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| **EU Public Finance**  (Course syllabus) | | | |
| **Instructor:** | Andrii Boiar, room 6, Building G, 28 Vynnychenka str., [Andrij.Boyar@eenu.edu.ua](mailto:Andrij.Boyar@eenu.edu.ua) | | |
| **Course description**: | the course develops basic principles and mechanisms that govern the EU public finance sector through examination of four sides of the EU budgetary system: budgetary law and institutions, revenue, expenditure and budgetary process. The course provides an overview of the history of the EU finance, outlines institutional and legislative framework of decision-making in the sector, investigates revenue sources and programmes and funds of EU established for the period 2014–2020. The EU annual budget for current year will serve as the main case-study of the course. As a final outcome of the course we will try to reveal linkages between budgetary systems of the EU and its Member-States and extrapolate that to possible EU membership of Ukraine. | | |
| **Course reference material** | (one of the two to be selected by a student): European Union (2014). *European Union Public Finance.* Fifth edition. Luxembourg: Publications Office of the European Union, 360 p. (available at: <http://bookshop.europa.eu>) (in English); Boiar, A. O. (2012). *Budgetary Process in the European Union*. Lutsk: Vezha-Druk, 524 p. (available at: [https://www.researchgate.net/](https://www.researchgate.net/publication/256548173______%28Budgetary_Process_in_the_European_Union%29?ev=prf_pub)) (in Ukrainian) | | |
| **Prerequisites:** | general knowledge of institutional arrangements in EU and of public finance of a state. | | |
| **Grading policy:** | letter grades determined from:   * participation in class discussion – 20 %; * annotations of assigned readings – 20 %; * final examination – 60 %. | | |
| **Class format:** | the course will be divided into 7 thematic sessions each consisting of two lectures and a successive seminar. There will be one session with a guest speaker – an expert in EU funding. The final examination will be held in computer-testing format. | | |
| **Readings:** | assigned from the list below. There will be no more than two readings per session (beyond the reference material). Assignments will be made for written evaluations of some of these readings. | | |
| **Sessions:** | # | Hours | Topic |
| 1 | 6 | General overview of the EU finance   * Financial resources of the European integration * EU budgetary system versus national budgetary systems * Where does the money go? * Where does the money come from? * Principles of the EU budgetary policy * Budgetary planning in EU |
| 2 | 6 | Evolution of the EU budgetary system   * The development of an original financial system (1951-75) * The crisis in the Community’s finances (1975-87) * Reform of the Community’s finances: the Delors I and II packages (1988-99) * Establishment of a stable budgetary base for enlargement of the European Union: the Agenda 2000 package (2000-06) * Policy challenges and budgetary means of the enlarged Union: the multiannual financial framework 2007-13 * Budgetary resources for Europe 2020 Strategy (2014-20) |
| 3 | 6 | The EU budgetary legislation   * General characteristics of the EU legislation * Specific features of the EU budgetary legislation * Financial provisions of primary legislation * Basic acts of secondary legislation. Own Resource Decision and Financial Regulation. * Interinstitutional agreements and Court of Justice decisions |
| 4 | 6 | EU institutions and bodies in budgetary process   * General competences and the system of the EU institutions * The EU budgetary authority (Parliament and Council) * Budgetary functions of the European Commission: the DG BUDG * The European Court of Auditors and other audit and control bodies * Court of Justice of the EU * Special legislative procedures in the EU budgetary process * Peculiarities of an annual budget execution |
| 5 | 6 | Revenue-generating system in the EU   * Sources of revenue for the EU budget * Traditional own resources * VAT-based own resource * GNI-resource in balancing the EU budget * Correcting net-balances for some Member-States. UK correction * Other sources of revenue |
