

## STUDY

# A "traffic-light approach" to the implementation of the 2011 and 2012 Country Specific Recommendations (CSRs)

## Summary

This study provides a "traffic-light approach" to the implementation of the CSRs in the EU Member States during the 2011 and 2012 European Semester Cycles as defined in [Council Regulation \(EC\) 1466/97](#). The analysis is based on existing assessments by the European Commission, the IMF and the OECD and information provided by Member States.

The [2011](#) and [2012](#) CSRs — as adopted by the Council on 12 July 2011 and 10 July 2012, respectively — refer in general to **3 distinct policy areas**:

- Fiscal policies;
- Policies relevant to correct Macroeconomic Imbalances; and
- Other policies relevant to achieve other major economic objectives, e.g. growth-enhancing structural reforms including, for instance, labour market policies, financial stability reforms, internal market policies, *etc.*

In order to avoid an assessment of substantially different reforms covered by the same CSR, each CSR was divided into detailed sub-parts (see Section 3).

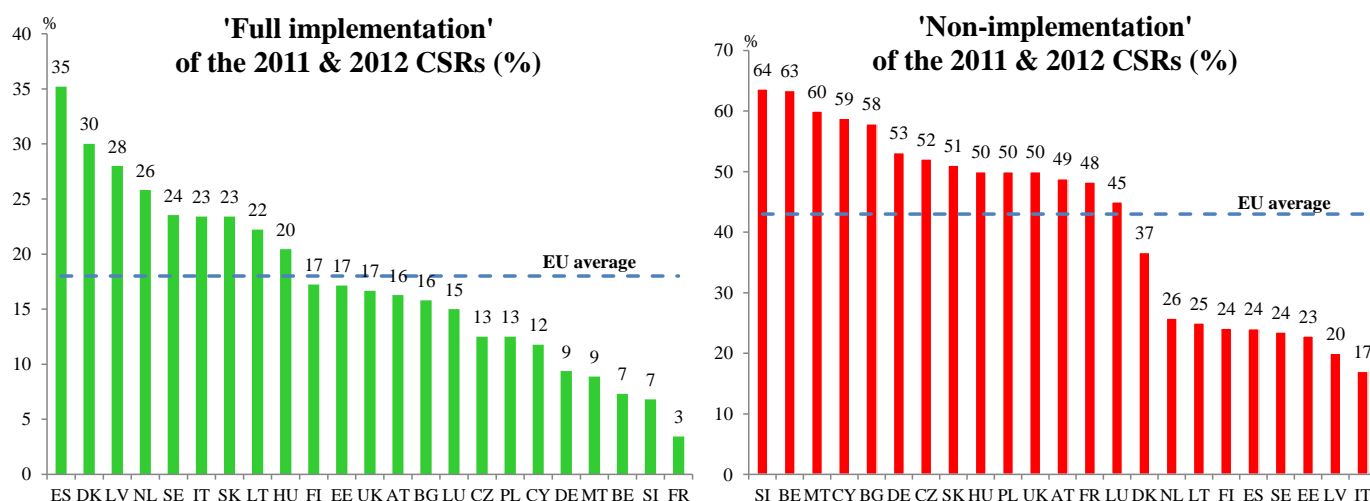
Thereafter, their evaluation is carried out according to three broad categories using a "traffic light colour-coding": **"fully implemented"**, **"serious work in progress"** and **"not implemented"**.

Admittedly, this categorisation implies a certain degree of simplification (see Section 2). However, this is done intentionally with a view to enhancing the visual approach to existing assessments.

This analysis of existing assessments is based on the following public sources:

- **Stability or Convergence Programmes (SCPs) and National Reform Programmes (NRPs);**
- **OECD Country Economic Surveys;**
- **IMF Staff Country Reports (Article IV Consultation) and IMF Selected Issues (IMF SI);**
- **Commission Staff working documents (COM); and**
- **Databases of Eurostat and the European Commission (AMECO).**

Notice that this study does not cover EU Member States that were under an Economic Adjustment Programme (i.e. Greece, Portugal and Ireland) or a Precautionary Balance of Payments Assistance (i.e. Romania) as no CSRs were issued for them in 2011 and 2012.



See Tables in Section 2 for the detailed results.

Sources: Author's calculations based on European Commission, IMF and OECD assessments.

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# 1. Methodology

This study provides a "*traffic-light approach*" to the assessments of implementation of CSRs during the 2011 and 2012 European Semesters by EU Member States.

This classification is based on the three following categories of implementation:

- "**fully implemented**", i.e. when it was assessed that the Member State's authorities fully or nearly fully implemented the recommendation in question, including the effective application of legal acts.
- "**serious work in progress**", i.e. when it was assessed that the Member State's authorities seriously started undertaking some policy actions to address the recommendation in question.
- "**not implemented**", i.e. when it was assessed that no relevant policy actions with substantial effects were taken by the Member State's authorities in response to the recommendation or when they were not clearly specified; mere promises made by governments to take actions only in the future also fall into this category.

Admittedly, limiting the number of assessment categories to three implies a certain degree of simplification as the CSRs themselves and measures undertaken by Member States to comply with these recommendations are in many cases qualitative and therefore not always measurable by a simple "yes" or "no" (see Box below).

## Box: Categories of progress

Due to the nature of the CSRs (covering distinct policy areas at different levels of detail), one has to recognise that categorising progress is not possible by a simple "yes" or "no" answer - as the actual level of implementation progress varies from "no progress" to "full implementation".

The Commission services have in their assessments (i.e. [Staff Working Documents](#)) used a lot of categories to measure implementation (i.e. "*no progress*", "*limited progress*", "*some progress*", "*significant progress*", "*substantial progress*", "*partial implementation*" and "*full implementation*") without defining them explicitly. Based on this, a majority of implementation progress is categorised by the Commission as "some progress" and "limited progress", as many Member States have not "fully complied" or made "no progress" with the annual recommendations.

The [IMF](#) resorts to a more limited evaluation system to assess the relevant policy actions taken by the country's authorities, namely "*marginally consistent*", "*broadly consistent*" and "*fully consistent*".

The [OECD](#) uses a more straightforward approach by detailing all relevant measures adopted by the country's authorities in response to OECD recommendations, or mentioning that "*no action was taken*".

One needs to take into account that the OECD and the IMF do not exactly assess the implementation of the CSRs as adopted by the Council. However, the OECD and the IMF provide similar assessments to that of the Commission on relevant reforms and measures undertaken. Note that the methodology, the number of country visits and "cut-off" dates for the assessments by the three institutions differ to some extent.

Last year, a [study](#) published by the European Parliament assessed implementation progress in only on the basis of the information provided by the Member States in their annual stability and convergence programmes and national reform programmes. In particular, it used the following categories to assess progress of implementation:

- 1) "*Not done*": the government does not mention any action taken in response to the recommendation; or refutes the interpretation of the detailed recommendation as being incorrect or irrelevant.
- 2) "*Not specified*": the government indicates that some action has been taken but does not provide any details of its nature.
- 3) "*Promised*": the government has set up a committee, commission or working group to discuss the implementation of the CSR; or declares that it is considering the CSR or that it plans to consider it in the future; or declares its commitment to implement the measure but has taken no specific steps to do so.
- 4) "*Partially implemented*": the government has made a commitment to implement the measure and has begun to do so but implementation is still on-going (e.g. when some – but not all – necessary legal measures have been taken).
- 5) "*Done*": the government has fully implemented the measure, i.e. all legal changes have been introduced.

In addition to the abovementioned issue on the categorisation of the recommendations/implementation, some other aspects need to be taken into account in reading the results of any categorical assessment of progress by Member States:

- CSRs are by nature country-specific taking into account the respective challenges of the Member State concerned. Therefore, policy actions needed to implement them may differ. For example, a recommendation on labour market reform may contain specific recommendations to reform wage indexation systems, develop vocational training schemes to reduce youth unemployment, or improve the performance of public employment services;
- The number of CSRs and the level of details included in the CSRs differ from one Member States to another; and
- The legal nature of the specific recommendations also varies across policy areas and concerned Member States. The CSRs under the European Semester cannot be sanctioned unless one or more is based on a specific EU procedure, namely the [Stability and Growth Pact](#) or the [Macro-economic Imbalance Procedure](#).

## 2. Results

**Implementation of the 2011 & 2012 CSRs (%)**

	Fully done	Serious work underway	Not done
Belgium	7	29	63
Bulgaria	16	26	58
Czech Rep.	13	35	52
Denmark	30	33	37
Germany	9	38	53
Estonia	17	60	23
Spain	35	41	24
France	3	48	48
Italy	23	60	17
Cyprus	12	29	59
Latvia	28	52	20
Lithuania	22	53	25
Luxembourg	15	40	45
Hungary	20	30	50
Malta	9	31	60
Netherlands	26	48	26
Austria	16	35	49
Poland	13	38	50
Slovakia	23	26	51
Slovenia	7	30	64
Finland	17	59	24
Sweden	24	53	24
United Kingdom	17	33	50
<b>Overall</b>	<b>18</b>	<b>39</b>	<b>43</b>

### Implementation of the 2011 CSRs (%)

	Fully done	Serious work underway	Not done
Belgium	0	27	73
Bulgaria	21	33	46
Czech Rep.	21	29	50
Denmark	25	44	31
Germany	13	31	56
Estonia	23	69	8
Spain	35	26	39
France	0	50	50
Italy	30	60	10
Cyprus	12	29	59
Latvia	-	-	-
Lithuania	25	56	19
Luxembourg	30	30	40
Hungary	30	20	50
Malta	15	30	55
Netherlands	33	33	33
Austria	17	28	56
Poland	24	35	41
Slovakia	20	20	60
Slovenia	5	15	80
Finland	18	55	27
Sweden	25	50	25
United Kingdom	25	50	25
<b>Overall</b>	<b>20</b>	<b>35</b>	<b>45</b>


### Implementation of the 2012 CSRs (%)

	Fully done	Serious work underway	Not done
Belgium	12	31	58
Bulgaria	12	21	67
Czech Rep.	4	42	54
Denmark	36	21	43
Germany	6	44	50
Estonia	14	55	32
Spain	35	52	13
France	6	47	47
Italy	19	59	22
Cyprus	-	-	-
Latvia	28	52	20
Lithuania	20	50	30
Luxembourg	0	50	50
Hungary	13	38	50
Malta	4	32	64
Netherlands	23	55	23
Austria	16	40	44
Poland	4	39	57
Slovakia	26	30	44
Slovenia	8	42	50
Finland	17	61	22
Sweden	23	54	23
United Kingdom	11	22	67
<b>Overall</b>	<b>16</b>	<b>42</b>	<b>42</b>

*Note: The percentages in the tables refer to the CSRs divided into sub-parts, as described in the summary and shown in the detailed country tables). Also note that all the CSR sub-parts are equally weighted in the analysis (see Section 3 below). The annex shows the detailed results of this analysis.*

*Sources: Author's calculations based on European Commission, IMF, and OECD assessments.*

### 3. Analysis

 <b>BE</b>	<u>Country Specific Recommendations 2011</u>	<b>Source &amp; reference</b>	<u>Country Specific Recommendations 2012</u>	<b>Source &amp; reference</b>
	<p>1. Take advantage of the ongoing economic recovery to accelerate the correction of the excessive deficit.</p>	<p>SCP p.21 COM p.9 IMF p.23 §25</p>	<p>1. Implement the budget for the year 2012 to make sure that the excessive deficit is corrected by 2012.</p>	<p>Eurostat data SCP 28-29 IMF p.7§4, p.11, p.20§19 OECD p13 COM p.11</p>
	<p>To this end, take the necessary specified measures — mainly on the expenditure side — by the time of the 2012 budget to achieve an average annual fiscal effort in line with the recommendations under the EDP, thus bringing the high public debt ratio on a declining path.</p>	<p>SCP p.24-45 COM p.9-11 AMECO data IMF p.23 §28-29</p>	<p>Additionally, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond, thereby ensuring that the excessive deficit is corrected in a durable manner and that sufficient progress is made towards the MTO, including meeting the expenditure benchmark, and</p>	<p>SCP p.15-22; 34-54 OECD p.13, 19 IMF p.7§5, p.20§19 COM p.11-13</p>
	<p>This should bring the government deficit well below the 3 % of the GDP reference value by 2012 at the latest.</p>	<p>SCP p.21 Eurostat data</p>	<p>ensure progress towards compliance with the debt reduction benchmark.</p>	<p>SCP p20-21 OECD p19 COM p.14</p>


