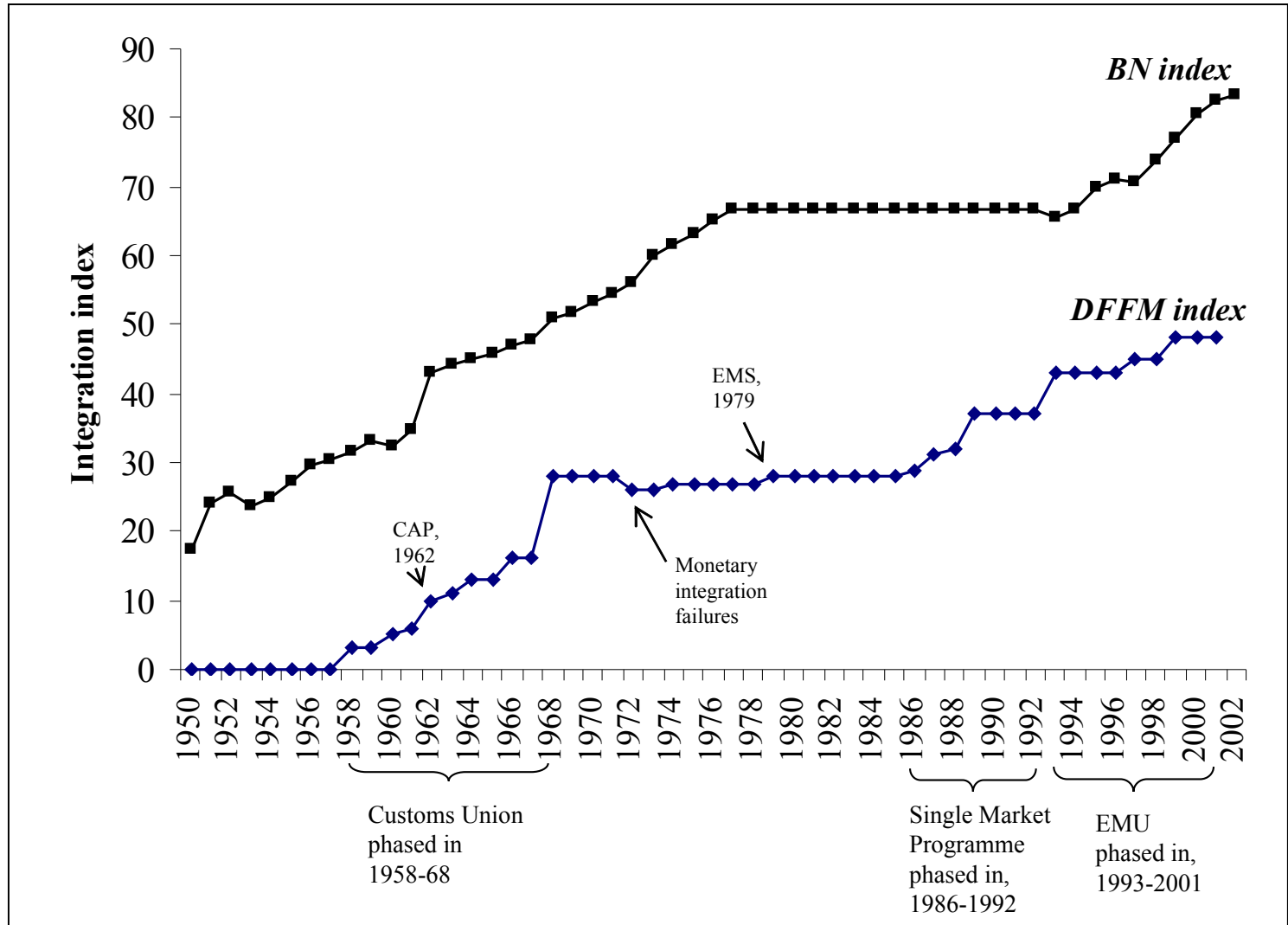
- Member State concern over “creeping competencies” led to pillars and creation of EU.
 - EU’s tendency to expand integration to new areas.
 - ToR goal “ever closer” union + Commission & Court interaction produced progressively deeper & wider integration.
- EC (old EEC) is now 1st pillar.
- The EU’s 3-Pillar Structure
 - 1st: Economics
 - 2nd: Security & Foreign
 - 3rd: Justice
- EU is ‘roof’ over the three pillars.
- The Lisbon Treaty would remove the pillar structure.

3 pillars & a roof (cont'd)



- Pillar structure limits the authority of EU Court and Commission to 1st pillar issues.
- Makes it clear that Member States in charge of 2nd and 3rd pillar issues.

Quantifying European economic integration



EU Law



- One of the most unusual features is EU legal system.
 - No other regional integration arrangement even close to extensiveness of supra-national law.
 - Formally ‘EC Law’ is part that has strong supranational elements, while ‘EU Law’ is more inter-governmental.
 - EC Law applies only to first pillar (if the Lisbon Treaty passes, Court jurisdiction indicated for each issue).
- Basics of EU law is critical to understanding past & future developments of European economic integration (applies mostly to economic issues).

Law: “Sources” of EC Law



- The EU Court created by the Treaty of Rome
 - Court then established the Community’s legal system.
 - two landmark cases in 1963 and 1964.
- EC law was established on the basis of:
 - The EU institutions ensuring that actions by the EC take account of all members’ interests, i.e. the Community’s interest;
 - The transfer of national power to the Community.
 - Source: Borchardt (1999 p.24)
- Constitutional Treaty (CT) would replace this as the source of EU law.
 - CT repeals & replaces all other EU Treaties.

Law: Key principles of EC Law



- 1. **Autonomy**
 - system is independent of members' legal orders.
- 2. **Direct Applicability**
 - has the force of law in member states so that Community law can be fully and uniformly applicable throughout the EU.
- 3. **Primacy of Community law**
 - Community law has the final say; e.g. highest French court can be overruled on a matters pertaining to intra-EC imports.
 - Necessary so Community law cannot be altered by national, regional or local laws in any member state.
 - Source: Borchardt (1999)

Law: Types of EU legislation



- Primary legislation.
 - Treaties.
- Secondary legislation.
 - Collection of decisions made by EU institutions “acquis communautaire.”
- 5 types of secondary law
 - 1. regulation
 - applies to all member states, companies, authorities and citizens. Regulations apply as they are written, i.e., they are not transposed into other laws or provisions. They apply immediately upon coming into force.

Law: Types of EU legislation



- 2. directive
 - may apply to any number of member states, but they only set out the result to be achieved.
 - each member states what needs to be done to comply with the conditions set out in the directive (e.g. new legislation, or change in regulatory practice).

- 3. decision
 - is a legislative act that applies to a specific member state, company or citizen.

- 4. & 5. Recommendations and opinions
 - These are not legally binding, but can influence behaviour of, for example, the European Commission, national regulators, etc.

Institutions: The “Big-5”



- Would be simplified if Lisbon is ratified.
- There are dozens of EU institutions.
- Only 5 are really important:
 - European Council
 - Council of Ministers
 - Commission
 - Parliament
 - EU Court
- Other institutions matter in specific areas or at particular moments.
 - e.g. Court of Auditors.

European Council



- “Political guidance & leadership”
- Consists of the leader (prime minister or president) of each EU member plus the President of the European Commission.
- By far the most influential institution.
 - First meeting in 1961, but formalized on in 1974 not mentioned in Treaties until 1986.
- Provides broad guidelines for EU policy
- Thrashes out compromises on sensitive issues, e.g.
 - reforms of the major EU policies,
 - the EU’s multiyear budget plan,
 - Treaty changes,
 - final terms of enlargements, etc.

European Council



- Presidency of EU & Eur.Council rotates among members every 6 months.
 - If Lisbon Treaty passes, Eur.Council will have a permanent chair “President of the European Council”, elected for 2 ½ year term.
- Meets at least twice a year (June and December)
 - meets more frequently when the EU faces major political problems.
 - highest profile meetings at the end of each six-month term of the EU Presidency.
 - These meetings are important political and media events
 - determine all of the EU’s major moves.
- Most important decisions of each Presidency are contained in a document, known as the “Conclusions of the Presidency”, or just the “Conclusions”

European Council



- Strangely, European Council has no formal role in EU law-making.
 - Its political decisions must be translated into action via Treaty changes or secondary legislation.
- Confusingly, the European Council and the Council of the EU are often both called the Council.
- The Lisbon Treaty would make the European Council a formal part of the EU institutional structure.

