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1. Introduction

The debate on new own resources allocated to the European budget, ongoing even before the pandemic, has gained increased significance today. Firstly, following the implementation of the substantial recovery plan by the EU (Next Generation EU - NGEU), it became necessary to create new European public debt. The Commission issued bonds on behalf of the EU to finance this plan (€806 billion at current prices). A portion of these bonds (€338 billion) finances non-repayable transfers to Member States, and the related debt cost should be borne by the European budget, not member states. The NGEU was created through the decision to increase the ceiling of the European Union's own resources, thereby providing the guarantee to issue EU public debt securities on the market, which will need to be repaid from 2028 until 2058[1]. Beyond NGEU, recent crises necessitate the EU to have its fiscal capacity (an adequate budget funded by European own resources) for stabilization in asymmetric shocks (such as the sovereign debt crisis) and allocation of European public goods like addressing climate change and managing a common European defence.

2. Own resources proposed by the European Commission

The gradual introduction of new own resources for the Multiannual Financial Framework is outlined in the 2020 Decision on Own Resources[2] and the legally binding Interinstitutional Agreement on budgetary matters[3]. The Commission detailed new revenue sources with potential yield estimates in two subsequent proposals in 2021[4] and 2023[5]. These primarily involve resources linked to EU environmental policies and corporate profits, aiming to address economic inefficiencies such as greenhouse gas emissions, tax evasion by large multinational corporations, and tax competition within the single market. The Commission also suggests statistical sources, non-fiscal in nature, with revenue calculated through an applied rate to statistical data, contributing to relevant European policies.

2.1. Reformed ETS-based own resource

The Commission proposed a legislative framework in 2021 to reform the EU Emission Trading System (ETS), a carbon pricing system based on emissions trading. The reform is crucial for meeting the "Fit for 55" targets, aiming for a 55% reduction in emissions to 1990 levels. The proposal includes extending ETS scope, modifying allocation mechanisms, and setting emission limits. Notably, it incorporates the maritime sector into ETS and introduces a separate carbon pricing system (ETS2) for the building and road transport sectors from 2026.

This would consequently increase the revenue provided by the sale of ETS allowances, in particular thanks to the role of the road and residential sectors, which represent

28% and 8% of total EU emissions respectively (Gore *et al.*, 2021). As for air transport, in 2023, the Council and the European Parliament reached a political agreement to ensure that this sector also contributes to decarbonisation. Therefore, the ETS system will cover flights within Europe, while the CORSIA (Carbon Offsetting and Reduction for International Aviation)[6] system will apply to flights between Europe and participating third countries outside the EU.

Currently, most of the revenue from certificates goes to Member States, with an expectation that at least 50% is used to address national expenditure related to climate change. In the 2021 proposal, the Commission suggested allocating 25% of the revenue to the EU budget, with an estimated value of €9 billion per year for the period 2023-2030, while the remaining revenue would still go to Member States, but with the requirement to use all of it for climate-related purposes. The share of proceeds allocated to the European budget was subsequently revised in 2023: the Commission increased the EU's share to 30%, which is €19 billion per year.

Carbon pricing has regressive income effects, particularly impacting lower incomes. To counterbalance, the Commission suggests a "carbon dividend" through a Social Climate Fund, earmarking 25% of ETS2 revenues (€65 billion for 2026-2032) for member states to support the transport sector, improve energy efficiency, and combat energy poverty.

2.2. CBAM-based own resource

The Carbon Border Adjustment Mechanism (CBAM) aims to support global carbon emission reduction by addressing the risk of emissions relocation from the EU to jurisdictions with less ambitious climate policies. CBAM involves charging a carbon price at the EU's external border, correcting cost differences due to inadequate carbon pricing in foreign countries, thus ensuring a level playing field between European goods and imported goods.

The CBAM began in October 2023 with an initial transitional phase, but will become fully operational from 2026, when importers will need to acquire a sufficient quantity of certificates to cover emissions of imported goods. According to the CBAM regulation[7], Member States will be responsible for collecting revenue from the sale of CBAM certificates. The Commission proposes to allocate 75% of the proceeds from the sale of CBAM certificates to the EU budget. Therefore, from 2026, the projected revenue would amount to €1.5 billion, while it is estimated to reach €2.1 billion per year by 2030.

