

Excessive deficit procedure: implementation

1996/0248(CNS) - 29/05/1997 - Text adopted by Parliament after reconsultation

The European Parliament adopted a report and recommendation by Mr Efthymios CHRISTODOULOU (PPE, GR) approving, subject to several amendments, the two proposals that constitute the Stability and Growth Pact, a key element in ensuring budgetary stability during the third phase of EMU. Parliament, consulted again on the proposal for a regulation defining the procedure applicable to Member States with an excessive budget deficit, calls for the interest on deposits and the fines imposed on Member States with an excessive budget deficit to be entered in the Union's general budget and not distributed among participating Member States without an excessive deficit, as the Council has proposed. Parliament also calls for the Council periodically to examine (on the basis of a report from the Commission and opinions delivered by the European Central Bank and after Parliament has been consulted) and revise the regulation in the light of experience gained. It hopes further that an additional regulation on the methodology and notification of data concerning real changes in GDP will be drawn up for 1 January 1999.