Council of Ministers



- Usually called by old name Council of Ministers (CoM)
 - formal name is now “Council of the EU” but Lisbon Treaty would switch it back to old name “CoM”
- Consists of representatives at ministerial level from each Member State, empowered to commit his/her Government
 - Typically minister for relevant area
 - e.g. Finance ministers on budget issues,
 - Confusingly, Council uses different names according to the issue discussed.
 - Famous ones include EcoFin (for financial and budget issues), the Agriculture Council (for CAP issues), General Affairs Council (foreign policy issues).

Council of Ministers



- Is EU's main decision-making body
 - Almost every EU legislation must be approved by it.
- Main task to adopt new EU laws, e.g.
 - measures necessary to implement the Treaties
 - also measures concerning the EU budget and international agreements involving the EU.
 - is also supposed to coordinate the general economic policies of the Member States in the context of the Economic and Monetary Union (EMU)
 - e.g. famous 3% deficit rule

Council of Ministers



- Council also decides on:
 - 2nd and 3rd pillar issue, i.e. Common Foreign and Security Policies (2nd), police and judicial cooperation in criminal matters (3rd).
- Two main decision-making rules.
 - On the most important issues, unanimity.
 - e.g. Treaty changes, enlargement, multi-year budget plan, Council decisions.
 - On most issues (about 80% of all Council decisions), majority voting
 - qualified majority voting (QMV).

QMV



- QMV is complex and is changing.
- Three sets of rules:
 - 1. Procedure that applied until mid 2004.
 - basic form unchanged since 1958 Treaty of Rome
 - 2. Procedure defined in Nice Treaty after 2004 until Lisbon Treaty is ratified.
 - 3. Procedure from Lisbon Treaty.



- Procedure that applied until mid-2004 (date of Eastern Enlargement).
 - Each member's minister casts a certain number of votes
 - more populous members have more votes,
 - many fewer than population-proportionality suggests
 - e.g. France (60 million citizens) has 10 votes; Denmark (5 million citizens) has 3
 - Total number of votes in the EU15 is 87.
 - The threshold for a winning majority is 62 votes
 - This is called a “qualified majority,”.
 - i.e. the majority rule is that about 71% of all votes are required to adopt a proposal.



- The implications of this system are complex.
 - Since bigger members have more votes, 71% of the votes does not mean 71% of members.
 - Three large members voting ‘no’ could block adoption even if the other 12 voted ‘yes’.
 - Since small nations get far more votes than strict population-proportionality would suggest, 71% of the votes does not mean 71% of the EU population.
 - 71% threshold can theoretically be reached, for example, by a coalition of just 8 members representing 58% of the EU population.

QMV



- Even though QMV is the basis of most Council decisions, the Council rarely votes.
 - They usually decide by “consensus”.
- Shadow voting.
 - Despite this, QMV and voting weights are important.
 - If nations know they would be outvoted, if a vote were to be recorded, they usually join the consensus to be collegial.
 - nations go through a mental process of “shadow voting” before deciding to join the consensus.
 - figure out what the outcome would be, if a vote were held.
 - Majority rule and votes matter to mental calculation

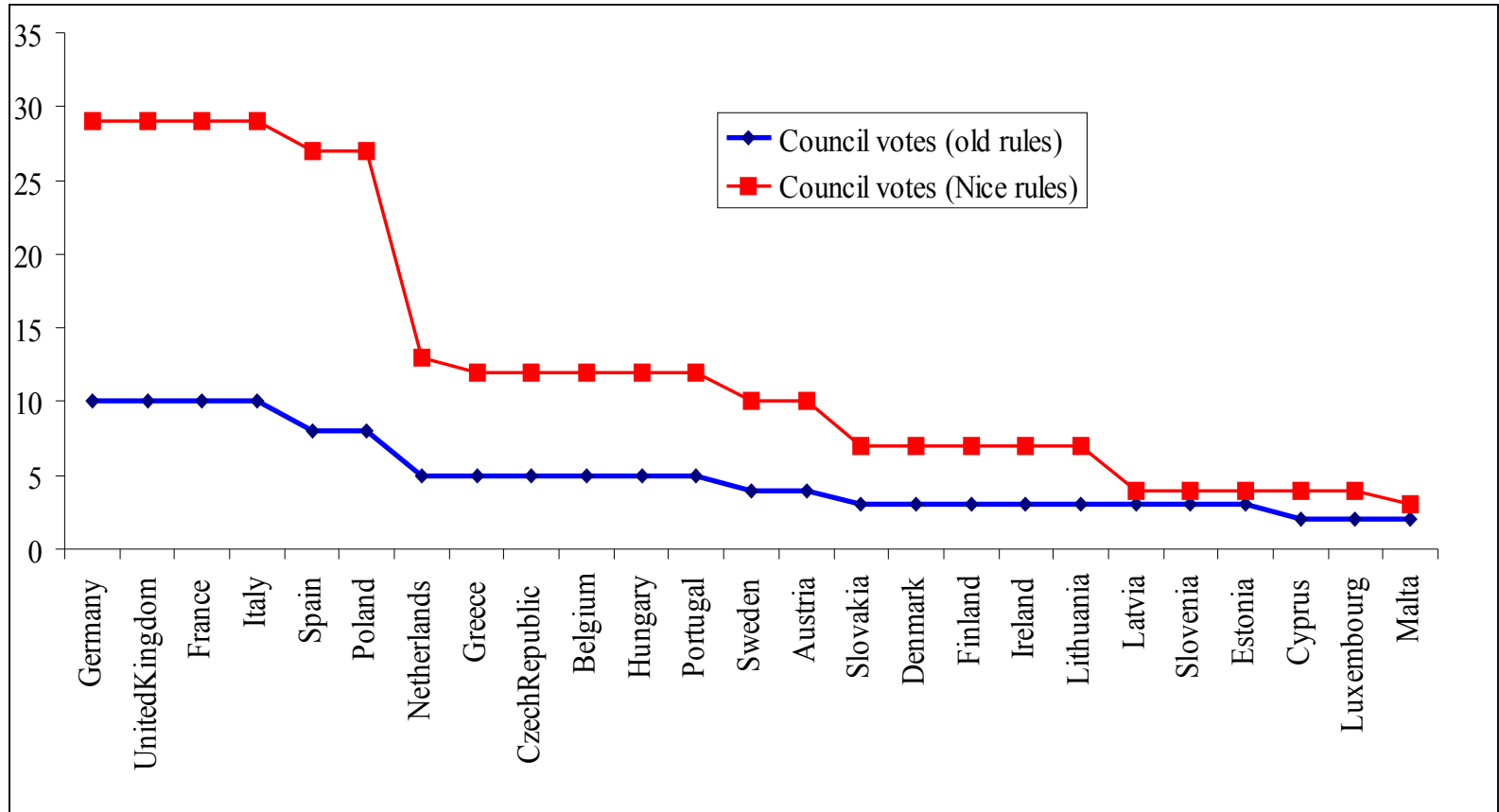
QMV: Nice/Accession Treaty Reforms



- Nice Treaty reformed QMV in 2 main ways
- 1. Makes QMV more complex; 2 new criteria in addition to votes.
 - proposition passes the Council when coalition of yes-voters meets 3 criteria:
 - Votes
 - 72% of the Council votes (232 votes of the 321 Council votes in the EU25).
 - number of members,
 - 50% of the member states
 - population.
 - 62% of the EU population