2.3. Own resources based on the reallocation of profits from large multinational corporations

In 2021, the European Commission initiated a roadmap for the introduction of a digital tax, which is also included in the roadmap of the AII. However, a global agreement rendered the idea of taxing only the digital sector obsolete. In 2021, within the OECD/G20 initiative for global tax reform (Inclusive Framework on Base Erosion and Profit Shifting - BEPS), an agreement was reached to address the tax effects of globalization and digitization through a two-pillar approach. According to the agreement, global multinational corporations with worldwide revenues exceeding 20 billion euros must allocate 25% of their residual profits to the country where the customers and users of such multinational corporations are located (i.e., the so-called "market jurisdictions") (First Pillar). Additionally, a global minimum effective corporate tax rate of 15% was agreed upon for multinational corporations with worldwide revenues exceeding 750 million euros, to be paid in the countries where they operate and not just where they have their headquarters (Second Pillar).

In addition, the BEPS agreement provides for the abolition and suspension of taxes on digital services and other similar measures currently in force. This implies that, in the future, there will be no new additional taxes on digital services, in addition to the tax resulting from the global agreement. Therefore, the previous proposal for a digital tax by the Commission is superseded by a global solution based on the concept of allocation of taxing rights and the application of a minimum effective tax rate of 15% on the global profits of multinational corporations. Regarding the EU, all member countries have accepted the agreement.

In line with the OECD/G20 agreement, the Council directive for a global minimum tax for multinational corporations is linked to important EU policies and strategies related to the digital economy, which are functional for sustainable development and respect the maintenance of the single market. Therefore, the proceeds from such taxation are an ideal candidate for financing European policies and projects. Based on global agreement estimates, it is presumed that under the first pillar, taxing rights on over $125 billion in profits should be reallocated annually to market jurisdictions, without specifying how much of the profits are related to the market jurisdictions of the EU.

The Commission's proposal for an own resource based on Pillar 1 would involve transferring 15% of the resources collected through the reallocation of 25% of residual profits from multinational corporations to European countries to the European budget. The Commission estimates that the revenue for the budget would amount to between 2.5 and 4 billion euros annually.

2.4. Plastic-based own resources (statistical resource)

The plastic-based own resource is a statistical source effective from January 1, 2021, introduced by the EU to reduce the production of non-recycled plastic packaging waste, as outlined in the 2018 European Strategy for Plastics in a Circular Economy. The production of plastic packaging as well as the incineration of plastic packaging waste cause climate-damaging emissions which are not restricted to the respective country; furthermore, from an economic standpoint, inaction entails costs associated with the removal of plastic waste from European coasts and beaches, estimated at 630 million euros per year (Pinto da Costa *et al.*, 2020).

The resource is calculated by applying a uniform rate of €0.80 per kilogram of non-recycled plastic packaging waste, with an option for correction mechanisms for poorer countries[8]. According to 2018 estimates provided by the Commission, the revenues amount to 6.2 billion euros per year, net of correction mechanisms.

2.5. Own resource based on corporate profits (statistical resource)

One of the major problems of the European internal market is tax competition among member countries. This deprives public coffers of a mobile tax base attracted by

more advantageous tax regimes, exerting downward pressure on the average tax level in Europe. The average nominal corporate income tax rate in EU countries has indeed dropped from 35% in 1995 to 21.2% in 2023 (European Parliament, 2023). The BEPS agreement marks the beginning of the expected global reform of corporate income tax, and consequently, in the EU. According to the second Pillar, global multinational corporations reaching the 750 million euros turnover threshold must apply a minimum effective global tax of 15%. This should generate approximately 150 billion dollars in new tax revenues globally, while in the EU, it would bring in 64 billion euros annually, with the forecast that this figure will increase over time to 72 billion euros (Baraké *et al.*, 2021).

The agreed minimum tax rules in the second Pillar, while accepted by EU countries, are not yet in force globally. However, the EU has incorporated them into the Business in Europe: Framework for Income Taxation (BEFIT) initiative, aimed at introducing uniform rules at the European level for determining the tax base of companies within the same group. BEFIT serves as a reference for another new proposal for an own resource by the Commission. It is a temporary statistical own resource, the amount of which will be calculated by multiplying a common rate of 0.5% by the Gross Operating Surplus of financial and non-financial companies in each member country. The corresponding amount will then be deducted from public budgets in the form of a national contribution and transferred to the European budget, for an estimated sum of around 16 billion euros annually.