	Ensure progress towards the medium-term objective by at least 0.5 % of GDP annually.	SCP p.46-50 COM p.11-12 IMF p.24 §27	Adjust the fiscal framework to ensure that the budgetary targets are binding at federal and sub-federal levels, and	SCP p.74 IMF p.8§7, p.21§21 OECD p19, 22-24 COM p.15-16
			increase transparency of burden-sharing and accountability across government layers.	OECD p24 COM p.15-16
	2. Take steps to improve the long-term sustainability of public finances. In line with the framework of the three-pronged EU strategy, the focus should be put on curbing age-related expenditure, notably by preventing early exit from the labour market in order to markedly increase the effective retirement age.	NRP p.7-8 COM p.16 IMF 8 §6; p.9; p.26 §29	2. Continue to improve the long-term sustainability of public finances by curbing age-related expenditure,	NRP p.4 OECD p. 19-20 COM p.14; 19
			including health expenditure.	NRP p.6 OECD p.31-35 COM p.15
			In particular, implement the reform of pre- retirement and pension schemes and	NRP p.4-5 OECD p21 COM p.14, 19
	Measures such as linking the statutory retirement age to life expectancy could be considered.	COM p.16 IMF p.26	take further steps to ensure an increase in the effective retirement age, including through linking the statutory retirement age to life expectancy.	NRP p.5 COM p.15, 19



		§29		
	3. Address the structural weaknesses in the financial sector, in particular by finalising restructuring of the banks in need of an adequately funded and viable business model.	NRP p.8-9 COM p.15 IMF p.28 §34-39	3. Stimulate capital increase of the weakest banks to underpin the strength of the banking sector so that it can play its normal role in lending to the economy.	NRP p.6-7 IMF p.10 §8-11; p.24 §29 COM p.17-18
	4. Take steps to reform, in consultation with the social partners and in accordance with national practice, the system of wage bargaining and wage indexation, to ensure that wage growth better reflects developments in labour productivity and competitiveness.	NRP p.9-10 COM p.20 IMF p.34 §43	4. To boost job creation and competitiveness, take steps to reform, in consultation with the social partners and in accordance with national practice, the system of wage bargaining and wage indexation.  As a first step, ensure that wage growth better reflects developments in labour productivity and competitiveness, by (i) ensuring the implementation of <i>ex post</i> correction mechanisms foreseen in the 'wage norm' and promoting all-in agreements to improve cost-competitiveness and  (ii) facilitating the use of opt-out clauses from sectoral collective agreements to better align wage growth and labour productivity developments at local level.	NRP p.8 OECD p27-30 COM p.22  NRP p.8 OECD p28-30 COM p.22-23  NRP p.8 COM p.23
	5. Improve participation in the labour market by reducing the high tax and social security burden for the low-paid in a budgetary neutral way and	NRP p.10 COM p.17 IMF p.26 §29; p.33	5. Significantly shift taxes from labour to less growth-distortive taxes  including for example environmental taxes.	NRP p.9 COM p.16-17,19 COM

		§43		p.16-17
	by introducing a system in which the level of unemployment benefits decreases gradually with the duration of unemployment.	NRP p.10-11	Pursue the initiated reform of the unemployment benefit system to reduce disincentives to work and	NRP p.4; 9-10 OECD p.25-26 COM p.19
	Take steps to shift the tax burden from labour to consumption and	NRP p.11 COM p.17 IMF p.33 §43	strengthen the focus of employment support and activation policies on older workers and vulnerable groups,	NRP p.10 OECD p.21, 27
	to make the tax system more environmentally friendly.	NRP p.11 COM p.14	in particular people with a migrant background.	
	Improve the effectiveness of active labour policies by targeting measures at older workers and vulnerable groups.	NRP p.11 COM p.18-19	Take advantage of the planned further regionalisation of labour market competencies to boost interregional labour mobility and	NRP p.10 OECD p35-40
			to strengthen the coherence between education, lifelong learning, vocational training and employment policies.	NRP p.10-11 COM p.19-20
			Extend existing activation efforts to all age groups.	NRP p.9 OECD p21

	6. Introduce measures to boost competition in the retail sector, by lowering barriers to entry and reducing operational restrictions;	NRP p.12 COM p.22-23	6. Continue to strengthen competition in the retail sector by lowering barriers and reducing operational restrictions.	NRP p.12 COM p.25
	and introduce measures to strengthen competition in the electricity and gas markets by further improving the effectiveness of the sectoral regulatory and competition authorities.	NRP p.12-13 COM p.21-22 IMF p.35 §44	Introduce measures to strengthen competition in the network industries by revising regulatory barriers and	NRP p.13 COM p.25-26
			reinforcing the institutional arrangements for effective enforcement of state aid rules.	NRP p.12 COM p.25
			7. Take further measures to enhance the progress towards reaching the targets for reducing greenhouse gas emissions from non-ETS activities,	NRP p.15-16 OECD p.44 COM p.27
			in particular by ensuring a significant contribution to this goal from transport.	NRP p.16 COM p.27

<div>BG</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Proceed with effective budget implementation so as to correct the excessive deficit in 2011, in line with the Council Recommendation of 13 July 2010 under the EDP.	IMF p.16 §21 COM p.8	1. Continue with sound fiscal policies to achieve the MTO by 2012. To this end, implement the budgetary strategy as envisaged,	SCP p.25-26 COM p.10, 12 IMF p.5 §5 IMF p.15 §12-13
	Specify the measures underpinning the budgetary strategy for 2012-2014.	COM p.9	ensuring compliance with the expenditure benchmark, and	SCP p.29-30 COM p.12
	Take advantage of the economic recovery to ensure adequate progress towards the medium-term objective,	COM p.8-9	stand ready to take additional measures in case risks to the budgetary scenario materialise.	N/A
	primarily by keeping tight control over expenditure growth,	COM p.9	Strengthen efforts to enhance the quality of public spending, particularly in the education and health sectors and	SCP p.28-29 NRP 13-16 COM p.18-19 IMF p.17 §17
			implement a comprehensive tax-compliance strategy to further improve tax revenue and	SCP p.36-37; 49-53

	while prioritising growth-enhancing expenditure.	COM p.10 NRP p.20-21	address the shadow economy.	COM p.15 IMF p.15 §12
			Further improve the contents of the medium-term budgetary framework and	SCP p.58-59 COM p.14
			the quality of the reporting system.	SCP p.59-60 COM p.14
	2. Take further steps to improve the predictability of budgetary planning and the implementation control, including on an accruals basis, in particular by strengthening fiscal governance. To this end, design and put in place binding fiscal rules	IMF p.18 §28 COM p11 NRP p.20		
	and a well-defined medium-term budgetary framework that ensures transparency at all government levels.	IMF p.16 §23 COM p11 NRP p.20		
	3. Implement the agreed steps with social partners under the current pension reform,	NRP p.23 IMF p.17 §24 COM p.14	2. Take further steps to reduce risks to the sustainability and	IMF p.16, p.17 §18
	advance some of its key measures that would help to increase the effective retirement age	NRP p.23 IMF p.17 §24	to improve adequacy of the pension system by making the statutory retirement age the same for men and women with full career contributions.	IMF p.16


		COM p.14		
	and reduce early exit, such as through the gradual increase of the social insurance length of service,	NRP p.23 COM p.14		
	and strengthen policies to help older workers to stay longer in employment.	COM p.14	Introduce stricter criteria and controls for the allocation of invalidity pensions.	COM p.18 NRP p.16
	4. Promote, in consultation with the social partners and in accordance with national practices, policies to ensure that wage growth better reflects developments in productivity and sustain competitiveness while paying attention to on- going convergence.	NRP p.23 IMF p.23 §41 COM p.13		
	5. Take steps to address the challenge of combating poverty	NRP p.25 IMF p.17 §24 COM p.15	3. Accelerate the implementation of the national Youth Employment Initiative.	COM p.17 NRP p.17
	and promoting social inclusion, especially for vulnerable groups facing multiple barriers.	NRP p.25 COM p.15	Ensure that the minimum thresholds for social security contributions do not discourage declared work.	COM p.15 NRP p.18
	Take measures for modernising public employment services to enhance their capacity to match skills profiles with labour market demand;	NRP p.7	Step up efforts to improve the Public Employment Service's performance.	NRP p.19 COM p.17
	and focusing support on young people with low skills.	NRP p.28 COM p.13-15	To alleviate poverty, improve the effectiveness of social transfers and	NRP p.19-20 COM p.19
	Advance the educational reform by adopting a Law	NRP p.30	the access to quality social services for children and the elderly and	NRP p. 20 COM p.19

	on Pre-School and School Education and	COM p.15-16	implement the National Roma Integration Strategy.	NRP p.21
	a new Higher Education Act by mid 2012.	NRP p.30		COM p.18-20
		COM p.16	4. Speed up the reform of relevant legal acts on schools and higher education and of accompanying measures by focusing on modernising curricula,	NRP p.21-22
				COM p.18
			improving teacher training,	NRP p.22
				COM p.18
			and ensuring effective access to education for disadvantaged groups.	NRP p.23
				COM p.18
			Improve the access to finance for start-ups and SMEs, in particular those involved in innovative activities.	NRP p.23-24
				COM p.21-22
	6. Step up efforts to enhance administrative capacity in key government functions and regulatory authorities, in order to make public services more effective in responding to the needs of citizens and businesses;	NRP p.22-30	5. Step up efforts to enhance administrative capacity and reforms by reducing red tape and	NRP p.24
		COM p.21		COM p.24
			the cost of tax compliance and collection,	NRP p.25
				COM p.18
				IMF p.15 §12
	introduce and implement effectively measures to	NRP p.30	and further improving the absorption of EU funds, in particular in road and rail transport and water management.	COM p.24

check public procurement on the basis of risk assessments,	COM p.21-22	Improve the quality and independence of the judicial system and	NRP p.25-26 COM p.25-26
strengthen the capacity of the authorities to prevent and sanction irregularities, in order to improve quality and value-for-money in the use of public funds.	NRP p.20, 22, 30 COM p.21	speed up the introduction of e- government.  Strengthen public administrative capacity in key transport sectors and regulatory authorities.  6. Ensure sound implementation of public procurement legislation.  Strengthen the prevention of irregularities and effectively apply the sanctions under the Public Procurement Law and those of the Law on Conflict of Interest.	NRP p.26 COM p.21,25   NRP p.27-28 COM p.25 NRP p.28 COM p.25
7. Abolish barriers to entry, guaranteed profits arrangements and price controls and	COM p.16-17	7. Take measures to remove market barriers, guaranteed profit arrangements and price controls.	NRP p.29 COM p.20
ensure full independence of the Bulgarian Energy Regulator, in order to open up the electricity and gas markets to greater competition.	COM p.18 NRP p.34-36	Ensure the independence of transmission and distribution system operators;  complete the market design in particular for the energy exchanges and balancing markets.	NRP p.30 COM p.22 NRP p.30 COM p.23
Introduce incentives to upgrade the energy	COM	Improve electricity and gas connections,	NRP p.30-



	efficiency of buildings.	p.18-19 NRP p.34-36		31
				COM p.22
			boost energy efficiency and	NRP p. 31 COM p.23
			enhance the capacity to cope with disruptions.	NRP p.31 COM p.23

CZ 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the planned consolidation in 2011	SCP p.12 NRP Annex p.1 IMF p.6 §9 OECD p13 COM p.7	1. Ensure planned progress towards the timely correction of the excessive deficit. To this end, fully implement the 2012 budget and	SCP p.11-12 NRP p.10 NRP Annex p.1 COM p.9
	and take countervailing measures of a permanent nature as needed in case of any revenue shortfalls or expenditure slippages.	SCP p.12 NRP Annex p.2 IMF p.7 §10 COM p.7		
	Adopt fiscal measures as planned in the Convergence Programme for 2012 and	SCP p.12-13 NRP p.31 COM p.7	specify measures of a durable nature necessary for the year 2013 so as to achieve the annual average structural adjustment specified in the Council recommendation under the excessive deficit procedure.	SCP p.12-13 NRP p.10 NRP Annex p.1 COM p.11-12
	underpin the target for 2013 by more specific measures;	SCP p.13-17 NRP p.30 NRP Annex p.2 IMF p.7 §13 COM p.7;	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark.	SCP p.13-16 NRP p.10 NRP Annex p.1-2