QMV: Nice/Accession Treaty Reforms

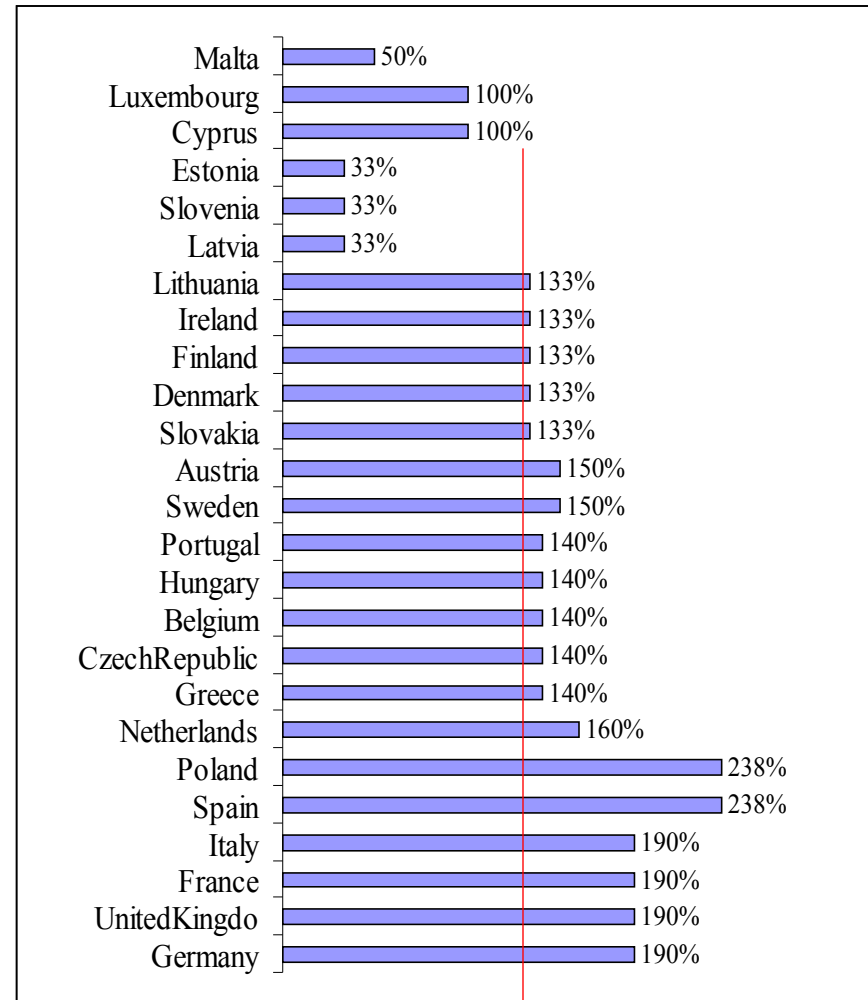
- 2. Votes reallocated to favour big nations



QMV: Nice/Accession Treaty Reforms



- To see this another way, look at % increase by member
 - Members ranked by population
- Poland, Spain are relative biggest winners
- Tiny members biggest relative losers



QMV: Lisbon Treaty



- Nice Voting rules widely viewed as failing to meet the goal of maintaining the Council's ability to act.
- European Convention (2002-2003) proposed a radical reform, "Constitutional Treaty (CT)"
 - This was rejected by French and Dutch voters.
- Lisbon Treaty includes same CT voting rules
 - QMV requires yes vote from 55% of members who represent at least 65% of EU citizens.
 - But Nice rules remain to 2014, or 2017.
 - 2014 to 2017, Lisbon rule apply unless at least one member wants the Nice rules to apply.



- Voting rules among the most controversial changes in the CT (and Lisbon).
 - Caused rejection by European Council in December 2003 (Italian Presidency) & big problems in 2004 (Irish Presidency) & near-collapse of Lisbon Treaty negotiations in October 2007.
 - Spain & Poland lose a great deal of power from CT rules; Poland resisted the Lisbon voting rules and insisted on a number of changes, including having possibility to delay rules effectively to 2017.
 - Germany gains a great deal of power.

The Commission



- European Commission is at the heart of the EU's institutional structure.
- Driving force behind deeper and wider European integration.
- Has three main roles:
 - propose legislation to the Council and Parliament,
 - to administer and implement EU policies
 - to provide surveillance and enforcement of EU law
 - “guardian of the Treaties”
 - ALSO, represents EU at some international negotiations
 - e.g. WTO talks called the “Doha Round”, EU-Chinese trade dispute called the “Bra War.”

Commissioners, Commission's composition



- Before the 2004 enlargement:
 - One Commissioner from each member, and an extra Commissioner for the big-5 (Germany, UK, France, Italy and Spain in the EU15).
- Nice Treaty switched to one Commissioner per member.
- Lisbon Treaty (if ratified)
 - Up to 2014, Nice Treaty system.
 - After, number of Commissioners = $2/3$ number of EU Members.
 - System of rotation among Member States.
- But the rotation system not decided, Treaty says $2/3$ figure can be altered by Eur.Council vote.
 - Following Irish rejection of Lisbon, Eur.Council decided (December 2008) to promise one per member.

Barroso Commission, 2004-2009



A new Commission will be appointed after the June 2009 European Parliamentary elections.

Should take office in January 2010.

Commissioners, Commission's composition



- Commissioners are chosen by their own national governments.
 - subject to political agreement by other members.
 - Commission, the Commission President individually, approved by Parliament.
- Commissioners are not national representatives.
 - should not accept or seek instruction from their country.
- Appointed together, serve for five years
 - current Commission's term ends in Jan 2010, runs in parallel to European Parliament terms but 6-month lag.
- Each Commissioner in charge of a specific area of EU policy.
 - Directorate-Generals or DGs

Commissioners, Commission's composition



- Executive powers.
 - Commission executive in all of the EU's endeavours,
 - power most obvious in competition policy and trade policy.
- Manage the EU budget, subject to EU Court of Auditors.
- Decision making:
 - Decides on basis of a simple majority, if vote taken.
 - Almost all decisions on consensus basis.

European Parliament



- Two main tasks:
 - Oversees EU institutions, especially Commission;
 - Shares legislative powers, including budgetary power, with the Council and the Commission;
- Organisation
 - 785 members (MEPs) in EU27.
 - Directly elected in special elections organized by member nation.
 - Number per nation varies with population but rises less than proportionally.

MEPs per Members (EU27)

	Germany	99
	France	78
	Italy	78
	United Kingdom	78
	Spain	54
	Poland	54
	Romania	35
	Netherlands	27
	Belgium	24
	Czech Republic	24
	Greece	24
	Hungary	24
	Portugal	24
	Sweden	19
	Austria	18
	Bulgaria	18
	Finland	14
	Denmark	14
	Slovakia	14
	Ireland	13
	Lithuania	13
	Latvia	9
	Slovenia	7
	Cyprus	6
	Estonia	6
	Luxembourg	6
	Malta	5



MEPs per Members (EU27)



Luxembourg

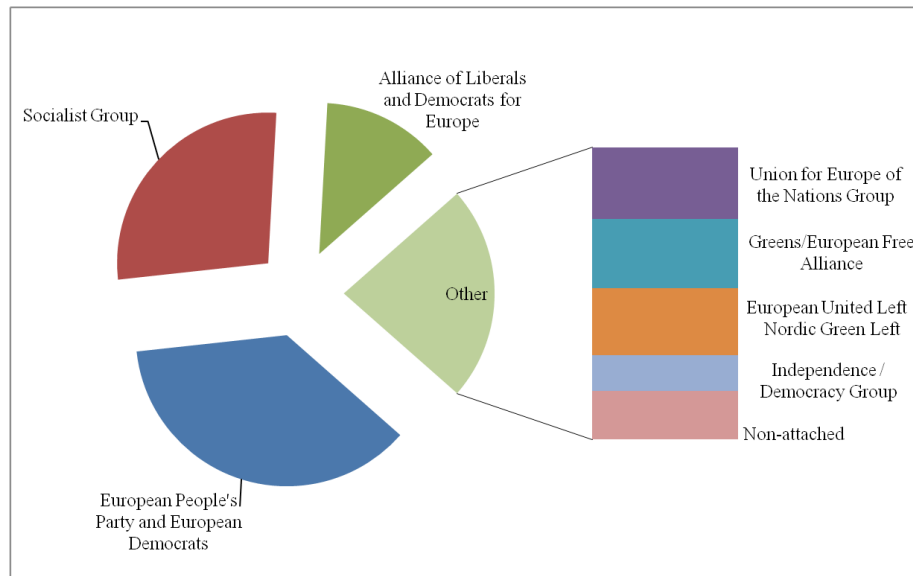


Strasbourg



Brussels

European Parliament



- **MEPs physically sit left-to-right.**
 - 2 main groups – the centre-left (Party of European Socialists) and the centre-right (European People's Party) – account for two-thirds of the seats and tend to dominate the Parliament's activity.
- **The Constitutional Treaty proposes few changes for the Parliament.**

European Parliament



- Democratic control:
 - Parliament and Council are the primary democratic controls over the EU's activities.
 - MEPs directly elected so in principle a way for Europeans to have a voices.
 - In practice, however, European Parliamentary elections dominated by standard left-versus-right, and purely local issues rather than by EU issues.
 - MEPs physically sit left-to-right.
 - Voter turnout for EP elections has been falling since direct elections began (even though EP getting more powerful).
- The Lisbon Treaty proposes few changes for the Parliament.