3. Proposals for additional new European own resources

In addition to the proposals already put forward by the European Commission, it is possible to identify other sectors as taxable bases for the introduction of additional new own resources. The criteria to be followed should respond to efficiency assessments and their connection with EU priorities. Firstly, those sectors that exhibit strong negative externalities, i.e., economic and social inefficiencies harmful to society not included in market prices, should be considered. This category notably includes the proposal to introduce European surtaxes in the gambling and tobacco sectors, both responsible for negative externalities such as gambling addiction and serious health problems, and the financial transaction tax, due to the risk of generating instability in financial markets. These are authentic European own resources, the origin of which excludes national budgets. Secondly, the connection with specific European policies makes some proposals particularly useful for incentivizing virtuous behaviors. This is the case with the introduction of new statistical own resources, such as those based on the gender pay gap and food waste. However, these do not qualify as genuine own resources but as national contributions from the budgets of member countries.

3.1. Own Resource Based on Gambling

Despite repeated crises in recent years, the gambling sector is continually expanding, both in the EU and (especially) in Italy. In 2022, the turnover in Italy increased by

54% compared to 2020 (a year that saw a 20% annual contraction due to the pandemic), rising from 88 to 136 billion euros, thus setting a new historical record (Customs and Monopolies Agency, 2022). However, the widespread availability of gambling options in Italy incurs significant social costs, such as the emergence of gambling addiction and infiltration by criminal organizations into the sector.

In Italy, in 2022, the revenue amounts to 11.2 billion euros, against a turnover of 136 billion euros. The share of taxation corresponds to 8% of turnover. It is important to note that in 2018 this figure stood at 10%. In any case, it should be noted that the weight of taxation on gambling is modest even compared to other types of taxation, such as the taxation on personal income (ranging from 23% to 43%).

Gambling taxation, both in Italy and in other major European countries, is not uniform for different types of games. For example, traditional games (lottery and lotteries) are subject to a tax corresponding to the residual treasury margin, while other sectors (betting and new generation games) have different tax rates and taxable bases depending on the type of game. Similarly, in other European countries, tax systems are structured on a taxable basis that can be represented by revenue or gross margin. Differences are also found in the applied tax rates, although on average, they remain higher in Italy.

Given the complexity, the idea of introducing a European surtax should not interfere with existing regimes in member countries. A linear surtax, with a uniform rate, added to national systems without modifying their internal structure, could be a viable way to apply a European surtax to the gaming sector. In the EU, the total payout is approximately 504 billion euros (2022). Consequently, by applying a 10% tax rate on all payouts in member countries, the potential revenue could amount to about 50 billion euros per year.

It is important to highlight a further source of complexity linked to the renewal of multi-year concessions to operators in the sector. EU gambling principles, enshrined in Article 49 of the TFEU and established through consistent legal rulings, extend the principle of protection of legitimate expectations, provided for any operator, to concessionaires. These principles include free competition within the common market, non-discrimination, and safeguarding good faith in relations between concessionaires and players, as well as between concessionaires and public administration. Therefore, to prevent operators from contesting any changes in taxation, the idea of introducing a European surtax on the amount of winnings requires some reflections related to the fiscal framework of gambling and the renewal of concessions.

Considering that taxation in the gambling sector affects the volume of revenue, the income of operators receiving concessions and player winnings, taxation of revenue and income of concessionaires should remain consistent throughout the concession period, in line with European principles.

However, while tax stability for concessionaires is important, legislators could consider allowing adjustments to the prize and winning amounts of players during the concession period, to facilitate the implementation of a European surtax on winnings. Alternatively, it would be necessary to consider the varied concession renewal schedules across EU coun-

tries. This would require analysing compatibility and gradually introducing the European surtax on winnings to align with individual concession deadlines.

3.2. Own resource based on cigarette consumption

The aim of European legislation in the tobacco sector is to harmonize national taxation, considering the achievement of a dual purpose: on the one hand, providing stable revenues to the state coffers; on the other hand, increasing the level of health protection for individuals and thus reducing the negative externality of tobacco consumption. In fact, cigarette consumption in the EU shows a constant decrease.