		10		COM p.12
	subject to this, avoid cutting expenditure on growth-enhancing items.	SCP p.30 COM p.10		
	Improve the efficiency of public investments,	SCP p.30 NRP p.36 OECD p.17-18 COM p.10		
	and continue efforts to exploit the available space for increases in indirect tax revenue to shift taxes away from labour,	SCP p.13 NRP p.30 OECD p.13; 37 COM p.7; 12-13	In this context, avoid across-the-board cuts,	NRP p.10 NRP Annex p.1 COM p.9
			safeguard growth-enhancing expenditure and	NRP p.10 COM p.11-12
			step up efforts to improve the efficiency of public spending.	COM p.16
	improve tax compliance, and reduce tax evasion.	SCP p.12 NRP p.30-31 COM p.13-14	Exploit the available space for increases in taxes least detrimental to growth.	SCP p.12 NRP p.10 NRP Annex p.1-2 COM p.17
	Ensure an average fiscal effort over the period 2010-2013 of 1 % of GDP, in line with the Council recommendations on correcting the excessive deficit, which will allow meeting the EDP deadline	SCP p.18 NRP Annex p.2 IMF p.4 §4	Shift the high level of taxation on labour to housing and environmental taxation.	SCP p.12 NRP p.10

	with a sufficient margin in 2013.	p.7 §12 COM p.7-8		NRP Annex p.2 COM p.17
			Reduce the discrepancies in the tax treatment of employees and the self-employed.	NRP p.10-11 NRP Annex p.2 COM p.18
			Take measures to improve tax collection, reduce tax evasion and	NRP p.11 NRP Annex p.2 COM p.19
			improve tax compliance, including by implementing the Single Collection Point for all taxes.	NRP p.11 NRP Annex p.2 COM p.20
	2. Implement the planned pension reform in order to improve the long-term sustainability of public finances and to ensure the future adequacy of pensions.	SCP p.24-25 NRP p.29 NRP Annex p.1 IMF p.9 OECD p.20 COM p.14	2. Introduce further changes to the public pension scheme to ensure its long-term sustainability.	SCP p.24-25 NRP p.11 NRP Annex p.2 COM p.15
			Reconsider plans to allow an earlier exit from the labour market.	SCP p.24 NRP p.11-12 NRP Annex
	Additional efforts should focus on further changes to the public pillar to ensure that the system is not a	COM p.14		


	source of fiscal imbalances in the future, and		Promote effective participation of younger workers in the envisaged funded scheme to improve adequacy of pensions.	p.2-3 COM p.16
	on the development of private savings.	SCP p.25-26 COM p.14		NRP p.12 NRP Annex p.3
	With a view to raising the effective retirement age, measures such as a link between the statutory retirement age and life expectancy could be considered.	SCP p.25 NRP Annex p.1 IMF p.9 OECD p.20-21 COM p.14		COM p.15-16
	Ensure that the envisaged funded scheme attracts broad participation, and	SCP p.25-26 NRP Annex p.1 IMF p.9 OECD p.21 COM p.14		
	is designed to keep administrative costs transparent and low.	OECD p.22 COM p.14-15		

	3. Enhance participation in the labour market by reducing the barriers for parents with young children to re-enter the labour market through increased availability and access to affordable childcare facilities.	NRP p.44-45 NRP Annex p.2 OECD p38 COM p.16-17	3. Take additional measures to significantly increase the availability of affordable and quality pre-school childcare.	NRP p.12-13; 46 NRP Annex p.3 COM p.21-22
	Increase the attractiveness and availability of more flexible forms of working arrangements, such as part-time jobs.	NRP p.45 COM p.16-17		
	4. Improve the performance of the public employment service in order to increase the quality and effectiveness of training, job search assistance and individualised services, linking funding of the programmes to results.	NRP p.42-43 NRP Annex p.2 COM p.17	4. Strengthen PES by increasing the quality and effectiveness of training, job search assistance and individualised services, including of outsourced services.	NRP p.13; 42-43 NRP Annex p.3-4 COM p.22
	In cooperation with stakeholders, extend tailor-made training programmes, for older workers, young people, low-skilled workers and other vulnerable groups.	NRP p.45-46;49-50; 56-57 NRP Annex p.2 COM p.17-18		
	5. Take the necessary measures to improve the quality of public services in areas essential for the business environment. In this context speed up the implementation of the anti-corruption strategy in line with the identified targets,	NRP p.35-36; 38-39 NRP Annex p.3 OECD p.18; 38 COM p.22	5. Adopt and implement as a matter of urgency the Public Servants Act to promote stability and effectiveness of the public administration in avoiding irregularities.	NRP p.13-14 NRP Annex p.4 COM p.29
			Ensure adequate implementation of the new Public	NRP p.14

	adopt the Public Servants Act to promote stability and effectiveness of the public administration and	NRP p.36-39, 66 NRP Annex p.2 COM p.22	Procurement Act.	NRP Annex p.4 COM p.30
			Address the issue of anonymous share holding.	NRP p.14 NRP Annex p.4 COM p.30-31
	take steps to address the issue of anonymous share holding.	NRP Annex p.3 COM p.22	Ensure correct implementation of EU Funds	NRP p.14 NRP Annex p.4 COM p.30
			and step up the fight against corruption.	COM p.29
	6. Establish a transparent system of quality evaluation of academic institutions	NRP p.58-60 NRP Annex p.3 OECD p16 COM p.18-19	6. Adopt the necessary legislation to establish a transparent and clearly defined system for quality evaluation of higher education and research institutions.	NRP p.14-15 NRP Annex p.5 COM p.23
	and link it to its funding in order to improve the performance of tertiary education.	NRP p.60 OECD p16 COM p.18	Ensure that the funding is sustainable and linked to the outcome of the quality assessment.	NRP p.15 NRP Annex p.5 COM p.23


			Establish an improvement-oriented evaluation framework in compulsory education.	NRP p.15 NRP Annex p.5 COM p.23-24
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DK 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement fiscal consolidation measures in 2011, 2012 and 2013 and ensure an <b>average annual fiscal effort of 0,5 % of GDP over the period 2011-2013</b> as planned and <b>correct the excessive deficit by 2013</b> in line with the Council recommendation under the EDP.	NRP p.33-34 COM p. 8-11	1. Implement the budgetary strategy as envisaged, to ensure a <b>correction of the excessive deficit by 2013</b> and achieve the <b>annual average structural adjustment effort</b> specified in the Council recommendations under the excessive deficit procedure.	NRP p.13-14 COM p. 9-11
	Thereafter ensure, as planned, an appropriate adjustment path towards the <b>medium-term objective</b> .	NRP p.33-34; COM p. 11-12	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the <b>MTO</b> , including meeting the <b>expenditure benchmark</b> .	NRP p.14-15 IMF p.5, 14-15
	Accelerate the reduction of the general government deficit if economic conditions turn out better than currently expected.	Did not materialize		COM p. 9-11
	Strengthen <b>expenditure control</b> by adopting binding <b>multiannual spending ceilings</b> for local, regional and central government which are consistent with the overall medium-term general budget targets.	NRP p.34-35 OECD p.42 IMF p.5, 14-15 COM p. 12-13		
	2. In order to strengthen employment and the sustainability of public finances, take further steps to increase long-term labour supply, by implementing	NRP p.37-38 IMF p.14	2. Take further steps to enhance long-term labour supply by reforming the <b>disability pension</b> ,	NRP p.17-18 IMF p.19

	the recently concluded reform on the <b>voluntary early retirement pension (VERP) scheme</b> ,	OECD p.53-54 COM p. 16		COM p. 17
			better targeting <b>subsidised employment schemes</b> (the 'flex-job' system) towards people with reduced work capacity, and	NRP p.17-18 COM p. 17
	reforming the <b>disability pension</b> and	OECD p.56 COM p. 16	improving the <b>employability of people with a migrant background</b> .	NRP p.17-18 COM p. 18
	better targeting <b>subsidised employment schemes</b> (the 'flex-job' system) towards the most vulnerable groups.	COM p. 16		NRP Annex 1 p.16
	<b>3. Speed up the implementation of reforms to improve the quality of the education system.</b>	NRP p.39-41 COM p. 17-18	<b>3. Implement announced measures, without delay, to improve the cost-effectiveness of the education system,</b>	NRP p.21 p. 24 COM p. 19
	Reduce <b>drop-out rates</b> , particularly in the vocational education sector, and	NRP p.41 OECD p.59 COM p. 18	reduce <b>drop-out rates</b> , in particular within vocational education, and	NRP p.22-24 COM p. 19
	increase the number of apprenticeship places available.	NRP p.39-41 COM p. 17-18	increase the number of apprenticeships.	NRP p.22-24 COM p. 19
	<b>4. Take steps to remove obstacles to competition, in particular in local services and the retail sector,</b>	NRP p.42-43 OECD	<b>4. Continue efforts to remove obstacles to competition, in particular in local services, the retail and construction sector, including</b>	NRP p.25-26 IMF p.12


		p.16-17 COM p. 19		COM p. 20
	by reviewing <b>legislation</b> on land use and	NRP p.42 COM p. 19	by further opening the municipal and regional <b>procurement of services</b> to competition and	NRP p.26 IMF p.12 COM p. 21
	opening up <b>procurement</b> in municipalities and regions.	NRP p.43 OECD p.17 COM p. 19	ensuring that <b>competition law sanctions</b> have a sufficiently deterrent effect.	NRP p.25 IMF p.12 COM p. 20
	5. While supporting the ongoing stabilisation of the real-estate market following the recent price correction, consider preventive action to strengthen the medium-term stability of the <b>housing market</b>	NRP p.44-45 OECD p.18-20 COM p. 14-15	5. Consider further preventive measures to strengthen the stability of the <b>housing market</b> and	NRP p.27 IMF p10-11;18 COM p. 15
	and the <b>financial system</b>	NRP p.44-45; OECD p.18-20	<b>financial system</b> in the medium term, including by taking account of the results of the ongoing study by the Ministry of Business and Growth on the distribution of assets and liabilities across households and	NRP p.27 IMF p10-11;18 COM p. 15
	including reviewing the functioning of the <b>mortgage</b>	COM p. 15		
	and <b>property tax systems</b> .	COM p. 15	by reviewing the <b>property value tax system</b> and the <b>municipal land value tax system</b> .	NRP p.28 COM p. 14

DE 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the budgetary strategy for the year 2012 and beyond as envisaged, thus <b>bringing the high public debt ratio on a downward path</b> , in line with the Council recommendations under the EDP.	NRP p.13 (§23-24;27) IMF p.6 (§6; 14) OECD p.1 COM p. 7-9	1. Continue with sound fiscal policies to achieve the <b>MTO</b> by 2012. To this end, implement the budgetary strategy as envisaged, ensuring compliance with the <b>expenditure benchmark</b> as well as sufficient progress towards compliance with the <b>debt reduction benchmark</b> .	NRP p.8 (§19-22; 25) IMF p.11 COM p.9-11
	Ensure an adequate structural adjustment effort towards the <b>medium-term objective</b> thereafter.	NRP p.13 (§24; 27) 2012 outcome COM p. 7-8		
	Complete the implementation of the <b>budgetary rule</b> at the <b>Länder</b> level and further strengthen the corresponding monitoring and sanctioning mechanism.	NRP p.13 (§25) COM p.10-11	Continue the growth-friendly consolidation course through additional efforts to enhance the efficiency of public spending on <b>healthcare and long-term care</b> , and	NRP p.9 (§27-31) IMF p.29 (§51) COM p.12
	Maintain a growth-friendly consolidation course, in particular by safeguarding adequate expenditure on <b>education</b> and	NRP p.14 (§28) COM p. 10	by using untapped potential to improve the efficiency of the <b>tax system</b> ;  use available scope for increased and more efficient growth-enhancing spending on <b>education and research</b> at all levels of government.	NRP p.9 (§32-33) COM p.10,14  NRP p.9 (§26) COM p.12
	by further enhancing the efficiency of public spending on <b>health-care and long-term care</b> .	NRP p.14 (§29)		