European Court of Justice



- EU laws and decisions open to interpretation that lead to disputes that cannot be settled by negotiation.
 - Court settle these disputes, especially disputes between Member States, between the EU and Member States, between EU institutions, and between individuals and the EU.
- EU Court's supranational power highly unusual in international organisations.
 - Primacy is based on one the EU Courts early rulings.

European Court of Justice



- Influence
 - Court has had a major impact on European integration via case-law
- Organisation
 - located in Luxembourg
 - one judge from each member
 - appointed by common for six years
 - also eight “advocates-general” to help judges
 - the Court reaches its decisions by majority voting.
 - Court of First Instance set up 1980s to help with ever growing workload.

Legislative processes



- Main procedure, codecision procedure, gives the Parliament equal standing with the Council after a proposal is made by Commission.
 - used for about 80% of EU legislation.
- The codecision procedure requires:
 - Commission's proposal to be adopted by the Parliament (deciding by simple majority) and Council (deciding by qualified majority) before it becomes law.
 - If the Parliament and/or the Council disagree, proposal only adopted if a Council-Parliament compromise can be reached.
- Lisbon renames this “Ordinary Legislative Procedure”.

Legislative processes



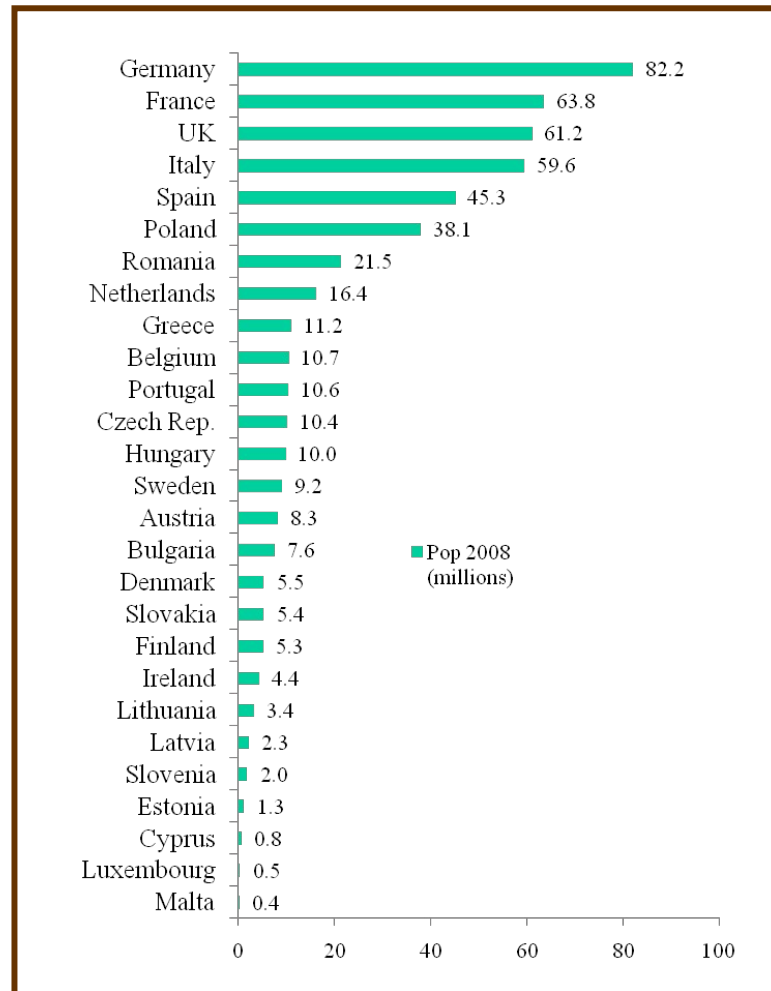
- Other procedures
 - Consultation procedure
 - used for few issues, Parliament only gives opinion
 - Assent procedure.
 - e.g. decisions concerning enlargement
 - Parliament can veto, but cannot amend proposal
 - Cooperation procedure,
 - historical hang over
 - Quite similar to codecision procedure
 - Like codecision procedure but Parliament's power to amend is less explicit.
- Lisbon Treaty eliminates all but unanimity and OLP (with minor exceptions).

Enhanced Cooperation



- Since the Amsterdam Treaty, the EU has had the possibility of creating “Clubs within the Club.”
 - Known as “Enhanced Cooperations.”
 - Like Schengen (cooperation on visa, police and immigration matters that include some but not all EU members and included some non-members like Norway), or Eurozone (not all EU25 are part of currency union).
 - Eurozone & Schengen are not Enhanced Cooperations but their existence inspired the idea.
- This possibility may be more important as decision-making gets difficult in EU.

Some important facts: Population



Some important facts: Population



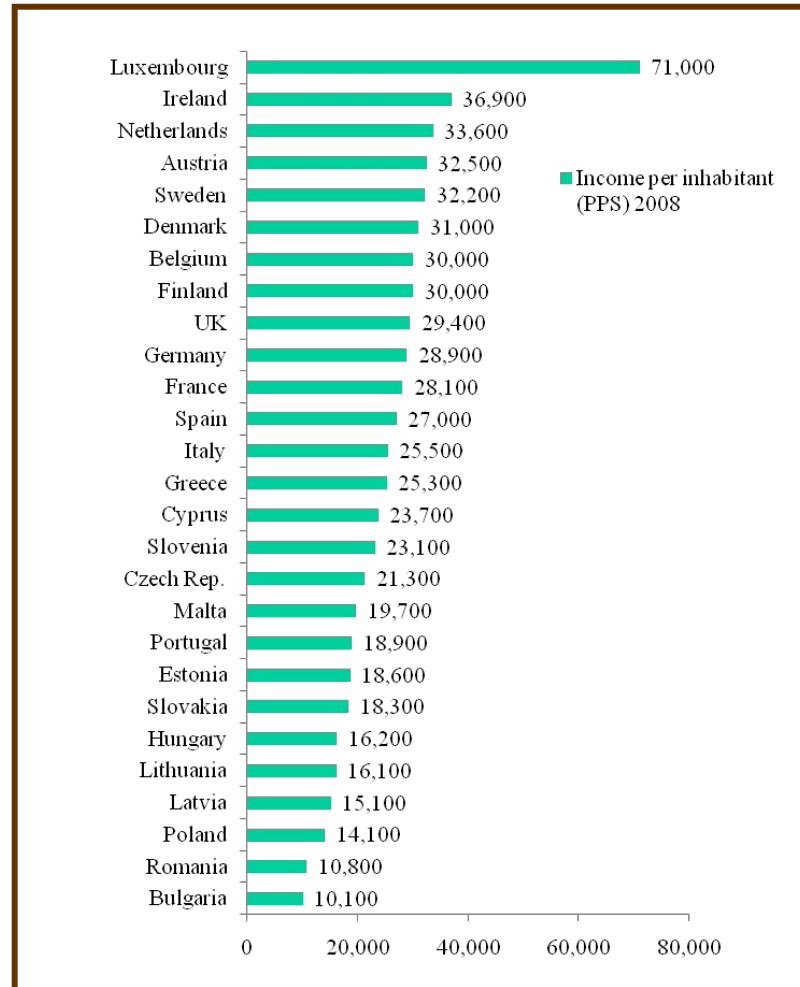
- ‘Big’ nations (>35 million)
 - Larger than largest city in the world; Germany, the UK, France, Italy, Spain and Poland.
- ‘Medium’ nations (8 to 11 million)
 - Like mega-city, e.g. Paris metro region; Greece, Portugal, Belgium, the Czech Republic, Hungary, Sweden and Austria, Bulgaria.
- ‘Small’ nations
 - Like big city, e.g. Barcelona, or Lyons; Bulgaria, Denmark, Slovakia, Finland, Ireland, Lithuania, Latvia, Slovenia, and Estonia.
- ‘Tiny’ nations
 - Like small city, e.g. Genoa, Cyprus, Luxembourg and Malta.
- Netherlands & Romania fall in between big and medium.



