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Basic information			
INI - Own-initiative procedure	2014/2221(INI)	Procedure completed	
European semester for economic policy coordination: annual growth survey 2015			
Subject 5.05 Economic growth 5.10.01 Convergence of economic policies, public deficit, interest rates			
Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 ECON Economic and Monetary Affairs	 <a href="#">ROSATI Dariusz</a>	21/10/2014
		Shadow rapporteur	
		 <a href="#">SANT Alfred</a>	
		 <a href="#">TERHO Sampo</a>	
		 <a href="#">TORVALDS Nils</a>	
		 <a href="#">URTASUN Ernest</a>	
		 <a href="#">VALLI Marco</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 BUDG Budgets (Associated committee)	 <a href="#">ARTHUIS Jean</a>	11/12/2014
 ENVI Environment, Public Health and Food Safety	 <a href="#">GRAMMATIKAKIS Giorgos</a>	19/11/2014	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">3370</a>	17/02/2015
	<a href="#">General Affairs</a>	<a href="#">3362</a>	16/12/2014
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">3356</a>	09/12/2014
European Commission	Commission DG	Commissioner	
	<a href="#">Economic and Financial Affairs</a>	MOSCOVICI Pierre	

Key events			
09/12/2014	Debate in Council	<a href="#">3356</a>	
16/12/2014	Debate in Council	<a href="#">3362</a>	
17/12/2014	Committee referral announced in Parliament		
17/12/2014	Referral to associated committees announced in Parliament		
17/02/2015	Resolution/conclusions adopted by Council		
24/02/2015	Vote in committee		
02/03/2015	Committee report tabled for plenary	<a href="#">A8-0037/2015</a>	Summary
11/03/2015	Results of vote in Parliament		
11/03/2015	Debate in Parliament		
11/03/2015	Decision by Parliament	<a href="#">T8-0067/2015</a>	Summary
11/03/2015	End of procedure in Parliament		

Technical information	
Procedure reference	2014/2221(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ECON/8/01999

Documentation gateway					
Committee draft report		<a href="#">PE544.392</a>	15/12/2014	EP	
Amendments tabled in committee		<a href="#">PE546.670</a>	19/01/2015	EP	
Committee opinion	<b>ENVI</b>	<a href="#">PE544.125</a>	30/01/2015	EP	
Committee opinion	<b>BUDG</b>	<a href="#">PE546.556</a>	23/02/2015	EP	
Committee report tabled for plenary, single reading		<a href="#">A8-0037/2015</a>	02/03/2015	EP	Summary
Text adopted by Parliament, single reading		<a href="#">T8-0067/2015</a>	11/03/2015	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2015)344</a>	20/07/2015	EC	

## European semester for economic policy coordination: annual growth survey 2015

The Committee on Economic and Monetary Affairs adopted the own-initiative report by Dariusz ROSATI (EPP, PL) on the European Semester for economic policy coordination: Annual Growth Survey 2015.

The Committee on Budgets, exercising its prerogatives as an associated committee under Parliaments [Rule 54 of the Rules of Procedure](#) was consulted to give an opinion on the report.

Recalling that economic recovery in the EU slowed down considerably in the course of 2014, Members continued to support the three main pillars approach as the right way to achieve higher growth levels and to strengthen the recovery process:

1. boosting investment,
2. accelerating structural reforms,
3. pursuing responsible growth-friendly fiscal consolidation

This approach should be fully incorporated into the upcoming country-specific recommendations (CSRs).

Members supported the Commissions suggestions for improving the European Semester by streamlining existing procedures, including its timetable, and increasing the involvement of national parliaments, with a view to strengthening national ownership of structural reforms.

Boosting competitiveness: Members expressed concern that most Member States are still losing market shares globally. Therefore, they stated that the EU economy as a whole needs to boost its competitiveness further in the global economy, particularly by increasing competition in the product and services markets in order to enhance innovation-driven efficiency.

Investment and cutting back on expenditure: the report stressed that Member States, when having to manage their expenditure according to the requirements of the Stability and Growth Pact (SGP), should cut back on current expenditure rather than reducing investment commitments. Member called for reforms facilitating a new entrepreneurial climate.

As regards the Investment Plan for Europe, Members stated that it should focus in the first place on projects with a European added value which are not yet eligible for banking finance.

Concerned about the lack of progress in reducing excessive private debt levels, Members pointed out that this is not only a concern for financial stability, as it also limits the EUs growth potential and makes the ECBs monetary policy less effective. Further proposals are called for on the preparation of effective procedures for private sector deleveraging, including bankruptcy and insolvency procedures.