		COM p.10	Complete the implementation of the <b>debt brake</b> in a consistent manner across all <b>Länder</b> , ensuring timely and relevant monitoring procedures and correction mechanisms.	NRP p.8 (§23-24) COM p.13
	2. Address the structural weaknesses in the <b>financial sector</b> , in particular	NRP p.15 (§30-31) IMF p.12 (§16-18) COM p.12	2. Address the remaining structural weaknesses in the <b>financial sector</b> ,	NRP p.10 (§34-35); IMF p.16-18; p. 47
	by restructuring <b>Landesbanken</b> which are in need of an adequately funded viable business model.	NRP p.15 (§32) IMF p.15 (§22; 25) OECD p.15 COM p.13	<i>inter alia</i> by further restructuring of those <b>Landesbanken</b> which are in need of an adequately funded viable business model while avoiding excessive deleveraging.	NRP p.11 (§40-41) IMF p.14 (§16;18) COM p.15-16
	3. Enhance participation in the labour market by improving <b>equitable access to education and training systems</b> and	NRP p.15 (§34-35) OECD p.21-22 COM p.16	3. Reduce the <b>high tax wedge</b> in a budgetary neutral way, in particular for low-wage earners,	NRP p.11 (§42-43) COM p.14,17
	by taking further steps to reduce the <b>high tax wedge</b> in a budgetary neutral way and	NRP p.16 (§36-37) OECD p.17-18 IMF p.25 (§37) COM p.14-	and maintain appropriate <b>activation and integration measures</b> , in particular for the long-term unemployed.	NRP p.11 (§44-45) COM p.16

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	improve <b>work incentives</b> for persons with low income perspectives.	NRP p.16 (§36-37) OECD p.21 COM p.14-15	Create the conditions for <b>wages to grow in line with productivity</b> .	NRP p.12 (§46); IMF p.27 (§47;50) Eurostat data COM p.18-19
	Increase the number of <b>fulltime childcare facilities and all-day schools</b> .	NRP p.15 (§33) OECD p.20 COM p.14	Take measures to raise the educational achievement of disadvantaged groups, in particular through ensuring <b>equal opportunities in the education and training system</b> .	NRP p.12 (§47;49) COM p.17-18
	Closely monitor the effects of recent reform measures to reduce <b>tax disincentives</b> for second earners and take further measures in case disincentives remain.	NRP p.17 (§38) OECD p.19-20 COM p.13	Phase out the <b>fiscal disincentives</b> for second earners, and	NRP p.13 (§52-53) IMF p.27 (§48;49) COM p.14,17
			increase the availability of <b>fulltime childcare facilities and all-day schools</b> .	NRP p.13 (§54-56) IMF p.27 (§48;49) COM p.16

	4. Remove unjustified restrictions on certain <b>professional services</b> and on certain <b>crafts</b> .	NRP p.18 (\$41-44) OECD p.25 COM p.17	4. Continue efforts to keep the overall economic costs of transforming the <b>energy system</b> to a minimum, including by accelerating the expansion of the national and cross-border electricity and gas networks.	NRP p.14 (\$59-65) IMF p.28 (\$50) COM p.21
	To improve competition in network industries, strengthen the supervisory role of the <b>Federal Network Agency in the rail sector</b> ;	NRP p.19 (\$46) COM p.17		
	and, in the context of the announced national <b>Energy Concept</b> , focus on improving the long-term cost-effectiveness of the Renewable Energy Act, ensuring the effective independence of energy production and transmission,	NRP p.20 (\$48-49) COM p.18	Ensure that the institutional set-up guarantees effective competition in <b>railway markets</b> .	NRP p.15 (\$66-69) COM p.19-20
	and improving cross- border interconnections.	OECD p.31 COM p.19	Take measures to further stimulate competition in the services sectors, including <b>professional services</b> and certain <b>crafts</b> , in particular in the construction sector.	NRP p.14 (\$57;70-72) IMF p.28 (\$50) COM p.19-20


EE 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Achieve structural surplus by 2013 at the latest,	AMECO NRP p.20 COM p.7-8	1. Preserve a sound fiscal position by implementing budgetary plans as envisaged,	NRP p.28 Annex p.20 IMF p.6 §6; p.9 §15 COM p.9
	while limiting deficit in 2012 to at most 2.1 % of GDP,	Eurostat NRP p.20 IMF p.9 §13-14; p.21 §21	ensuring achievement of the MTO by 2013 at the latest, and compliance with the expenditure benchmark.	NRP p.30 Annex p.20 IMF p.9 §17; p.16 §35
	keeping tight control over expenditure and	NRP p.20 IMF p.11 §17; p.37		COM p.10
	enhancing the efficiency of public spending.	NRP p.20-21	Complement the planned budget rule with more binding multiannual expenditure rules within the medium-term budgetary framework,	Annex p.20 IMF p.10 §18; p.17 §36 COM p.12
			continue enhancing the efficiency of public spending and	NRP p.29 Annex p.20



			implementing measures to improve tax compliance.	COM p.13
	2. Take steps to support labour demand and to reduce the risk of poverty, by reducing the tax and social security burden in a budgetary neutral way,	NRP p.21 COM p.10-12	2. Improve incentives to work by streamlining the social benefits system and	NRP p.30 Annex p.21 COM p.12-13, 15
	as well as through improving the effectiveness of active labour market policies, including by targeting measures on young people and the long-term unemployed, especially in areas of high unemployment.	NRP p.21-23 COM p.13 IMF p.16 §30-31	increasing flexibility in the allocation of disability, unemployment and parental benefits, while ensuring adequate social protection.	COM p.15
			Improve delivery of social services,	NRP p.16 Annex p.21 COM p.15
			while better targeting family and parental benefits and	Annex p.21 COM p.15-16
			removing distortionary income tax exemptions related to children.	Annex p.21-22 COM p.15-16
			Increase the participation of the young and the long-term unemployed in the labour market.	NRP p.13, 15; Annex p.22-23 COM p.16
	3. Ensure implementation of planned incentives to reduce energy intensity and	NRP p.23 COM p.16-17	4. Improve energy efficiency, in particular in buildings and transport, and	NRP p.27 Annex p.25 COM p.18

	improve the energy efficiency of the economy, targeted on the buildings and transportation sectors, including by ensuring better market functioning.	NRP p.24-25 COM p.16-17	strengthen environmental incentives concerning vehicles and waste, including by considering incentives such as the taxation of vehicles.	NRP p.27 Annex p.25 COM p.19-20
			Foster renewable energy use, including through upgraded infrastructure and legislation.	Annex p.25 COM p.20
			Continue the development of cross-border connections to end relative market isolation.	Annex p.25-26 COM p.20
	4. While implementing the education system reform,	NRP p.26 COM p.14	3. Link training and education more effectively to the needs of the labour market, and	Annex p.23 IMF p.15 §31 COM p.17
	give priority to measures improving the availability of pre-school education, and	NRP p.26 COM p.14	enhance cooperation between businesses and academia.	Annex p.23 COM p.21
	enhance the quality and availability of professional education.	NRP p.25 COM p.14	Increase opportunities for low-skilled workers to improve their access to lifelong learning.	COM p.18
	Focus education outcomes more on labour market needs, and	NRP p.25 COM p.15	Foster prioritisation and internationalisation of the research and innovation systems.	NRP p.21, Annex p.24 COM p.21
	provide opportunities for low- skilled workers to take part in lifelong learning.	NRP p.25 COM p.15		
			5. Enhance fiscal sustainability of municipalities	NRP p.31, Annex p.26 COM p.22

			while improving efficiency of local governments and	Annex p.26 COM p.23
			ensure effective service provision, notably through stronger incentives for the merger of or increased cooperation between municipalities. Relevant reform proposals should be put in place within a reasonable timeframe.	NRP p.31, Annex p.26 COM p.23

<div>ES</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the budgetary strategy in 2011 and 2012 and <b>correct the excessive deficit</b> in the year 2013 in line with the Council recommendation under the EDP, ensuring the achievement of deficit targets at all levels of government,	Eurostat database  NRP p.255-256, 72-76; OECD p.23; IMF p.18 §24 COM p.9	1. Deliver an <b>annual average structural fiscal effort of above 1,5 % of GDP over the period 2010-13</b> as required by the Council recommendation under the EDP by implementing the measures adopted in the 2012 budget and adopting the announced multiannual budget plan for 2013-14 by end July 2012.	NRP p.14; 18-19  AMECO database  IMF p. 4 §2  COM p.13-17
	including by strictly applying the existing deficit and debt control mechanisms for <b>regional governments</b> ;	Eurostat database  OECD p.23; IMF p.18 §24 COM p.9		
	adopt further measures in case budgetary and economic developments do not turn out as expected;	NRP p.62; IMF p.19 §25-27	Adopt and implement measures at <b>regional level</b> in line with the approved rebalancing plans and strictly apply the new provisions of the Budgetary Stability Law regarding transparency and control of budget execution and continue improving the timeliness and accuracy of budgetary reporting at all levels of government.	NRP p.19-21  IMF p. 21 §32  IMF SI p.18 §1-3 COM p.19
	take any opportunity including from better economic conditions to accelerate the deficit reduction;	Did not materialize		
	set out concrete measures to fully underpin the <b>targets for 2013 and 2014</b> which should bring the	IMF p.19		

high public debt ratio on a downward path and ensure adequate progress towards the <b>medium-term objective</b> .	§25, 28 IMF p.24 §31 NRP p.64, 81 COM p.9	Establish an <b>independent fiscal institution</b> to provide analysis, advice and monitor fiscal policy.	NRP p.21 IMF p. 6, p. 21 §32 IMF SI p.19 §4,10 COM p.19
Keep <b>public expenditure</b> growth below the rate of medium-term GDP growth, by introducing a binding expenditure rule at all levels of government, as envisaged.	OECD p.26-27,41 IMF p.24 §30; p.64-65 NRP p.64 COM p.12	Implement reforms in the public sector to improve the efficiency and quality of <b>public expenditure at all government levels</b> .	NRP p.21-22 IMF p. 6
Further improve the <b>provision of information</b> in relation to regional and local government budgets and their execution.	OECD p.26-27,41 IMF p.24 §30-31; p.64-65 NRP p.63, 67		
<b>2. Adopt the proposed pension reform</b> to extend the statutory retirement age and increase the number of working years for the calculation of pensions as planned;	OECD p.28, 41 NRP p.117-122, 256 COM p. 13	<b>2. Ensure that the retirement age</b> is rising in line with life expectancy when regulating the sustainability factor foreseen in the recent pension reform and	NRP p.22-23 IMF p. 21 §32 IMF SI p.16 §5-7 COM p.18

	regularly review <b>pension parameters</b> in line with changes to life expectancy, as planned, and	OECD p.41	underpin the Global Employment Strategy for Older Workers with concrete measures to develop <b>lifelong learning</b> further,	COM p.26
	develop further measures to improve <b>lifelong learning for older workers</b> .		improve <b>working conditions</b> and foster the reincorporation of this group in the job market.	NRP p.22-24
	3. Monitor closely the ongoing <b>restructuring of the financial sector</b> , in particular as regards savings banks, with a view to finalising it by 30 September 2011 as envisaged.	NRP p.141-146, 258-259 COM p.14-15	4. Implement the reform of the financial sector, in particular complement the on-going <b>restructuring of the banking sector</b> by addressing the situation of remaining weak institutions,	NRP p. 26-27 IMF p. 16 §20 COM p.21-22
			put forward a comprehensive strategy to deal effectively with the <b>legacy assets</b> on the banks' balance sheets, and	NRP p. 27 IMF p. 16 §20 COM p.21-22
			define a clear stance on the funding and use of <b>backstop facilities</b> .	NRP p. 26-27 COM p.21-22
	4. Explore the scope for improving the efficiency of the tax system, for example through a <b>move away from labour towards consumption and environmental taxes</b>	IMF p.19 §25 OECD p.30-32,42 NRP p.77 COM p.14-	3. Introduce a taxation system consistent with the <b>fiscal consolidation efforts</b> and more supportive of growth,	NRP p. 24-25 OECD p.25, 31 COM p.20-21