Facts: income per capita



PPS is Commission's adjustment for cost of living (Purchasing Power Standard)

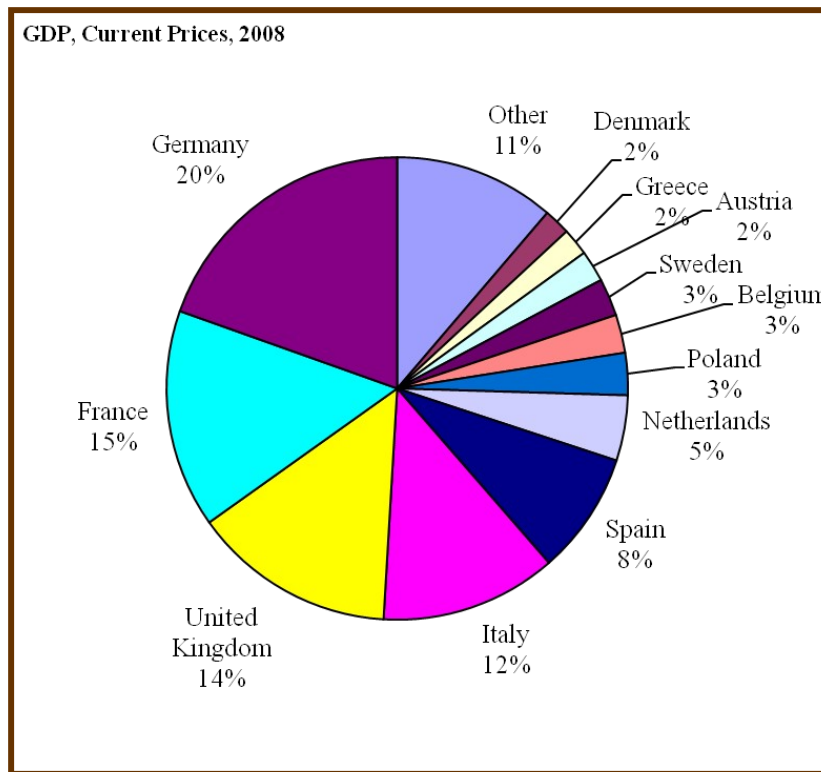


Facts: income per capita



- 11 High income (above EU25 average) over €22,500
 - Ireland, Netherlands, Austria, Sweden, Denmark, Belgium, Finland, UK, Germany, France, and Italy.
- 6 Medium income category – from €19,000 to €22,500
 - Greece, Cyprus, Slovenia, Czech Republic, Malta.
- 9 Low income nations, less than €19,000
 - Portugal, Estonia, Slovakia, Hungary, Lithuania, Latvia, Poland, Romania, Bulgaria.
- Luxembourg is in the super-high income category by itself.
 - per capita income more than twice that of the rich Dutch.

Facts: Size of economies



"Other"

Ireland	1.5%	Luxembourg	0.3%
Finland	1.5%	Slovenia	0.3%
Portugal	1.3%	Bulgaria	0.3%
Czech Republic	1.2%	Lithuania	0.3%
Romania	1.0%	Latvia	0.2%
Hungary	0.9%	Estonia	0.1%
Slovakia	0.5%	Cyprus	0.1%
		Malta	0.04%

Facts: Size of economies



- Economic size distribution is VERY uneven.
- 6 nations (Germany, the UK, France, Italy, Spain and the Netherlands) account for more than 80% of EU25's economy.
- Other nations are small, tiny or miniscule,



Facts: Size of economies



- ‘Small’ is an economy that accounts for between 1% and 3% of the EU25’s output.
 - Sweden, Belgium, Austria, Denmark, Poland, Finland, Greece, Portugal and Ireland.
- ‘Tiny’ is one that accounts for less than 1% of the total.
 - Czech Republic, Hungary, Slovak Republic, Luxembourg, Slovenia, Lithuania, and Cyprus.
- Miniscule as one that accounts for less than one-tenth of one percent.
 - Latvia, Estonia and Malta

The budget: Expenditure



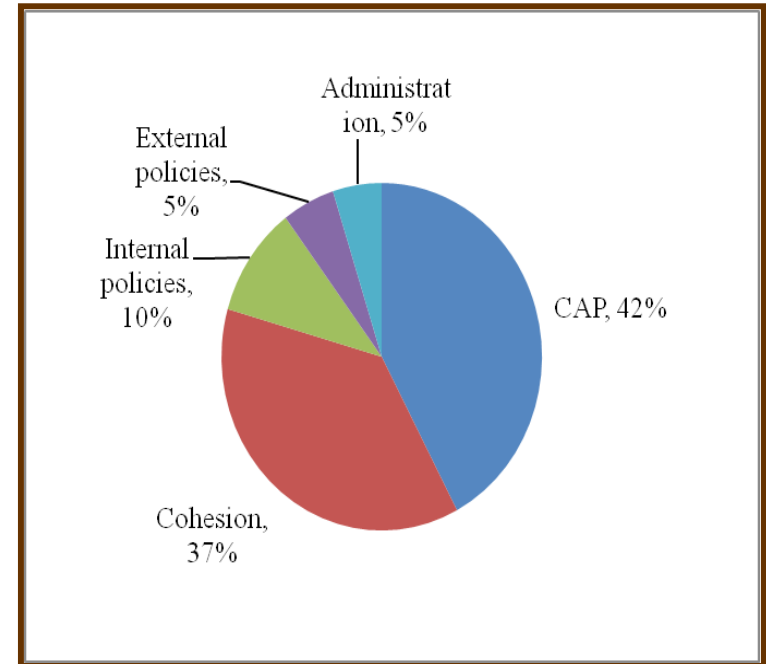
- Expenditure is on 3 things:
 - Agriculture (about half).
 - Cohesion (about one third)
 - All else (rest), of which
 - Other Internal Policies, External Policies, Administration
- Note: 2007-2013 Financial Perspective changes names:
 - Ag = ‘Preservation and management of natural resources’ (CAP, fishing policy, etc),
 - Cohesion = Cohesion for growth and employment.
 - Other internal policies = ‘Competitiveness for growth and employment’ & ‘Citizenship, freedom, security and justice,’
 - External policies = ‘The EU as a global partner.’

