


Procedure file

Basic information		
INI - Own-initiative procedure	2000/2041(INI)	Procedure completed
Annual assessment of the implementation of the stability and convergence programmes		
Subject 5.10.01 Convergence of economic policies, public deficit, interest rates		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs	PPE-DE POMÉS RUIZ José Javier	30/11/1999
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	2258	08/05/2000
	Economic and Financial Affairs ECOFIN	2246	13/03/2000
	Economic and Financial Affairs ECOFIN	2245	28/02/2000

Key events			
18/02/2000	Committee referral announced in Parliament		
28/02/2000	Debate in Council	2245	
13/03/2000	Debate in Council	2246	
18/04/2000	Vote in committee		Summary
18/04/2000	Committee report tabled for plenary	A5-0108/2000	
08/05/2000	Resolution/conclusions adopted by Council		
17/05/2000	Debate in Parliament		
18/05/2000	Decision by Parliament	T5-0225/2000	Summary
18/05/2000	End of procedure in Parliament		
23/02/2001	Final act published in Official Journal		

Technical information	
Procedure reference	2000/2041(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP P.F.; Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/12376

Documentation gateway

Committee report tabled for plenary, single reading		A5-0108/2000 OJ C 059 23.02.2001, p. 0003	18/04/2000	EP	
Text adopted by Parliament, single reading		T5-0225/2000 OJ C 059 23.02.2001, p. 0128-0233	18/05/2000	EP	Summary

Annual assessment of the implementation of the stability and convergence programmes

The committee adopted the own-initiative report by José Javier POMÉS RUIZ (EPP/ED, E) on the annual assessment of the implementation of the stability and convergence programmes. The report expressed satisfaction that the budgetary objectives set out in previous programmes had been achieved and also welcomed tax reforms planned in high-tax countries such as France, Germany, the Netherlands and Spain. It warned, however, that public debt levels were still too high in many Member States and there was, therefore, a risk in some countries that the stability programmes were not taking sufficient account of a future rise in interest rates. Furthermore, the committee called on the Member States to undertake more radical reforms of the labour markets as a means of tackling high unemployment. The committee also wanted to see more details from the Commission on the budget position of each Member State and widespread consultation on the programmes including debates in national Parliaments. ?

Annual assessment of the implementation of the stability and convergence programmes

The European Parliament adopted the resolution based on an own initiative report drafted by Jose Javier POMES RUIZ (EPP/ED, Spain) on the annual assesment of the implementation of the stability and convergence programmes. Parliament expressed its satisfaction that the budgetary objectives set in the previous programmes have been achieved, but notes that those objectives were widely characterised as rather modest. It believes that budgetary consolidation must remain a priority and considers that the improved economic environment gives Member States an opportunity to accelerate fiscal consolidation and introduce tructural reforms. Member States need to implement more radical reforms of their labour markets to tackle unemployment. Tax reforms to reduce taxes are welcomed since they contribute to unemployment, but the reforms should not engender progress in fiscal consolidation. Parliament calls for an annex to the stability and convergence programmes investigating potential implications of ageing populations for public finances as well as different scenarios for the years 2005 to 2010 describing both worst case (minimal reforms or none at all) and best-case scenarios. It criticised the failure of certain programmes sufficiently to take into account a rise in interest rates with all the implications for economic growth and debt servicing in the period covered, which is particularly important for those Member States with a high level of public debt. With regard to the unified monetary policy, there is a need to achieve greater coordination of economic policies than that envisaged in the Stability and Growth Pact, through effective alignment of budgetary policies.?