		15	including a <b>shift away from labour towards consumption and environmental taxation.</b>	NRP p. 24-25 OECD p.25 COM p.20
	while ensuring <b>fiscal consolidation plans.</b>	NRP p.255-256, 72-76; IMF p.19 §25-26; OECD p.30	In particular, address the low VAT revenue ratio by <b>broadening the tax base for VAT.</b>	NRP p. 24 OECD p.30; IMF p. 21 §31 COM p.20
			Ensure <b>less tax-induced bias</b> towards indebtedness and homeownership (as opposed to renting).	NRP p. 25-26 COM p.21
	5. Following consultation with social partners and in accordance with national practice, complete the adoption and proceed with the implementation of a comprehensive reform of the <b>collective bargaining process</b> and	IMF p.29 §36; p.60-62 OECD p. 35, 42 NRP p.161, 261-263 COM p.18		
	the <b>wage indexation system</b> to ensure that wage growth better reflects productivity developments as well as local- and firm-level conditions and to grant firms enough flexibility to internally adapt working conditions to changes in the economic environment.	IMF p.29 §36; p.61-62 OECD p.34-35,42 NRP		

		p.161, 261-263 COM p.18		
	<b>6. Assess, by the end of 2011, the impacts of the labour market reforms of September 2010 and of the reform of active labour market policies of February 2011,</b>	NRP p.161, 261-263 OECD p.42 COM p.18-19	<b>5. Implement the labour market reforms and</b>	NRP p. 27-28 IMF p. 6 COM p.23
			<b>take additional measures to increase the effectiveness of active labour market policies</b>	NRP p. 28-29 OECD p.36; IMF p. 24 §42 COM p.23-24
			<b>by improving their targeting,</b>	NRP p. 28-29 COM p.24-25
	<b>accompanied, if necessary, by proposals for further reforms to reduce labour market segmentation, and</b>	IMF p.29 §36; p.60-62 OECD p.34, 42 NRP p.157, 164, 261 COM p.17-18	<b>by increasing the use of training, advisory and job matching services,</b>	NRP p. 29 COM p.24-25
			<b>by strengthening their links with passive policies, and</b>	NRP p. 29 COM p.23
			<b>by strengthening coordination between the national and regional public employment services, including sharing information about job vacancies.</b>	NRP p. 29 OECD p.36



	to improve employment opportunities for <b>young people</b> ;	IMF p.29 §37; p.62 OECD p.36, 42 NRP p.197, 178 COM p.18-19		COM p.24
	ensure a close monitoring of the effectiveness of the measures set out in the National Reform Programme to reduce <b>early school leaving</b> , including through prevention policies, and	OECD p.32, 43 COM p.19	<b>6. Review spending priorities and reallocate funds to support access to finance for small and medium-sized enterprises (SMEs), research, innovation and young people.</b>	NRP p. 30 COM p.22
	facilitate the transition to <b>vocational education and training</b> .	IMF p.62 OECD p.36-37 COM p.19-20	Implement the <b>Youth Action Plan</b> , in particular as regards the quality and labour market relevance of vocational training and education,  and reinforce efforts to reduce <b>early school-leaving</b> and  increase participation in <b>vocational education and training</b> through prevention, intervention and compensation measures.	NRP p. 31 COM p.25  NRP p. 31 COM p.25-26  NRP p. 31 COM p.26
	<b>7. Further open up professional services and</b>	IMF p.31 §42 OECD p.38 NRP p.227, 260	<b>8. Take additional measures to open up professional services</b> , including highly regulated professions,	NRP p. 33-34 IMF p. 23 §35 COM p.28


		COM p.22		
	enact the planned legislation in order to redesign the regulatory framework and eliminate current <b>restrictions to competition</b> , efficiency and innovation;	IMF p.31 §42 OECD p.38, 44 NRP p.224, 260 COM p.21-22, 25		
	implement the Law on Sustainable Economy, notably measures aimed at improving the <b>business environment</b> and enhancing competition in the product and service markets, at all levels of government; and	COM p.22-26	reduce delays in obtaining <b>business licences</b>  and eliminate <b>barriers to doing business</b> resulting from overlapping and multiple regulations by different levels of government.	NRP p. 34 COM p.29  NRP p. 34-35 IMF p. 23 §35 COM p.29
	improve <b>coordination between regional and national administrations</b> to reduce the administrative burden for enterprises.	OECD p.38 COM p.22-26	Complete the <b>electricity and gas interconnections</b> with neighbouring countries  and address the <b>electricity tariff deficit</b> in a comprehensive way, in particular by improving the cost efficiency of the electricity supply chain.	NRP p. 35-36 COM p.33  NRP p. 36 COM p.32
			<b>7. Improve the employability of vulnerable groups,</b>	NRP p. 32-33 COM p.27-28
			combined with <b>effective child and family support services</b> in order to improve the situation of people at risk of poverty and/or social exclusion, and consequently to achieve the well-being of children.	NRP p. 32-33 COM p.27-28

FR 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Ensure the recommended <b>average annual fiscal effort of more than 1 % of GDP over the period 2010-2013</b> and <b>implement the correction of the excessive deficit by 2013</b> , in line with the Council recommendations under the EDP, thus bringing the <b>high public debt ratio on a downward path</b> ,	NRP p.12-13 SCP p 9-11; 47-50 IMF p.15 (§20-22) COM p.9-13	1. Reinforce and implement the budgetary strategy, supported by sufficiently specified measures, notably on the expenditure side, for the year 2012 and beyond to ensure a <b>correction of the excessive deficit by 2013</b> and the achievement of the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure.	SCP p.13; 23 IMF p.21 §20; 24; 26; 46-47 OECD p.25-26 COM p. 11-14
	and ensure adequate progress to the <b>medium-term objective</b> thereafter; specify the necessary corresponding measures for 2012 onwards, take additional measures if needed and use any <b>windfall revenues</b> to accelerate the deficit and debt reduction as planned;	SCP p.47-50 IMF p.16 (§23) COM p.13		
	continue to review the sustainability of the <b>pension system</b> and take additional measures if needed.	NRP p.13 IMF p.16 (§23)	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the <b>MTO</b> , including meeting the <b>expenditure benchmark</b> , and ensure sufficient progress towards compliance with the <b>debt reduction benchmark</b> .  Continue to review the sustainability and adequacy of the <b>pension system</b> and take additional measures if needed.	IMF p.25 §24; 27 OECD p.27 COM p. 10  NRP p.24-25 OECD p.25 COM p. 15-16

	2. Undertake renewed efforts, in accordance with national practices of consultation with the social partners, to combat <b>labour market segmentation</b> by reviewing selected aspects of <b>employment protection legislation</b>	NRP p.28 COM p. 18	2. Introduce further reforms to combat <b>labour market segmentation</b> by reviewing selected aspects of <b>employment protection legislation</b> , in consultation with the social partners in accordance with national practices, in particular related to dismissals;	NRP p.25-27 IMF p.28 (§31), p. 29 OECD p. 39 COM p. 20-21
	while improving <b>human capital</b> and <b>upward transitions</b> ;	NRP p.30 COM p. 18	continue to ensure that any development in the <b>minimum wage</b> is supportive of job creation and competitiveness;	NRP p.28-29 IMF p.31 (§32);OECD p 40-42 COM p. 20
	ensure that any development in the <b>minimum wage</b> is supportive of job creation.	NRP p.14 IMF p.24 (§31) COM p. 18-19		
	3. Encourage access to <b>lifelong learning</b> in order to help maintain <b>older workers</b> in employment and enhance measures to support return to employment.	NRP p.26 COM p. 19-21	3. Adopt labour market measures to ensure that <b>older workers</b> stay in employment longer;	NRP p.30-31; IMF p.33 (§31) OECD p.44-45 COM p. 22
	Step up <b>active labour market policies</b> and introduce measures to improve the organisation, decision-making, and procedures of the <b>public</b>	NRP p.27; p.29-30 IMF p.21	improve <b>youth employability</b> especially for those most at risk of unemployment, by providing for example more and better apprenticeship schemes which effectively address their needs;	NRP p.31-32 OECD p. 48-49 COM p. 21-

	<b>employment service</b> to strengthen services and individualised support provided to those at risk of long-term unemployment.	(§26) COM p. 20		22
			step up <b>active labour market policies</b> and ensure that <b>public employment services</b> are more effective in delivering individualised support.	NRP p.33 COM p. 22-23
	<b>4. Increase the efficiency of the tax system</b> , including for example through a <b>move</b> away from labour towards environmental and consumption taxes, and	Measure cancelled	<b>4. Take further steps to introduce a more simple and balanced taxation system</b> , shifting the <b>tax burden</b> from labour to other forms of taxation that weigh less on growth and external competitiveness, in particular environmental and consumption taxes;  continue efforts to reduce and streamline <b>tax expenditures</b> (in particular those providing incentives to indebtedness);  review the effectiveness of the current reduced <b>VAT rates</b> in support of growth and job creation.	NRP p.34-35 IMF p.28 §30 OECD p.28-29; p. 40 COM p. 17-18
	implementation of the planned reduction in the number and cost of <b>tax and social security exemptions</b> (including 'niches fiscales').	SCP p.51-52 COM p. 15		NRP p.36-37 COM p. 17
				NRP p.37 OECD p. 33 COM p. 17
	<b>5. Take further steps to remove unjustified restrictions on regulated trades and professions</b> ,	NRP p.22 IMF p.25 (§32) COM p. 23	<b>5. Pursue efforts to remove unjustified restrictions on regulated trades and professions</b> ,	NRP p.38 OECD p. 35-36 COM p. 25
	in particular in <b>services and the retail sector</b> .	NRP p.22 IMF p.25		IMF p.33 (§33); OECD p. 35-36

		(§33)		COM p. 25
		COM p. 23	take further steps to <b>liberalise network industries</b> , in particular in the electricity wholesale market	NRP p.38-39
			develop <b>energy interconnection capacity</b>	COM p. 26
			and facilitate the entry of new operators into the rail freight and international passenger transport sectors.	NRP p.39
				OECD p. 36
				COM p. 26

 IT	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the planned fiscal consolidation in 2011 and 2012 to <b>ensure correction of the excessive deficit</b> in line with the Council recommendations under the EDP, thus bringing the high public debt ratio on a downward path.	NRP p.40-46 EDP abrogated in 2012 IMF p.20 §35 COM p.10	1. Implement the budgetary strategy as planned, and ensure that the <b>excessive deficit is corrected</b> in 2012.	NRP p.33 EDP abrogated in 2012 COM p. 13
	Building on recently approved legislation, fully exploit any better-than-expected economic or budgetary developments for <b>faster deficit and debt reduction</b> and stand ready to prevent slippages in budgetary implementation.	Did not materialize	Ensure the <b>planned structural primary surpluses</b> so as to put the debt- to-GDP ratio on a declining path by 2013.	NRP p.33-34 IMF p.19 §30; 39-40 COM p. 13-14
	Back up the targets for 2013-2014 and the planned achievement of the <b>medium-term objective</b> by 2014 with concrete measures by October 2011 as provided for in the new multi-annual budgetary framework.	NRP p.40-46 IMF p.20 §35; 40 COM p.10-13	2. Ensure that the specification in the implementing legislation of the key features of the <b>balanced budget rule</b> set out in the Constitution, including appropriate coordination across levels of government, is consistent with the EU framework.	NRP p.35 OECD p.22 COM p. 17
			Ensure adequate progress towards the <b>MTO</b> , while meeting the <b>expenditure benchmark</b> and making sufficient progress towards compliance with the debt reduction benchmark.	NRP p.33-34 IMF p.17 §25 OECD p.23 COM p. 14

	Further strengthen the framework by introducing enforceable <b>ceilings on expenditure</b> and	NRP p.45 IMF p.26 §40 COM p.13-14		
	improving <b>monitoring</b> across all government subsectors.	NRP p.44 COM p.13-14	Pursue a durable improvement of the efficiency and quality of public expenditure through the <b>planned spending review</b> and	NRP p.35-38 OECD p.22, 76 COM p. 17
			the implementation of the <b>2011 Cohesion Action Plan</b> leading to improving the absorption and management of EU funds, in particular in the South of Italy.	NRP p.38-39 OECD p.27, 37 COM p. 33
	<b>2. Reinforce measures to combat segmentation in the labour market,</b>	NRP p.47-50 COM p.16	<b>4. Adopt the labour market reform as a priority to tackle the labour market segmentation</b>	NRP p.44 IMF p.18 §26; OECD p.24-25,75 COM p. 22
	also by reviewing selected aspects of <b>employment protection legislation</b> including the dismissal rules and procedures and	IMF p.15 §21-22; 28-29 COM p.16	and establish an integrated <b>unemployment benefit scheme.</b>	NRP p.45 OECD p. 25-26,76; IMF p.16 §21 COM p. 23
	reviewing the currently fragmented <b>unemployment benefit system</b> taking into account the budgetary constraints.	IMF p.15 §21	Take further action to incentivise labour market <b>participation of women</b> , in particular through the provision of childcare and elderly care.	NRP p.47, 52; IMF p.17 §21; OECD p. 27,89