Within the EU, each member country has a different preference for the type of taxation (specific and ad valorem), but in determining the level of taxation to be applied internally, common rules must be respected, such as a mixed taxation, composed of both specific (fixed based on quantity) and ad valorem (percentage of the price) taxes. This mechanism should ensure, on the one hand, that prices, although different among the various member countries, do not decrease beyond a certain threshold, so as not to encourage tobacco consumption, and, on the other hand, that in the face of a decrease in consumption, tax revenue for the states remains stable through a gradual increase in taxes.

In line with the Commission's intention to discourage harmful consumption for health by applying an additional cost to cigarette consumption, a European surcharge of 0.05 euros per cigarette could be introduced, regardless of the national tax regime and independently of the prices in force. An optimal solution would involve additional taxation for electronic cigarettes, cigars, and pipe tobacco. However, limiting it to cigarette consumption, with a total amount of about 402 billion cigarettes in 2022, it can be estimated that a surcharge of 0.05 euros per cigarette would generate revenue of 20 billion euros per year for the European budget.

3.3. Financial transaction tax

Following the financial crisis of 2008, the financial transactions tax (FTT) has often been proposed as a response to the significant imbalance that has emerged in recent decades between the growth of the real economy and the growth of speculative finance. It differs from a tax on financial companies, as its aim is not to tax the profits of banks but rather transactions conducted at high frequency, often automated. It thus constitutes a burden on market participants operating at extremely high speeds, while excluding financial transactions of small savers, such as loans, mortgages, insurance contracts, and credit card transactions.

Economists advocating for the FTT, such as Keynes, Tobin, Stiglitz, and Summers, believe that such a tax would reduce high-frequency speculative transactions, which are not necessarily tied to the so-called "fundamentals" of underlying assets and generate volatility, causing destabilizing effects on the markets. According to them, this tax would act as a corrective measure by increasing transaction costs, thereby reducing speculative behavior and market volatility.

On the other hand, opponents of the FTT argue that it would reduce market liquidity and distort market efficiency, leading to increased volatility. Another argument in favor of the FTT is its role in ensuring the financial sector's rightful contribution to public resources for the European budget, especially emphasized following the 2007-2008 financial crisis by the European Parliament[9].

In 2011, the Commission proposed establishing a common European FTT on a broad basis, aiming to harmonize taxation across European countries and avoid fragmentation within the single market for financial services. Estimates indicated an annual revenue of 57 billion euros, intended for the European budget. However, due to the impossibility of achieving unanimity in the Council, the path of enhanced cooperation by a willing group of member states was undertaken in 2013[10], but again without success. In 2018, France and Germany proposed introducing an FTT based on the French model[11] with a reduced taxable base[12]. In this new version, an estimated revenue of 3.5 billion euros is anticipated.

Effective implementation of the FTT should rely on multilateral consensus and coordination. With widespread application, at least at the G20 level, it would be possible to reduce the consequences of evasion and relocation typical of national FTTs. A 2019 study (with 2017 data) estimates the revenue that could result from a global FTT, providing revenue estimates for EU countries (Pekanov and Schratzenstaller, 2019). The taxable base they considered is broad, including stocks and corporate bonds (excluding government securities), exchange-traded derivatives, and over-the-counter derivatives, while the tax rate is low and differentiated: 0.1% on stock and bond transactions and 0.01% on derivative transactions[13]. Assuming even lower rates, for example, 0.05% for stocks and 0.025% for corporate bonds (maintaining 0.01% on derivatives), an estimated revenue of approximately 23 billion euros can be calculated[14], under a prudent assumption of high elasticity of substitution and high relocation[15].

3.4. Own resource based on the gender pay gap (statistical resource)

Within the framework of the Gender Equality Strategy 2020-2025, the EU has set the goal of promoting equality between men and women in all areas, including wage compensation (principle of equal pay, Article 157 Treaty on the Functioning of the European Union - TFEU). A potential own resource linked to the gender pay gap (GPG)[16] in each member state could, therefore, be a legitimate candidate for financing the European budget.