Structural reforms: Members emphasised that a more relaxed ECB monetary policy should be complemented by ambitious and socially sustainable structural reforms by the Member States. They also called on the Member States to safeguard and enhance the inclusiveness, sustainability and fairness of social protection and to improve and streamline the legal and administrative environment for business investment. Urgent action should be taken by the Commission to fight tax fraud and tax evasion.

Members reiterated their call on the Commission to improve the governance of the single market. On the other hand, they considered it deplorable that the Single Market Integration report has been omitted for 2015.

Fiscal responsibility: Members welcomed the strong decrease in the number of countries under the excessive deficit procedure down to 11 in 2014 from 24 in 2011. The fiscal stance in the EU is now expected to remain broadly neutral in 2015. They stressed the need to continue to pursue growth-friendly fiscal consolidation and invited Member States with sufficient fiscal space to consider reducing taxes and social security contributions with a view to stimulating private investment and job creation.

Democratic accountability: Members called on the Commission to make the necessary proposals to address the lack of proper democratic accountability in EU economic governance. They considered it vital that the European Parliament and the national parliaments collaborate more closely in the context of the European Semester on economic and budgetary governance. In this context, they deplored the fact that the amount of unpaid bills in the EU budget undermines the credibility of the EU.

## European semester for economic policy coordination: annual growth survey 2015

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The European Parliament adopted by 437 votes to 249, with 11 abstentions, a resolution on the European Semester for economic policy coordination: Annual Growth Survey 2015.

Recalling that economic recovery in the EU slowed down considerably in the course of 2014, Parliament continued to support the three main pillars approach as the right way to achieve higher growth levels and to strengthen the recovery process:

1. boosting investment,
2. accelerating structural reforms,
3. pursuing responsible growth-friendly fiscal consolidation

This approach should be fully incorporated into the upcoming country-specific recommendations (CSRs).

Parliament supported the Commissions suggestions for improving the European Semester by streamlining existing procedures, including its timetable, and increasing the involvement of national parliaments, with a view to strengthening national ownership of structural reforms.

Boosting competitiveness: Parliament expressed concern that most Member States are still losing market shares globally. Therefore, the resolution stated that the EU economy as a whole needs to boost its competitiveness further in the global economy, particularly by increasing competition in the product and services markets in order to enhance innovation-driven efficiency.

Investment and cutting back on expenditure: Parliament stated that the lack of investment is caused by low confidence, subdued expectations of demand aggravated by austerity measures seeking to correct overspending, lack of appropriate financing capacity and the fact that in many cases the Member States and the EU fail to take proper action to cope with these factors. It stressed that the investment gap can be bridged by targeted public investments and significantly higher levels of investments in private companies and in European businesses. Members stressed that Member States should cut back on current expenditure rather than reducing investment commitments and they called for reforms facilitating a new entrepreneurial climate.

As regards the Investment Plan for Europe, Parliament stated that it should focus in the first place on projects with a European added value

which are not yet eligible for banking finance. Concerned about the lack of progress in reducing excessive private debt levels, it pointed out that this is not only a concern for financial stability, as it also limits the EUs growth potential and makes the ECBs monetary policy less effective. Further proposals are called for on the preparation of effective procedures for private sector deleveraging, including bankruptcy and insolvency procedures.

Structural reforms: the resolution emphasised that a more relaxed ECB monetary policy should be complemented by ambitious and socially sustainable structural reforms by the Member States. It also called on the Member States to safeguard and enhance the inclusiveness, sustainability and fairness of social protection and to improve and streamline the legal and administrative environment for business investment. Urgent action should be taken by the Commission to fight tax fraud and tax evasion.

Parliament stressed that reducing the EUs dependence on external energy sources must form part of its growth strategy. It reiterated, therefore, the need to diversify external energy supplies, to upgrade the EUs energy infrastructure and to complete the EU internal energy market as key priorities of the EU energy security strategy.

Fiscal responsibility: Parliament welcomed the strong decrease in the number of countries under the excessive deficit procedure down to 11 in 2014 from 24 in 2011. The fiscal stance in the EU is now expected to remain broadly neutral in 2015. It stressed the need to continue to pursue growth-friendly fiscal consolidation and invited Member States with sufficient fiscal space to consider reducing taxes and social security contributions with a view to stimulating private investment and job creation.

Democratic accountability: Parliament called on the Commission to make the necessary proposals to address the lack of proper democratic accountability in EU economic governance. It considered it vital that the European Parliament and the national parliaments collaborate more closely in the context of the European Semester on economic and budgetary governance. In this context, it deplored the fact that the amount of unpaid bills in the EU budget undermines the credibility of the EU. The resolution also highlighted the urgent need to effectively tackle the tax fraud which is potentially depriving the EU budget of substantial resources and called on the Commission to submit an analysis of the possible impact of redeploying funds from EU programmes such as the Connecting Europe Facility and Horizon 2020.