2009 expenditures

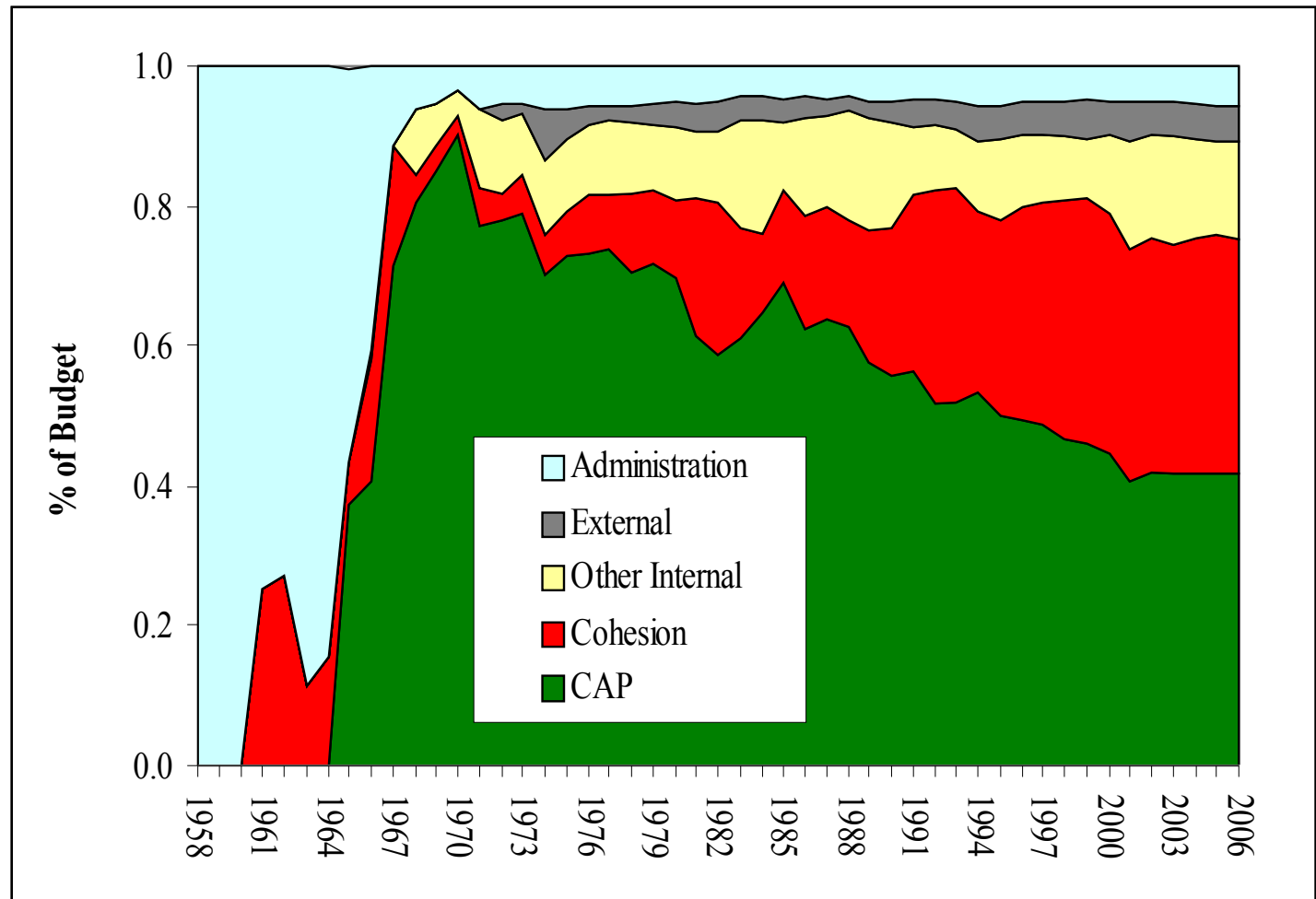


EU budget 2009 in figures (in billion euros)		
CAP		54.8
Agricultural expenditure and direct aids	41.1	
Rural development	13.7	
Cohesion		48.3
Convergence	39	
Regional competitiveness and employment	8.1	
Territorial cooperation	1.2	
Internal policies		13.4
Education and training	1.1	
Research	6.8	
Competitiveness and innovation	0.5	
Transport and energy networks	1.9	
Social policy agenda	0.2	
Environment	0.3	
Fisheries	0.9	
Freedom, security and justice, including fu	0.9	
Citizenship, including culture, media, publi	0.6	
Compensations to new EU countries	0.2	
External policies		6.9
Pre-accession	1.5	
European neighbourhood	1.6	
Development cooperation	2.4	
Humanitarian aid	0.8	
Democracy and human rights	0.2	
Common foreign and security policy	0.2	
Instrument for Stability	0.2	
Administration		6.4
European Commission	3.6	
Other institutions	2.8	
Total	133.8	

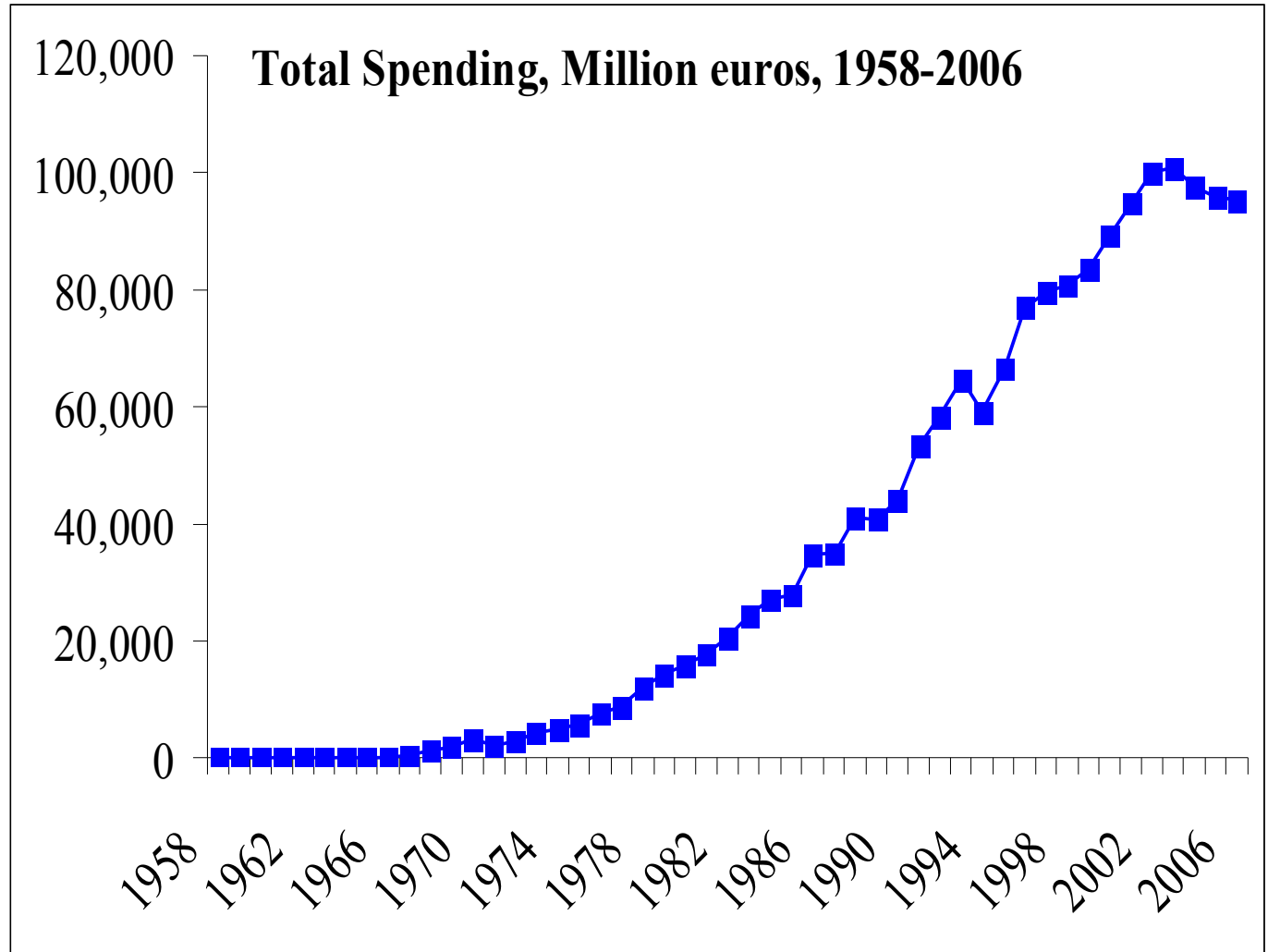
Source: EU budget 2009, Sustainable development and innovation at the core of the EU budget", DG Budget.