According to Eurostat data, in 2021, the GPG in the EU is 12.7%, meaning that women earn almost 13% less than men. Women would need to work an additional 1.5 months to bridge the gap because, on average, they earn €0.87 for every €1 earned by men. There is significant variability in performance among EU countries, with a minimum of 0.7% for Luxembourg and a maximum of 22.3% for Latvia (4.2% for Italy). Introducing a statistical resource linked to the GPG requires defining certain criteria. One proposal is to use 0% as the benchmark value to encourage a complete reduction of the phenomenon. Furthermore, it is necessary to establish the rate and taxable base to determine each state's contribution. An idea is to apply a rate of 0.003% of Gross National Income (GNI) for each percentage point above the benchmark (0%)[17]. According to estimates

by the European Parliament, such a resource could generate contributions from national budgets based on the GPG totaling 4.8 billion euros (Bandelow *et al.*, 2023).

3.5. Own resource based on food waste (statistical resource)

The same method applied to reduce the GPG could ideally be used to incentivize the reduction of European food waste, another issue related to the EU's sustainability policies. The Farm to Fork strategy (part of the European Green Deal) includes measures to reduce food waste and create a more sustainable food system. It has been estimated that 89 million tons of food, equivalent to 180 kg per capita, are wasted annually.

For food waste, the goal could be the complete reduction of the phenomenon, incentivized through the payment of a national contribution based on each country's performance. Using Eurostat data, a rate of 0.003% of GNI (Gross National Income) could be applied for each kilogram per capita of food waste produced by each country[18]. The European Parliament estimates that an own resource based on per capita food waste could generate contributions from national budgets totaling 5.2 billion euros per year (Bandelow *et al.*, 2023).

4. Conclusions

The own resources proposed by the Commission are expected to be implemented starting from 2028, following the special procedure outlined in the TFEU. All decisions regarding new own resources intended to complement or replace the current financing measures for EU expenses must comply with the own resources system under Article 311(1) of the TFEU. Article 311(3) of the TFEU establishes the procedure - a specific legislative process with some distinctive features - for implementing and modifying the current configuration of own resources. In practice, any decision regarding changes to the existing own resources system not only requires unanimous support from the Council, upon a proposal from the Commission, following consultation with the European Parliament, but also approval from each Member State based on their respective constitutional requirements (in most cases, the responsibility to ratify the Own Resources Decision lies with the national parliament, while in some cases, it is the government's decision).

The basket of new revenues proposed by the Commission, once fully implemented, is expected to generate total revenue ranging from 45.2 to 47.3 billion euros. An amount that is useful for covering the costs of the debt issued to finance the NGEU but falls short of the scale of investments needed, for example, to support European public goods such as the ecological transition and the emerging European industrial policy. Therefore, it is necessary to identify additional new own resources, such as those described here: if implemented simultaneously, they could generate a total revenue of approximately 103 billion euros annually. Overall, considering both the resources proposed by the Commission and those hypothesized here, the European budget could benefit from an amount of approximately 150 billion euros, corresponding to about 1% of the EU's GDP (Table 1).

However, this proposal requires some general clarifications. First of all, some European own resources presented here (statistical resources on gambling, tobacco, GPG and food waste) generate imbalances between member countries as regards their tax burden. In some cases, such as gambling, the incidence of the levy relative to GDP is 10 times higher in some countries than in others. This outcome clearly depends on the weight that the gambling sector has in a country's economy. Although this is completely in line with the intention of identifying and reducing negative externalities for society, it could arouse strong opposition from some governments, requiring some compensation mechanisms to make the proposal politically acceptable.

Furthermore, developing revenue proposals requires a holistic approach to the European budget. This means identifying priority spending items on the expenditure side and establishing clear links between sources of revenue and items of expenditure. In addition to providing valuable revenue, the coherence of some sources with policy objectives is evident. Thus, environmental taxes support the ecological transition, corporate taxation promotes a level playing field within the European single market and could even support a European industrial policy, the FTT is linked to the project of the Capital Markets Union.