				COM p. 23
	Step up efforts to fight <b>undeclared work</b> .	NRP p.47-48 COM p.17	Monitor and if needed reinforce the implementation of the <b>new wage setting framework</b> in order to contribute to the alignment of wage growth and productivity at sector and company level.	NRP p.46 IMF p.16 §21; 27 OECD p.24 COM p. 23
	In addition, take steps to promote greater <b>participation of women</b> in the labour market, by increasing the availability of care facilities throughout the country and	NRP p.49 IMF p.19 §29 COM p.16		
	providing financial incentives to second earners to take up work in a budgetary neutral way.	NRP p.48 IMF p.15 §22 COM p.14-15	<b>3. Take further action to address youth unemployment,</b>	NRP p.40-44; OECD p.27, 76,86 COM p. 22
	<b>3. Take further steps, based on the 2009 agreement reforming the collective bargaining framework</b> and in consultation with the social partners in accordance with national practices, to ensure that wage growth better reflects productivity developments as well as local and firm conditions, including clauses that could allow firm level bargaining to proceed in this direction.	NRP p.50-51 IMF p.15 §22 COM p.17	including by improving the labour-market relevance of <b>education and facilitating transition to work,</b>	NRP p.40-44; OECD p.27,86 COM p. 25
			also through incentives for <b>business start-ups</b> and for <b>hiring employees</b> .	NRP p.42 NRP p.57 OECD p.74,76
			Enforce nation-wide <b>recognition of skills and qualifications</b> to promote labour mobility.	NRP p.42 OECD p.27 COM p. 25

			Take measures to reduce <b>tertiary education dropout rates</b> and fight <b>early school leaving</b> .	NRP p.43 COM p. 24
	<b>4. Extend the process of opening up the <b>services sector</b> to further competition, including in the field of <b>professional services</b>.</b>	NRP p.53-55 IMF p.17 §23-25 COM p.19-20	<b>6. Implement the adopted liberalisation and simplification measures in the <b>services sector</b>.</b>	NRP p.55; IMF p.15 §20; OECD p.28-31,74 COM p. 26
	Adopt in 2011 the <b>Annual Law on Competition</b> , taking into account the recommendations presented by the Anti-trust Authority.	NRP p.53 IMF p.19 §31 COM p.19-20	Take further measures to improve market access in <b>network industries</b> , as well as infrastructure capacity and interconnections.	NRP p.56 IMF p.15 §20;OECD p.28-31, 74, 86 COM p. 28
			Simplify further the <b>regulatory framework for businesses</b> and	NRP p.56-58; OECD p.28, 76 COM p. 31
	Reduce the length of <b>contract law enforcement procedures</b> .	NRP p.56 COM p.23-24	enhance <b>administrative capacity</b> .	NRP p.56-57; OECD p.28, 76 COM p. 30
	Further strengthen actions to promote the <b>access of SMEs to capital markets</b> by removing regulatory obstacles and reducing costs.	NRP p.55-56 IMF p.18 §27 COM p.15	Improve <b>access to financial instruments</b> , in particular equity, to finance growing businesses and innovation.	NRP p.56-57 COM p. 19-20
			Implement the planned <b>reorganisation of the civil justice system</b> , and	NRP p.60 IMF p.17

				§22; 28 OECD p.36, 77 COM p. 31
			promote the use of <b>alternative dispute settlement mechanisms.</b>	NRP p.60 IMF p.18 §28;OECD p.36 COM p. 31
	5. Improve the framework for private sector investment in research and innovation by extending <b>current fiscal incentives,</b>	NRP p.63-64 IMF p.19 §32 COM p.20		
	improving <b>conditions for venture capital</b> and	COM p.21		
	supporting <b>innovative procurement schemes.</b>	NRP p.63 COM p.23		
	6. Take steps to accelerate in a cost-effective way growth-enhancing expenditure co-financed by cohesion policy funds in order to reduce the persistent disparities between regions, by improving <b>administrative capacity and political governance.</b>	NRP p.64-67 COM p.23		
	Respect the commitments made in the national Strategic Reference Framework in terms of the amount of resources and quality of expenditure.	NRP p.64-67		
			<b>S5. Pursue the fight against tax evasion.</b>	NRP p.48

				IMF p.22 §36; 63 COM p. 19
			Pursue the <b>shadow economy and undeclared work</b> , for instance by stepping up checks and controls.	NRP p.48 COM p. 19,22
			Take measures to reduce the scope of <b>tax exemptions</b> , allowances and reduced VAT rates and	NRP p.49 OECD p.31, 90 COM p. 19
			simplify the <b>tax code</b> .	NRP p.48- 49 COM p. 19
			Take further action to <b>shift the tax burden</b> away from capital and labour to property and consumption as well as environment.	NRP p.52 IMF p.20 §35 COM p. 18


CY 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Adopt the necessary measures of a permanent nature to achieve the budgetary target in 2011	Eurostat NRP p.9-10 SCP p.28 IMF p.12 §12 COM p.8-9	1. Take additional measures to achieve a durable correction of the excessive deficit in 2012.	In the course of the 2013 European Semester, Cyprus requested financial assistance from the Euro area and the IMF. Therefore, it committed to implementing the measures contained in the comprehensive Economic Adjustment Programme which are broadly in line with the 2012 CSRs issued by the Council.
	and the correction of the excessive deficit by 2012, in line with the Council recommendations under the EDP.	Eurostat SCP p.33-39 IMF p.12 §12, p.24 §32 COM p. 9	Rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond to ensure the achievement of the MTO by 2014 and compliance with the expenditure benchmark	
	Take measures to keep tight control over expenditure and	NRP p.9-10 SCP p.31-32 IMF p.19 §24 COM p.8-9	and ensure sufficient progress with the debt reduction benchmark.	
	make use of any better- than-expected budgetary	N/A		

	developments for faster deficit and debt reduction.		Accelerate the phasing-in of an enforceable multiannual budgetary framework with a binding statutory basis and corrective mechanism.	
	Ensure progress towards the medium-term objective by at least 0,5 % of GDP annually and	AMECO SCP p.39-40 COM p.9		
	bring the public debt ratio on a downward path.	Eurostat COM p.10	Take measures to keep tight control over expenditure and	
	Accelerate the phasing-in of an enforceable multiannual budgetary framework with a binding statutory basis and corrective mechanisms, as from the preparation of the 2012 budget. The programme and performance budgeting should be implemented as soon as possible.	NRP p.11 SCP p.40-41 COM p.11 IMF p.13§14, p.18§23, p.22§34, p.25§46	implement programme and performance budgeting as soon as possible. Improve tax compliance and fight against tax evasion.	
	<b>2. Strengthen further the prudential framework for supervision of banks</b>	NRP p.11-12 IMF p.20 §28, , p.24§43 COM p.14	<b>2. Further harmonise the supervisory and the regulatory framework for the cooperative credit societies in line with the standards applied for the commercial banks.</b>	
	and cooperative credit societies to ensure early detection of risks.	IMF p.21§30 p.24§43 COM p.14	Strengthen regulatory provisions for the efficient recapitalisation of the financial institutions in order to limit exposure of the financial sector to external shocks.	

	3. Improve the long-term sustainability of public finances by implementing reform measures to control pension and healthcare expenditure in order to curb the projected increase in age-related expenditure. For pensions, extend years of contribution,	NRP p.13-14 IMF p.13 §15, p.22§33 p.24§45 COM p.16	3. Further improve the long-term sustainability and adequacy of the pensions system and	
	link retirement age with life expectancy or adopt other measures with an equivalent budgetary effect,	NRP p.13-14 IMF p.21 §32 COM p.16-17	address the high at-risk-of-poverty rate for the elderly.	
	while taking care to address the high at-risk-of-poverty rate for the elderly.	COM p.16-17	Ensure an increase in the effective retirement age, including through aligning the statutory retirement age with the increase in life expectancy.	
	For healthcare, take further steps to accelerate implementation of the national health insurance system.	NRP p.14-15 COM p.17	4. Complete and implement the national healthcare system without delay, on the basis of a roadmap, which should ensure its financial sustainability	
			while providing universal coverage.	
	4. Take steps to reform, in consultation with social partners and in accordance with national practices, the system of wage bargaining and wage indexation to ensure that wage growth better reflects developments in labour productivity and competitiveness.	NRP p.15 IMF p.22 §36, p.24§44 COM p.15	7. Improve competitiveness, including through the reform of the system of wage indexation, in consultation with social partners and in line with national practices, to better reflect productivity developments.	
			Take steps to diversify the structure of the economy.	
			Redress the fiscal balance by restraining expenditure.	

	5. Take further steps, within the reforms planned for the vocational education and training system, to match education outcomes to labour market needs better, including by setting up post-secondary vocational education and training institutes.	NRP p.16, 41-43, 47 COM p.15	5. Improve the skills of the workforce to reinforce their occupational mobility towards activities of high growth and high value added.	
			Take further measures to address youth unemployment, with emphasis on work placements in companies and promotion of self-employment.	
	Take measures to increase the effectiveness of the vocational training system by increasing the incentives for and improving access to vocational education and training, especially for low-skilled workers, women and older workers.	NRP p.46 COM p.15-16	Take appropriate policy measures on the demand side to stimulate business innovation.	
	6. Abolish remaining obstacles to the establishment and free provision of services in sector-specific legislation by December 2011 in order to create more opportunities for growth and jobs in the services sector.	NRP p.16 IMF p.23 §37 COM p.19	6. Remove unjustified obstacles in services markets, in particular by improving the implementation of the Services Directive in service sectors with the most growth potential (including tourism) and by opening up the provision of professional services.	
	7. Introduce measures to increase the diversity of the energy mix and the expansion of renewable energy sources.	NRP p.17, 62-64, 66 COM p.20-21		
	Establish, by 2012, a water management plan and a price- setting scheme reflecting cost efficiency and equity concerns in order to ensure more sustainable management of water resources.	NRP p.17, 57 COM p.21		




LV 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	Implement the measures laid down in Decision 2009/290/EC, as amended by Decision 2009/592/EC, and further specified in the Memorandum of Understanding of 20 January 2009 and its subsequent supplements, in particular the last supplement of 7 June 2011.		1. Ensure planned progress towards the timely correction of the excessive deficit. To this end, implement the budget for the year 2012 as envisaged and	NRP p.9 IMF p.6 §6 COM p. 10
			achieve the fiscal effort specified in the Council recommendation under the EDP.	NRP p.9 IMF p.6 §6 COM p. 9-10
			Thereafter, implement a budgetary strategy, supported by sufficiently specified structural measures, for the year 2013 and beyond, to make sufficient progress towards the MTO, and to respect the expenditure benchmark.	NRP p.9 IMF p.13 §25, 27 COM p. 9-10
			Use better than expected cyclical revenue to reduce government debt.	NRP p.9 IMF p.13 §25, 28, 29 COM p. 12
			2. Implement measures to shift taxation away from labour to consumption, property, and use of natural and other resources	NRP p.10 COM p. 14
			while improving the structural balance;	NRP p.10 COM p. 9-

				10
			ensure adoption of the Fiscal Discipline Law	NRP p.10 IMF p.16 §30 COM p. 13
			and develop a medium term budgetary framework law to support the long-term sustainability of public finances;	NRP p.10 IMF p.16 §30 COM p. 13
			restore contributions to the mandatory funded private pension scheme at 6 % of gross wages from 2013.	NRP p.10-11 COM p. 13
			3. Take measures to reduce long-term and youth unemployment by fighting early school leaving,	NRP p.11-12 COM p. 17
			promoting more efficient vocational education and training and its apprenticeship component,	NRP p.12-13 COM p. 17-18
			enhancing the quality, coverage and effectiveness of active labour market policy and its training component and	NRP p.12-13 IMF p.16 §32 COM p. 17
			through an effective wage subsidy scheme.	COM p. 17