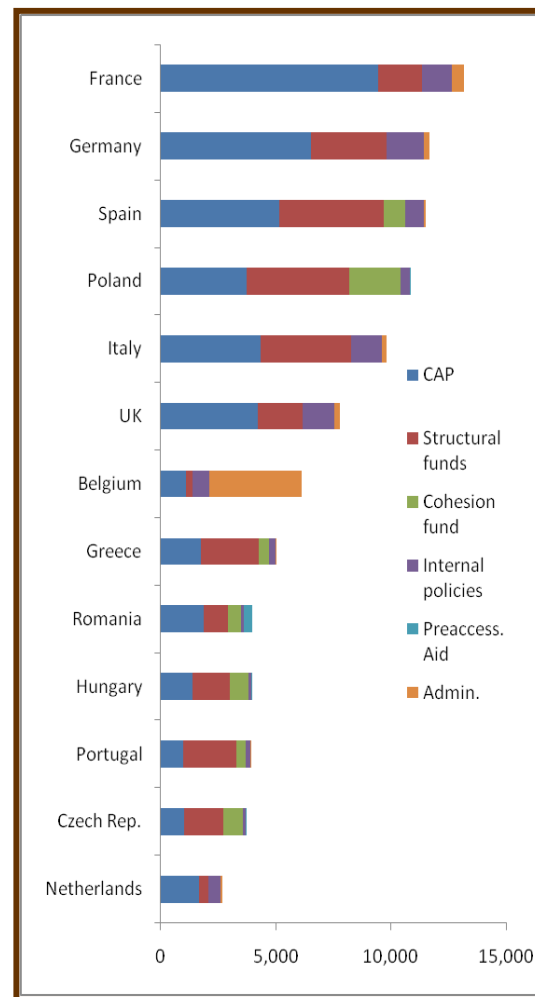
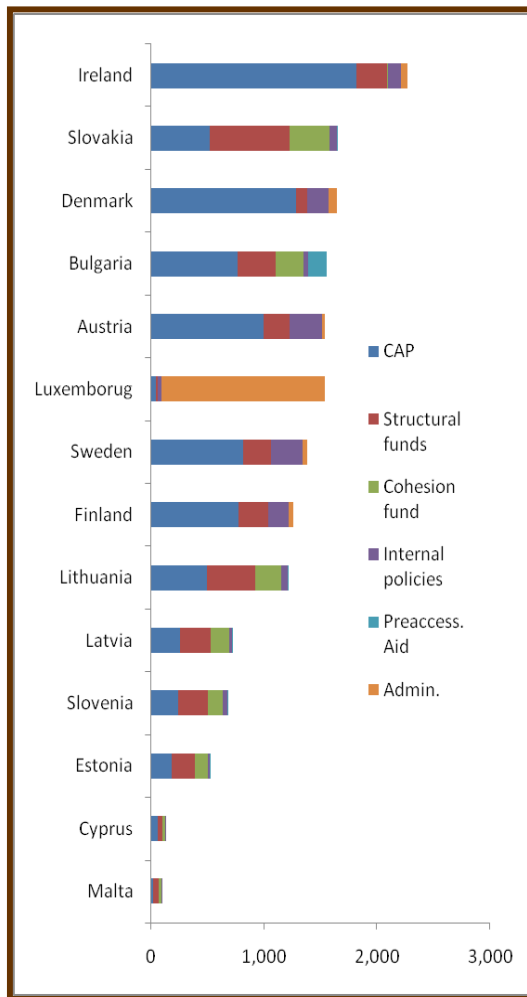
Evolution of spending priorities



Evolution of spending, level



Receipts by area by member (mill.euros)

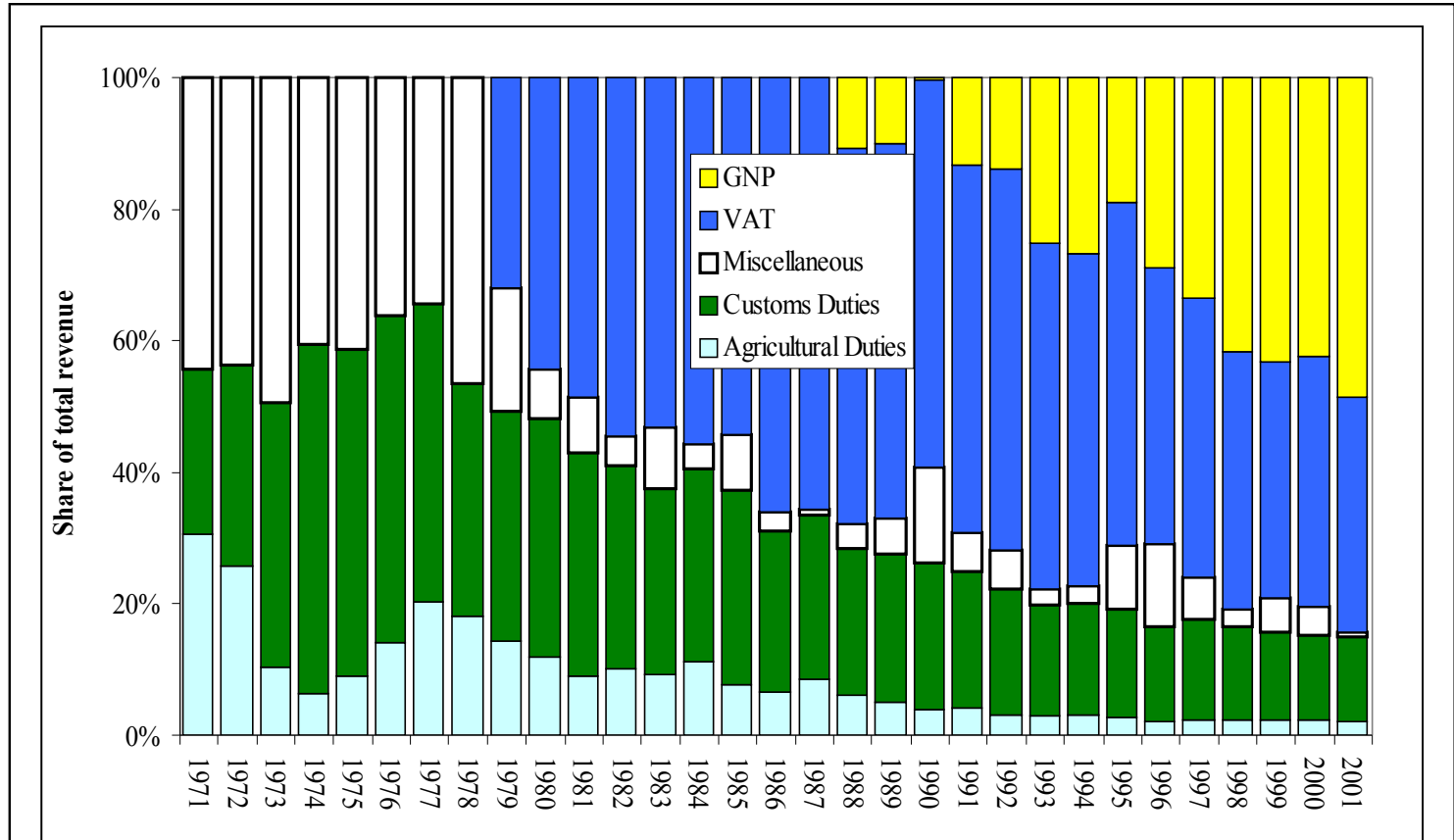


Funding of EU Budget



- EU's budget must balance every year
- Financing sources: four main types
 - Tariff revenue
 - 'Agricultural levies' (tariffs on agricultural goods)
 - 'VAT resource'.
 - Like a 1% value added tax (reality is complex).
 - GNP based.
 - tax paid by members based on their GNP.
- Miscellaneous
 - relatively unimportant since 1977
 - taxes paid by eurocrats, fines and earlier surpluses
 - pre-1970s direct member contributions