|  | 6 | 6 | Structure of the EU budgetary expenditure   * Expenditure categories according to Financial Framework 2014–2020 * Financial programs for smart and inclusive growth * Economic, social and territorial cohesion funds * Budgetary means for protection of natural resources * Security and citizenship initiatives * Financial instruments for “Global Europe” * Cost of administration |
| 7 | 6 | Future of the EU finance   * Critical elements of the EU budgetary system * Public and expert polls as for the EU finance * Weak points of the EU own resource system * Alternative revenue sources for the EU * EU expenditure and economic theory * Prospect for a budgetary reform: is there a Juncker package to come? |
|  | 8 | 6 | Session with a guest speaker – an expert in EU funding. Final examination |
| **Assigned readings:** | 1. A Study on EU Spending. Final Report / ECORYS Nederland BV, Netherlands Bureau for Economic Policy Analysis (CPB), Institute for Economic Research (IFO). – Rotterdam, 2008. – 357 p. 2. Begg I. Reshaping the EU Budget: Yet Another Missed Opportunity // Policy Paper. – 1999. – № 1. – 22 p.   Begg I. Rethinkingthe EU’s Finances // Speech delivered at LondonSchoolofEconomics European Institute Debate (in association with European Commission and FT Business). – London, 27November 2008 // <http://www2.lse.ac.uk/publicEvents/pdf/20081127GrybauskaiteBegg.pdf>   1. Bird R. Threading the fiscal labyrinth: some issues in fiscal decentralization // National Tax Journal. – 1993. – Vol. 46. – № 2. – P. 207-227. 2. Boiar (Бояр)А. О. БюджетнаполітикаЄС // Європейськаінтеграція: навчальнийпосібник / [С. В. Федонюктаін.]; заредакцієюС. В. Федонюка, В. Й. Лажніка. Видання друге, перероблене й доповнене. – Луцьк: ВолинськийнаціональнийуніверситетіменіЛесіУкраїнки, 2010. – С. 92-116. 3. Buti M., Nava M. Towards a European Budgetary System **//** European University Institute Working Papers. – 2003. – № 8. –21 p. //<http://www.iue.it/RSCAS/WP-Texts/03_08.pdf> 4. Carruba C. J. Net Financial Transfers in the European Union: Who Gets What and Why? // Journal of Politics. – 1997. – № 59. – P. 469-496. 5. Cipriani G. Rethinking the EU Budget: Three unavoidable Reforms. – Brussels: Centre for European Policy Studies, 2007. – 157 p. // <http://www.ceps.eu/files/book/1563.pdf> 6. Consolidated version of the Treaty on the Functioning of the European Union // Official Journal of the European Union. – 2008. – C 115. – P. 47–199. 7. Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities’ own resources // OJ. – 2007 (23.06). – L 163. – P. 17-21. 8. **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. – 2002 (16.09). – L 248. – P. 1–86.** 9. Ferrer J. N. The EU Budget: the UK Rebate and the CAP – Phasing them both out? / CEPS task force report. – Brussels: Center for European Policy Studies, 2007. – 108 p. 10. Figueira F. A Better Budget for Europe: Economically Efficient, Politically Realistic // European Policy Analysis (Journal of the Swedish Institute for European Policy Studies). – 2008. – № 2. – 4 p. 11. Funding the European Union. Report with Evidence // House of Lords European Union Committee. – London: The House of Lords Stationery Office Limited, 2007. – 97 p. 12. Gretschmann K. Reform of the own-resources system and net positions in the EU budget // European Parliament Directorate-General for Research Working Document, Budget Series 100, 1998 //<http://www.europarl.europa.eu/workingpapers/budg/100/default_en.htm> 13. Grybauskaite D. Results of the public consultation»Reforming the Budget, Changing Europe» // Speech delivered at Conference «Reforming the Budget, Changing Europe», Brussels, 12 November 2008 // <http://ec.europa.eu/commission_barroso/grybauskaite/pdf/presentation_2008nov12.pdf> 14. Heinemann F., MohlPh., OsterlohS. Reform Options for the EU Own Resources System: Abstract and Executive Summary / Research Project 8/06 Commissioned by the German Federal Ministry of Finance. – Mannheim: ZentrumfürEuropäischeWirtschaftsforschung, 2008. – 13 p. 15. Nicolaides Ph., Talsma F. Financing the European Union: Options for Reform // EIPASCOPE. – 2005. – № 2. – P. 27-34.   Pietras J. Thefutureofthe EU budget. Insearchofcoherenceofobjectives, policiesandfinancesoftheUnion. – Warsaw: DemosEUROPA–Centre forEuropeanStrategy, 2008. – 68 p.   1. Šimović H. Fiscal system and fiscal relations in the European Union: political restraints and alternative approach to public finance // Faculty of Economics and Business University of Zagreb Working Paper Series. – 2007. – № 4. – 11 p. | | |