Finally, it must be recognised that from a long-term perspective, it would be preferable to build a system of own resources based on "structural" rather than temporary revenue sources. In particular, revenues linked to environmental policies (ETS, CBAM, plastics), and the so-called behavioral taxes (gambling, tobacco, GPG, food waste) are by their nature destined to decrease, depending on their success. However, this long-term result does not preclude the possibility of introducing sources such as those proposed here in the short to medium term, while at the same time thinking of building a more stable revenue system.

Tab. 1 Revenues from new own resources

Own resources proposed by the European Commission	billion euros
Genuine European Resources	
Reformed Emissions Trading System (ETS)	19
Carbon Border Adjustment Mechanism (CBAM)	1,5 - 2,1
Pillar 1 OECD	2,5 - 4
Statistical Resources (national contributions)	
Corporate Profits	16
Non-recycles plastic packaging waste i	6,2
Total own resources proposed by the European Commission	**45,2 - 47,3**
Additional own resources - Genuine European Resources	
Gambling	50
Tobacco	20
Financial transactions	23
Statistical Resources (national contributions)	
Gender pay gap	4,8
Food waste	5,2
Total additional own resources	**103**
TOTAL OWN RESOURCES	**148,2 - 150,3**

Note

1 It is estimated that the total annual financial requirement (including principal and interest) could reach between 22 and 27 billion euros in 2030 (respectively 0.11% and 0.13% of the EU's GDP), before gradually decreasing to 13.9 billion euros at the end of the program (Claeys *et al.*, 2023).

2 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020D2053

3 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020Q1222(01)&from=EN

4 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0566

5 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0330

6 CORSIA introduces the obligation for airlines to purchase offsets to achieve the overall goal of stabilising net emissions from international aviation at 2020 levels. Offsetting involves paying another party to reduce its emissions instead of reducing one's own. Therefore, it does not reduce the emissions of the buyer.

7 https://eur-lex.europa.eu/legal-content/IT/TXT/PDF/?uri=CELEX:32023R0956

8 The correction mechanism reduces the national contributions of member countries whose gross national income per capita is a fixed amount below the 2017 European average. The fixed amount corresponds to one-fifth of the average per capita quantity of unrecycled plastic packaging waste recorded in the EU in 2017, multiplied by the population residing in the country in 2017. Therefore, the formula for calculating the fixed amount is €0.80 multiplied by 3.4 kilograms multiplied by the population size (Schratzenstaller M. *et al.*, 2023).

9 https://www.europarl.europa.eu/doceo/document/TA-7-2010-0056_EN.pdf

10 Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia, Spain.

11 https://data.consilium.europa.eu/doc/document/ST-10097-2019-INIT/en/pdf

12 This is a levy that applies to the transfer of ownership of shares and similar instruments (but not debt securities) admitted to trading on regulated markets, of listed companies domiciled in an EU Member State whose market capitalisation exceeds €1 billion as of December 1st of the previous year, to avoid harming smaller companies. Initial public offerings, market making and intra-day trading would also be exempt. According to the Franco-German document, the tax rate should not be lower than 0.2%.

13 The authors estimate a revenue of €19.7 billion from a TTF on shares (rate of 0.1%), €5.8 billion on bonds (0.1%), and €12.1 billion on derivatives (0.01%).

14 This sum is calculated based on revenue estimates provided by Pekanov and Schratzenstaller (2019). It is then calculated that the taxable bases for the three categories of securities amount to €196.8 billion (shares), €58.3 billion (bonds), and €1,218.2 billion (derivatives).

15 It should be more difficult to circumvent the tax through the relocation of activities and establishments outside the jurisdictions adopting the FTT if both the principle of residency – the tax applies if at least one of the two parties involved in the transaction is domiciled in a country that has adopted the taxation – and the principle of the place of issuance of the security – looking at the location where the company that issued the security subject to the transaction is domiciled – would be applied.

16 The GPG is measured as the percentage difference between the average gross hourly earnings of men and women, expressed as a percentage of the average gross hourly earnings of men, and is calculated for firms with 10 or more employees.

17 For instance, Italy has a GPG value of 4.2% and a GNI of approximately €1,697 billion. Therefore, the national contribution would be calculated as follows: 4.2 x 1,697,473 x 0.003 = €213 million.

18 For instance, Italy has a per capita food waste of 146 kg per year. Therefore, the national contribution would be calculated as follows: 146 x 1,697,473 x 0.003 = €743 million.

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