

Commitments

made at the hearing of

PIERRE MOSCOVICI

**Commissioner for Economic and Financial Affairs,
Taxation and Customs**



In his answers to the questionnaire and during the hearing on 2 October 2014 before the Committee on Economic and Monetary Affairs, the Committee on Internal Market and Consumer Protection and the Committee on International Trade, commissioner-designate Pierre Moscovici made commitments in his area of

responsibility. Commitments relevant to the above mentioned committees are highlighted in this document¹.

Legal framework of economic governance

Review of 6- and 2 Pack

"In line with the review clauses included in the legislation comprising the six- pack and two-pack, the Commission shall conduct a review of the regulations to assess their effectiveness in achieving their policy objectives. Once this assessment is finalised, and having carefully listen to the Parliament and Council's views, I will discuss with my colleagues on the best way forward."

"I count on your active involvement in discussion of this review, with the aim of reaching consensus on those measures necessary to further improve the economic governance setup."

Implementation of the Stability and Growth Pact

"I will be committed to protect the credibility and integrity of the Pact. Acting as an agent in the interest of the European economy as a whole, the Commission cannot accept that a Member State in the excessive deficit procedure does not fulfil its duty vis-à-vis the other Member States. Should a Member State fail to take the necessary "effective action" to comply with the recommendations set by the Council – be it a small Member State or a big Member State; from the East or from the West; from the North or from the South – the Commission would propose to the Council to apply the rules. By the same token, I will not shy away from activating the Economic Imbalances Procedure, should we find that a Member State in excessive imbalances has not taken action to implement the recommendations collectively adopted by the Council. Of course, as many have said before me, the "Pact is not stupid" and one would need to look at each specific situation, and each country should be judged on its own merit, as the nature, magnitude and root causes of the

economic, financial and social challenges vary widely across Member States."

European Semester

Working for proper implementation of the CSRs

"My mission will be to increase compliance with these recommendations. In my view, for this objective to be achieved, we need to bring a number of different elements into play: strict surveillance by the Commission, based on an in-depth knowledge of the situations in individual Member States; a political effort to get the public on board and increase national ownership; a debate about how to incentivise reforms to avoid giving the impression of a purely punitive approach. Scrupulous care will have to be taken to ensure that Member States are treated equally."

Adjusting the scoreboard together with EP

"The Commission made a number of technical adjustments to the scoreboard in the past years, in cooperation with the Parliament and the Council, and this should continue in future."

"In this regard, the Parliament thoughts will be extremely valuable in the work I will have to steer."

Future EMU

In favour of targeted fiscal capacity

"Together with my colleagues, the European Parliament and the Member States, I shall be actively involved in this debate. For example, in the longer term, I think we should consider establishing targeted fiscal capacity at the level of the euro area. In my view, delivering on national budgetary commitments and structural reforms should be an absolute condition that Member States must meet in order to gain access to this fiscal capacity."

Promoting stronger external representation

"Reinforced external representation of EMU, which Jean-Claude Juncker has also advocated, strikes me as a natural and desirable consequence of greater integration within EMU."

Reflecting on the role of Eurogroup

"First, we must strengthen its institutional and political architecture and in particular think about the role and functioning of the Eurogroup with the Parliament to ensure greater democratic accountability of choices made, respecting the independence of the [European] Central Bank."

Enhancing the social dimension

"There is a need to strengthen the social dimension of the euro area and to ensure convergence that is not only monetary and that does not translate into "the race to the bottom".

Euro

Strengthening the euro

"We must do everything it takes to strengthen the euro, that is to say improve its social dimension, its economic dimension, and ensure that this architecture is comprehensive."

"I think things need to change quite deeply as regards the architecture of the euro area and it is up to us to work together [on this issue]. I will contribute to this work with my ideas, but also with my willingness to listen and consult you"

Taxation

Adopting FTT

"I would work towards the adoption of the Financial Transaction Tax. In this framework, full fiscal harmonisation is not necessary, but increased convergence of tax system via unanimously agreed EU solutions is an imperative."

Putting CCTB on the agenda

"I intend to bring the CCCTB back on to the political agenda and to push forward the debate of this initiative at Ministerial level in the context of the current political priorities. In particular, we need to address the need for simplification and Member States' revenue interests as well as examine how the CCCTB can contribute to the accomplishment of the objective of curbing tax base erosion and profit shifting (BEPS)."

Fighting tax fraud

"In this fight, I will be personally and deeply committed, because I think tax fraud is terrible for our economies. It also reduces the capacity to work on deficits and it is ethically and morally unacceptable."

"I repeat again that tax – against fraud, against evasion – on the taxation side, the application of the BEPS initiative and the entry into force of a global standard for automatic exchange of information will be at the top of my priority as Taxation Commissioner."

Strengthening the role of taxation in the European Semester

"As far as the European Semester is concerned, and the link with taxation – we know that taxation is largely a matter of national competence – but we also have to work more on harmonisation and to try to reinforce the social and economic fairness of our system. The European Semester could further integrate these taxation issues, while of course respecting the principle of subsidiarity, which is dear to all of us. National parliaments are attached to their taxation sovereignty, but the Union has a main role to play and I will try to reinforce the place of taxation in the European Semester."

Customs Union

More ambitious customs code

"I will also work closely with your committee on this part of my portfolio, the customs union, which is a very substantial part (...) my main task, with you, will be the transition from the Community Customs Code, dating from 2008, to a more ambitious customs code, which is that of the EU, by 1 May 2016."

"I will make sure, by applying the new customs legislation, that there is a possibility of including an extensive list of products with specific rules for the interpretation of the principle known as "last substantial transformation". We will have the opportunity to work on this issue and I wish to move forward with the European Parliament towards an ambitious and intelligent Customs Code."

Equal treatment of legislators

In line with procedure

"As a rule, while fully respecting the existing rules and specific competences devoted by the Treaties, I will consider Parliament and Council equally important in my work as Commissioner."

Follow up to legislative initiative reports

In line with framework agreement and treaty requirement

"...make sure that the Commission responds to parliamentary resolutions or requests made on the basis of article 225 TFEU, within 3 months after their adoption".

Transparency - personal

Full personal transparency

"I fully support our new commitment to transparency set out in the political guidelines by the President-elect. I commit to making public all the contacts and meetings I hold with professional organisations or self-employed individuals on any matter relating to EU policy making and implementation."

Relations with the EP

Close cooperation with the Parliament

"As future commissioner, if confirmed I will of course represent the Commission in plenary and Committees debates, in agreement with my colleagues, and actively participate in the economic dialogue foreseen in the new governance framework."

More in-depth discussions on the European Semester

"Within the responsibilities assigned to me by the President-elect, I will support him in his task, including on the question of streamlining and reinforcing the European Semester so as to allow for more in-depth discussions with the European Parliament, national Parliaments, social partners and Member States' authorities. A key focus should be to step up the debate on the Annual Growth Survey and make sure that it is followed up at EU and Member State level."

¹ Quotes are either taken from the commissioner-designate's answers to the questionnaire or from the hearing held on 2 October 2014. In case of multiple quotes on the same issue, only one is reported here to enhance legibility. Some quotes may be free translations of the original language spoken.

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