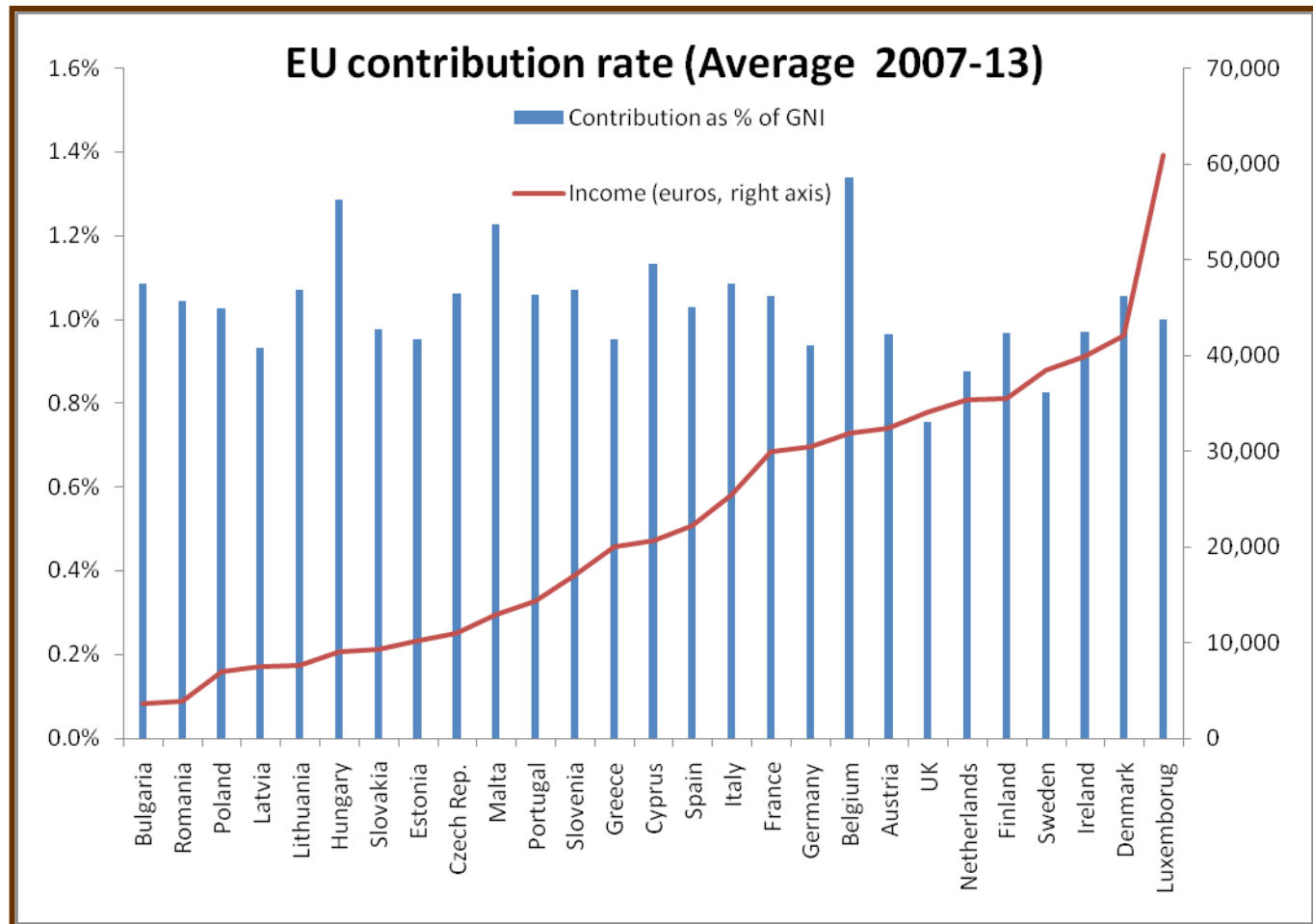
Evolution of Funding sources



Source: "The Community Budget: The facts in figures" European Commission, 2000. Downloadable from <http://eurpoa.eu.int/budget/>

Contribution vs GDP

Data from Financial Perspective 2007-13.

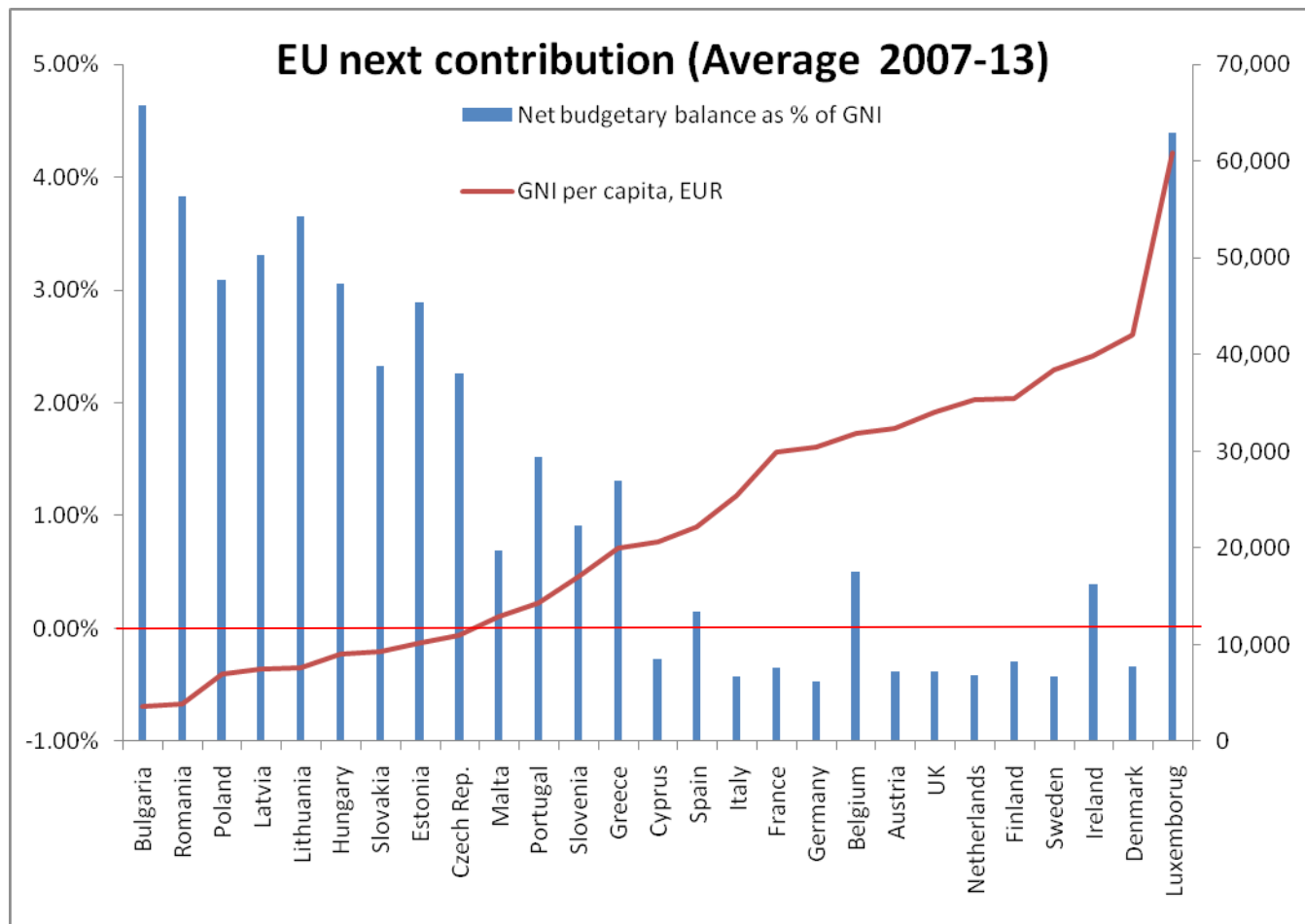


Contribution vs GDP



- % of GDP per member is approximately 1% regardless of per-capita income
- EU contributions are not 'progressive'
- e.g. richest nation, (Lux.) pays less of its GDP than the poorest nation (BG)

Net Contribution by Member



Net Contribution by Member



- The net contribution of the poorest members are positive and on average they are negative for the rich EU members, but Belgium, Ireland and Spain are exceptions.
- Luxembourg, the richest by far, gets one of the highest net receipts (largely due to the presence of so many EU institutions in the Grand Duchy)