			4. Tackle high rates of poverty and social exclusion by reforming the social assistance system to make it more efficient,	NRP p.14 IMF p.15 §26 COM p. 18-19
			while better protecting the poor.	NRP p.14 COM p. 18-19
			Ensure better targeting and increase incentives to work.	NRP p.14 -15 COM p. 18-19
			5. Further encourage energy efficiency by implementing measures and providing incentives for reducing energy costs and	NRP p.15-16 COM p. 20-21
			shifting consumption towards energy-efficient products, including vehicles, buildings and heating systems.	NRP p.15-16 COM p. 20-21
			Promote competition in major energy networks	NRP p.16-17 COM p. 19-20
			and improve connectivity with EU energy networks.	NRP p.16-17 COM p. 20

			6. Take measures to improve management and efficiency of the judiciary, in particular to reduce the backlog and length of procedures.	NRP p.17 IMF p.17 §33 COM p. 25
			Take steps to improve the insolvency regime	NRP p.19 COM p. 25
			and the mediation laws.	NRP p.19-20 COM p. 25
			7. Continue reforms in higher education, inter alia, by implementing a new financing model that rewards quality, strengthens links with market needs and research institutions, and avoids fragmentation of budget resources.	NRP p.20-22 IMF p.17 §33 COM p. 18
			Design and implement an effective research and innovation policy encouraging companies to innovate, including via tax incentives, upgrading infrastructure and rationalising research institutions.	NRP p.22-24 COM p. 21-22

<div>LT</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Adopt additional fiscal measures of a permanent nature by the time of the 2012 budget to <b>correct the excessive deficit</b> in line with the Council recommendations under the EDP.	Annex 3 NRP §6.1-6.5 IMF (SI) p.6 §8-9 Eurostat database COM p. 7-9	1. Ensure planned progress towards the timely <b>correction of the excessive deficit</b> . To this end, fully implement the budget for the year 2012 and achieve the structural adjustment effort specified in the Council recommendation under the excessive deficit procedure.	SCP p.14-18 §14-19 NRP p.6 Eurostat, AMECO databases COM p. 19-10
	Reinforce <b>tax compliance</b> and	Annex 3 NRP §6.6-6.8; IMF p.8 §17 COM p. 12		
	take full advantage of the economic recovery to further accelerate deficit reduction and ensure progress towards the <b>medium-term objective</b> by at least 0,5 % of GDP annually.	IMF p.8 §17 AMECO database COM p. 9-10	Thereafter, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond as envisaged, ensuring an adequate structural adjustment effort to make sufficient progress towards the <b>MTO</b> , including meeting the <b>expenditure benchmark</b> , while minimising cuts in <b>growth-enhancing expenditure</b> .	SCP p.14-21 §14-21 NRP p.6 COM p. 11-12
	Strengthen the fiscal framework, in particular by introducing <b>enforceable and binding expenditure ceilings</b> in the medium-term budgetary framework.	IMF p.9 §18 COM p. 11		


			In that respect, review and consider increasing those taxes that are least detrimental to growth, such as housing and environmental taxation, including introducing <b>car taxation</b> ,	NRP p.7 IMF SI p.14 §21 IMF p.11 §19 COM p. 14
			while reinforcing <b>tax compliance</b> .	NRP p.7 IMF p.11 §19 COM p. 14
			Strengthen the fiscal framework, in particular by introducing <b>enforceable and binding expenditure ceilings</b> in the medium-term budgetary framework.	NRP p.6 IMF SI p.15 §22; IMF p.15 §20 COM p. 13
	2. Adopt the proposed implementing legislation on <b>Pension System Reform</b> .	Annex 3 NRP §1.1-1.2 IMF p.8 §17 COM p. 16	2. Adopt legislation on a comprehensive <b>pension system reform</b> .	NRP p.8-9 IMF p.15 §20 COM p. 18
	In order to enhance participation in the labour market, remove <b>fiscal disincentives</b> to work, especially for people at pensionable age.	Annex 3 NRP §1.1 COM p. 17	Align the <b>statutory retirement age</b> with life expectancy,	NRP p.10 IMF p.15 §20 COM p. 18

			establish clear rules for the <b>indexation of pensions</b> , and	NRP p.10 COM p. 18
			improve complementary <b>savings schemes</b> .	NRP p.8
			Underpin <b>pension reform</b> with active ageing measures.	NRP p.10 COM p. 18
	3. Enhance labour market flexibility by amending the labour legislation to make it more <b>flexible and to allow better use of fixed-term contracts</b> .	Annex 3 NRP §3.1-3.2 IMF p.12 §30 COM p. 14-15	3. Tackle high unemployment, in particular among youth, low-skilled and long-term unemployed,	NRP p.11-12 COM p. 16
			by focusing resources on <b>active labour market policies</b> while improving their <b>efficiency</b> .	NRP p.12 COM p. 16
			Enhance the effectiveness of <b>apprenticeship schemes</b> .	NRP p.13 COM p. 16-17
			Amend the labour legislation with regard to <b>flexible contract agreements, dismissal provisions and flexible working time arrangements</b> .	NRP p.13-14 COM p. 17
	Amend the relevant legislation to ensure that the <b>social assistance system</b> does not contain disincentives to work.	Annex 3 NRP §3.3 COM p. 16-17	4. Increase <b>work incentives</b> and strengthen the links between the <b>social assistance reform and activation measures</b> , in particular for the most vulnerable, to reduce poverty and social exclusion.	NRP p.15-16 COM p. 18
	4. Implement all aspects of the <b>State-owned enterprise reform package</b> by the end of 2011,	Annex 3 NRP §5.3	5. Implement all aspects of the <b>reform package of state-owned enterprises</b>	NRP p.17 COM p. 19

ensuring a separation of ownership and regulatory functions,	IMF p.8 §17 COM p. 17	and in particular ensure a separation of ownership and regulatory functions and a separation of commercial and non-commercial activities.	NRP p.17-18 COM p. 19
clear enterprise objectives,	Annex 3 NRP §5.2 COM p. 17		
enhanced transparency and	Annex 3 NRP §5.1 COM p. 17	Install appropriate <b>monitoring tools</b> to assess the effectiveness of the reforms and ensure compliance of all state-owned enterprises with the requirements of the reform.	NRP p.17-18 COM p. 19
a separation of commercial and non-commercial activities.	Annex 3 NRP §5.4 COM p. 17		
<b>5. Improve the energy efficiency of buildings,</b> including through a rapid implementation of the Holding Fund, and	Annex 3 NRP §2.1-2.7 COM p. 18	<b>6. Step up measures to improve the energy efficiency of buildings,</b> including through removing disincentives and a rapid implementation of the holding fund.	NRP p.18-20 COM p. 19-20
take steps to shift taxation towards energy use.	Annex 3 NRP §2.8 COM p. 18		
<b>6. Take steps to improve start-up conditions</b>	Annex 3 NRP §4.1-4.5; IMF p.12 §31 COM p. 20	Promote competition in <b>energy networks</b> by improving <b>interconnectivity</b> with the Member States for both electricity and gas.	NRP p.21-23 COM p. 20
<b>and the delivery of construction permits,</b> and to strengthen competition in the <b>energy and retail sectors.</b>	Annex 3 NRP §4.6-4.14; IMF p.12 §31		




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<div>LU</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Take advantage of the improving cyclical conditions,	NRP p.11 COM p.8	1. Preserve a sound fiscal position by correcting any departure from a MTO that ensures the long-term sustainability of public finances, in particular taking into account implicit liabilities related to ageing.	NRP p.8 COM p.9-11
	strengthen the fiscal effort and	NRP p.11 IMF p.13 §19 COM p.8		
	use unexpected additional revenue in order to further reduce the headline deficit and	NRP p.11 IMF p.15 §23 COM p.8		
	reach the medium-term objective in 2012.	NRP p.11 IMF p.19 §35 COM p.11	To this end, reinforce and rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond, including meeting the expenditure benchmark.	NRP p.8 COM p.11-12
	2. Propose and implement a broad pension reform to ensure the long-term sustainability of the pension system,	NRP p.12-13 OECD p.19 COM p.10	2. Strengthen the proposed pension reform	NRP p.9 OECD P.16-17 COM p.13
			by taking additional measures to increase the participation rate of older workers,	NRP p.9-10 COM p.19
	starting with measures that will increase the	NRP p.14	in particular by preventing early retirement, and	NRP p.9-

	participation rate of older workers,	COM p.15	by taking further steps to increase the effective retirement age, including through linking the statutory retirement age to life expectancy, in order to ensure the long-term sustainability of the pension system.	10
				COM p.19
	in particular by discouraging early retirement.	NRP p.14 OECD p.20 COM p.11		NRP p.10 COM p.13
	With a view to rising the effective retirement age, measures such as a link between the statutory retirement age and life expectancy, could be considered.	NRP p.14 IMF p.15 §24 OECD p.20		
	<b>3.</b> Take steps to reform, in consultation with social partners and in accordance with national practices, the system of wage bargaining and wage indexation, to ensure that wage growth better reflects developments in labour productivity and competitiveness.	NRP p.14-15 IMF p.17 §28, p.19 §35 COM p.17	<b>3.</b> Take further steps to reform, in consultation with the social partners and in accordance with national practice, the wage bargaining and wage indexation system, with a view to preserve the competitiveness of the Luxembourg economy in the longer term, as a first step by maintaining the current one-year indexation.	NRP p.13 OECD p.23 COM p.22-23
	<b>4.</b> Take steps to reduce youth unemployment by reinforcing training and education measures aimed at better matching young people's qualifications to labour demand.	NRP p.15-16 IMF p.17 §28 OECD p.23	<b>4.</b> Continue efforts to reduce youth unemployment by reinforcing stakeholders' involvement,	NRP p.14-15 OECD p.23-24 COM p.18-19

		COM p.14-15	and by strengthening training and education measures, in particular for those with low education levels, with the aim of better matching young people's skills and qualifications to labour demand.	NRP p.14-15 OECD p.25-27; 29-30 COM p.20
			5. Ensure that the targets for reducing greenhouse gas emissions from non-ETS (Emissions Trading System) activities will be met, in particular by increasing taxation on energy products.	NRP p.16 OECD p.31-33 COM p.24

<b>HU</b> 	<u>Country Specific Recommendations 2011</u>	<b>Source &amp; reference</b>	<u>Country Specific Recommendations 2012</u>	<b>Source &amp; reference</b>
	<b>1. Strengthen the fiscal effort in order to comply with the Council recommendation to correct the excessive deficit in a sustainable manner, inter alia by avoiding the structural deterioration in 2011 implicit in the planned 2 % of GDP budget surplus and</b>	SCP p.24-26 COM p.9-13 OECD p14	<b>1. Correct the excessive deficit by 2012 in a durable manner, by implementing the 2012 budget and the subsequently approved consolidation measures,</b>	SCP p.29-31 COM p.13-14,17 IMF p.6§7, p10§12-13
			<b>while reducing the reliance on one-off measures.</b>	SCP p.38 COM p.13
	<b>ensure that the budget deficit is kept safely below the 3 % of GDP threshold in 2012 and beyond, contributing to the reduction of the high public debt ratio.</b>	SCP p.22-24, 27-29 COM p.9-10, 13	<b>Thereafter, specify all structural measures necessary to ensure a durable correction of the excessive deficit and to make sufficient progress towards the MTO, including meeting the expenditure benchmark, and</b>	SCP p.32-37 COM p.14-15,17 IMF p10§13-15,p19§36
	<b>Fully implement the announced fiscal measures</b>	SCP p.25-26 COM p.9		
	<b>and adopt additional measures of a permanent nature if needed at the latest in the 2012 budget to secure the budgetary target for that year.</b>	SCP p.27 COM p.9 OECD p14 IMF p.8§14	<b>ensure sufficient progress towards compliance with the debt reduction benchmark.</b>	SCP p.39-41, 64 COM p.19 IMF p.10§14
			<b>Also to help mitigate the accumulated</b>	SCP


