Implementation of MIP Country Specific Recommendations

This document gives an overview of key elements concerning the implementation of Country Specific Recommendations (CSRs) issued under the Macroeconomic Imbalance Procedure (see a separate EGOV note for details on the MIP procedure). Figures in this note only refer to Member States experiencing macroeconomic imbalances based on the assessment by the Commission.

For the Member States identified by Commission as experiencing macroeconomic imbalances, MIP specific recommendations (MIP-CSRs) are annually adopted and monitored (see the document MIP implementation 2015, which presents the current status and next developments).

The Commission assesses the implementation of CSRs in country specific reports. These assessments enable a “stylized” comparison of the implementation over time, over legal basis and distinguishing Euro Area and non-Euro area Member States.

In its assessment the Commission applies the following categories:

- **No progress**: The Member State has neither announced nor adopted any measures to address the CSR.
- **Limited progress**: The Member State has announced some measures to address the CSR, but these measures appear insufficient and/or their adoption/implementation is at risk.
- **Some progress**: The Member State has announced or adopted measures to address the CSR. These measures are promising, but not all of them have been implemented yet and implementation is not certain in all cases.
- **Substantial progress**: The Member State has adopted measures, most of which have been implemented. **Fully addressed**: The Member State has adopted and implemented measures that address the CSR appropriately.

### Chart 1: Implementation of MIP-CSRs in 2012–2014

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIP-CSRs</td>
<td>36 (26%)</td>
<td>56 (40%)</td>
<td>66 (42%)</td>
</tr>
<tr>
<td>Total CSRs</td>
<td>138</td>
<td>141</td>
<td>157</td>
</tr>
<tr>
<td>MSs in</td>
<td>11</td>
<td>13</td>
<td>14</td>
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</table>

Figure 1 shows that:
- The number and share of MIP-CSRs of the total amount of CSRs increased from 2012 to 2014
- The share of fully implemented MIP-CSRs steadily increased from 3% in 2012 to 8% in 2014
- No specific patterns can be observed regarding the non-implementation of MIP-CSRs

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1 Figures used in the Chart and the Tables: EGOV calculations based on Commission documents (Country Specific Reports).
As shown in Figure 2, very few MIP-CSRs were fully implemented in 2013 and 2014. More specifically:

- In 2014, Slovenia fully implemented three MIP-CSRs and in 2015 the Commission de-escalated its status from "excessive imbalances" to "imbalances requiring decisive action and specific monitoring";
- In 2014, Bulgaria, Hungary and Sweden did not implement any of their MIP-CSRs;
- Spain presents some or substantial progress on all of its MIP-CSRs.

Table 1 compares the implementation of MIP-CSRs between Euro Area and non-Euro Area countries. It appears that in both 2013 and 2014 Euro Area Member States made No/limited progress on a much lower share of MIP CSRs than non-Euro Area Member States (50% against 69% in 2013 and 33% against 67% in 2014).

Table 2 shows some figures which allow the comparison of the implementation status between the MIP-CSRs and the other CSRs (those only related to the Stability and Growth pact or those exclusively based on Integrated Guidelines): however, no specific differences emerge.