	The 2012 budget should also identify the additional measures in order to attain the 2013 target in the convergence programme.	SCP p.29-30 COM p.10	macroeconomic imbalances, put the public debt ratio on a firm downward path.	p.29,39-41 COM p.18 IMF p.10§14, p.19§37
	Ensure progress towards the medium-term objective by at least 0,5 % of GDP annually until the MTO is reached and	SCP p.31-33 COM p.13 IMF p.7§12		
	use possible windfall revenues to accelerate the fiscal consolidation.	SCP p.25-26		
	2. Adopt and implement regulations specifying the operational aspects of the new constitutional fiscal governance framework, including, inter alia, the numerical rules that will be implemented at the central and local level until the debt ratio has declined to below 50 % of GDP.	NRP p.50-51 COM p.14 OECD p.16-17 IMF p.8§16, p.18	2. Revise the cardinal law on economic stability by putting the new numerical rules into a binding medium-term budgetary framework.	SCP p.62-64 COM p.19-20 IMF p.12§16
	Regarding the fiscal framework, implement and strengthen multiannual fiscal planning,	NRP p.51 COM p.14 OECD p.17	Continue to broaden the analytical remit of the Fiscal Council, with a view to increasing the transparency of public finances.	SCP p.62-65 COM p.20 IMF p.12§16
	improve the transparency of public finances	NRP p.51 COM p.15 OECD p.17		
	and broaden the remit of the Fiscal Council.	NRP p.51		

		COM p.15 OECD p16 IMF p8§16		
	3. Enhance participation in the labour market by alleviating the impact of the tax reform on low earners in a budget-neutral manner.	NRP p.52 COM p15-16, 19 OECD p15-16, 25	3. Make the taxation of labour more employment-friendly by alleviating the impact of the 2011 and 2012 tax changes on low earners in a sustainable, budget-neutral manner, for example by shifting part of the tax burden to energy taxes and recurrent taxes on property.	NRP p.37-38 COM p22-23, 26 IMF p.17§31
	Strengthen measures to encourage women's participation in the labour market by expanding childcare and pre-school facilities.	NRP p.53 COM p.19 OECD p.22, 26	Strengthen measures to encourage women's participation in the labour market, particularly by expanding childcare and pre-school facilities.	NRP p.38-39 COM p.22, 27 IMF p.17§31
	4. Take steps to strengthen the capacity of the Public Employment Service and other providers to increase the quality and effectiveness of training, job search assistance and individualised services.	NRP p.54 COM p.20 OECD p.25-26	4. Strengthen the capacity of the Public Employment Service to increase the quality and effectiveness of training, job search assistance and individualised services, with particular regard for disadvantaged groups.	NRP p.39 COM p.26-27
	Reinforce active labour market measures delivering positive evidence-based results.	NRP p.54 COM p.20 OECD p.21-22	Strengthen the activation element in the public work scheme through effective training and job search assistance.	NRP p.39 COM p.26 IMF p.17§31
	In consultation with stakeholders, introduce tailor-	NRP p.54		

made programmes, for the low-skilled and other particularly disadvantaged groups.	COM p.20 OECD p22,26-27	Implement the National Social (Roma) Inclusion Strategy, and mainstream it with other policies.	NRP p.39-40 COM p.30
5. Improve the business environment by implementing all the measures envisaged for regulatory reform and	NRP p.55 COM p.22 OECD p15,24	5. Implement measures envisaged to reduce the administrative burden.	NRP p.40-41 COM p.36-37
lowering administrative burdens in the national reform programme;	NRP p.55 COM p.24 OECD p15	Ensure that public procurement and the legislative process support market competition	NRP p.41 COM p.37-38
assess the effectiveness of current SME support policies and	NRP p.55 COM p.17-18 OECD p15	and ensure a stable regulatory and business-friendly environment for financial and non-financial enterprises, including foreign direct investors.	COM p.31-32 IMF p.17§31
adjust public programmes in order to improve access to non-bank funding.	NRP p.55-56 COM p.17-18	Reduce tax compliance costs and establish a stable, lawful and non-distortive framework for corporate taxation.	NRP p.41 COM p.21-22
		Remove unjustifiable restrictions on the establishment of large-scale retail premises.	NRP p.41 COM p.31
		Provide specific well-targeted incentive schemes to support innovative SMEs in the new innovation strategy.	NRP p.42 COM p.33



			6. Prepare and implement a national strategy on early school-leaving by ensuring adequate financing.	NRP p.42 COM p.27-28
			Ensure that the implementation of the higher education reform improves access to education for disadvantaged groups.	NRP p.42 COM p.28
			7. Reform the public transport system to make it more cost efficient.	NRP p.43 COM p.34 IMF p.11§15
			Increase the cross-border capacities of the electricity network,	NRP p.43 COM p.35
			ensure the independence of the energy regulator and	NRP p.43 COM p.35
			gradually abolish regulated energy prices.	NRP p.43 COM p.35


<div>MT</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Ensure <b>correction of the excessive deficit in 2011</b> , in line with the EDP recommendations, standing ready to take additional measures so as to prevent possible slippages, and	NRP p.19 SCP p. 19-20; IMF p. 9 §12, p.18 §34 COM p.7	1. Reinforce the budgetary strategy in 2012 with additional permanent measures so as to ensure adequate progress towards the MTO  and <b>keep the deficit below 3 % of GDP</b> without recourse to one-offs.	NRP p.44-45 SCP p.20 IMF p.15§19 COM p.9-10  NRP p.44-45 SCP p.20 IMF p.15§19 COM p.9-10
	adopt <b>concrete measures</b> to back up the 2012 deficit target.	NRP p.20 SCP p. 24 COM p.8	Continue <b>fiscal consolidation</b> at an appropriate pace thereafter, so as to make sufficient progress towards the <b>MTO</b> , including meeting the <b>expenditure benchmark</b> ,	NRP p.44-45 SCP p.21-28
	Bring the high public debt ratio on a downward path and ensure adequate progress towards the <b>MTO</b> .	SCP p. 32-34 IMF p. 11 §15; COM p.10-11	and towards compliance with the <b>debt reduction benchmark</b> ,	IMF p.15§19-22 COM p.11-13 IMF p.15§21
	With a view to strengthening the credibility of the medium-term consolidation strategy, define the required broad measures from 2013 onwards,	SCP p. 27-29 IMF p. 4 §16, p.18	by specifying the <b>concrete measures</b> to back up the deficit targets from 2013,	SCP p.30 COM p.11 IMF p.15§20 SCP p.23

	embed the fiscal targets in a <b>binding, rule-based multi-annual fiscal framework</b> and	§35 COM p.8	while standing ready to take additional measures in case of slippages.  Implement, by end-2012 at the latest, a <b>binding, rule-based multi-annual fiscal framework</b> .	COM p.11-13
		SCP p. 72		IMF p.15§20-21
		IMF p. 39 §1 COM p.11		COM p.11
	improve the monitoring of <b>budgetary execution</b> .	COM p.11	Increase <b>tax compliance</b> and  fight <b>tax evasion</b> , and  reduce <b>incentives towards indebtedness in corporate taxation</b> .	SCP p.65
				IMF p.18§23, p.19-20 COM p.16
				NRP p.46 COM p.16
	2. Take action to ensure the sustainability of the <b>pension system</b>	NRP p.22-26; COM p.11-12 IMF p. 13 §18	2. Take action, without further delay, to ensure the long-term sustainability of the <b>pension system</b> , comprising an increase in the effective retirement age,	NRP p.46 SCP p.24 COM p.16
	such as by accelerating the progressive increase in the retirement age and	NRP p.22-26; COM p.11-12; IMF p. 13 §18		COM p.16
				IMF p.20§25 NRP p.51-55 COM p.14

	by linking it to life expectancy.	NRP p.22-26; COM p.11-12 IMF p. 13 §18		
	Accompany the higher statutory retirement age with a comprehensive <b>active ageing strategy</b> ,	NRP p.26-29 COM p.11	including through a significant acceleration of the progressive increase in the <b>statutory retirement age</b> compared to current legislation	NRP p.55 IMF p.20§25 COM p.14
	discourage the use of <b>early retirement schemes</b> and	COM p.11	and through a <b>clear link between the statutory retirement age and life expectancy</b> , and	NRP p.55 IMF p.20§25 COM p.14
	encourage <b>private pension savings</b> .		measures to encourage private pension savings.	NRP p.53-54 IMF p.20§25 COM p.14-15
			Take measures to increase the <b>participation of older workers</b> in the labour force and	NRP p.65-57 COM p.15
			discourage the use of early retirement schemes.	NRP p.56-57 COM p.14-15
	<b>3. Focus education outcomes more on labour market needs, notably by making additional efforts to improve access to higher education</b>	NRP p.30-31 COM p.14-	<b>3. Take steps to reduce the high rate of early school leaving.</b>	NRP p.58-60 IMF p.20§25

		15		COM p.19
	and by strengthening the effectiveness of the <b>vocational training system</b> .	NRP p.30 COM p.15	Pursue policy efforts in the <b>education system</b> to match the skills required by the labour market.	NRP p.59-64 IMF p.20§25 COM p.19-20
	Take further measures to reduce <b>early school-leaving</b> by identifying, analysing and measuring its causes by 2012 and by setting up a regular monitoring and reporting mechanism on the success rate of the measures.	NRP p.32 COM p.15-16 NRP p.33 COM p.15-16	Enhance the provision and affordability of more <b>childcare and out-of-school centres</b> , with the aim of reducing the gender employment gap.	NRP p.64-77 IMF p.20§25 COM p.20-21
	<b>4.</b> Review and take the necessary steps to reform, in consultation with social partners and in accordance with national practices, the <b>system of wage bargaining and wage indexation</b> to ensure that wage growth better reflects developments in labour productivity and competitiveness.	NRP p.37 IMF p. 17 §29, p.38 §12 COM p.16	<b>4.</b> Take the necessary further steps to reform, in consultation with social partners and in accordance with national practices, the <b>system of wage bargaining and wage indexation</b> , so as to better reflect developments in labour productivity and reduce the impact of prices of imports on the index.	NRP p.78-81 IMF p.20§25 COM p.22
	<b>5.</b> Strengthen efforts to reduce Malta's dependence on imported oil, by bringing forward investments in <b>renewable energies</b> and	NRP p.38-42 COM p.17	<b>5.</b> In order to reduce Malta's dependence on imported oil, step up efforts to promote <b>energy efficiency</b> and	NRP p.82 COM p. 23-25
	making full use of available <b>EU funds to upgrade infrastructure</b>	NRP p.38-42 COM p.17-18	increase the share of energy produced from renewable sources by carefully monitoring the existing incentivising mechanisms and	NRP p.84 COM p.23

	and promote <b>energy efficiency</b> .	NRP p.39-40 COM p.18		
			by prioritising the further development of <b>infrastructure</b> , including by completing the electricity link with Sicily.	NRP p.89 COM p.23-24
			<b>6. To strengthen the banking sector</b> , take measures to mitigate potential risks arising from the large exposure to the real estate market.	NRP p.95-99 IMF p.11 §11;13 COM p.17-18
			Take measures to further strengthen the provisions for loan impairment losses.	NRP p.100-101 IMF p.11 §12 COM p.17-18


<div>NL</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the budgetary strategy for the year 2012, in line with the Council recommendations on correcting the excessive deficit, setting the high public debt ratio on a downward path.	NRP p.4 SCP p. 19 OECD p.18 COM p.9-12	1. Ensure timely and durable correction of the excessive deficit. To this end, fully implement the budgetary strategy for 2012 as envisaged.	NRP p.8 COM p. 9 IMF p.11 §8
	Thereafter, progress towards the medium- term objective in line with the Stability and Growth Pact requirements, respecting the overall spending ceilings and consolidation requirements, thereby ensuring that consolidation is sustainable and growth-friendly,	OECD p.19 COM p.9-12	Specify the measures necessary to ensure implementation of the 2013 budget with a view to ensuring the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure.	COM p. 9
	by protecting expenditure in areas directly relevant for growth such as research and innovation, education and training.	OECD p. 19 COM p. 12	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark,	COM p. 9
			and ensure sufficient progress towards compliance with the debt reduction benchmark	COM p. 12
			whilst protecting expenditure in areas directly relevant for growth such as research and innovation, education and training.	NRP p.8
	2. Take measures to increase the statutory retirement age by linking it to life expectancy,	NRP p.4 OECD	2. Take measures to increase the statutory retirement age, including linking it to life	NRP p.8 IMF p.11 §10

		p.18, 20-21 COM p. 14	expectancy,	COM p. 12
	and underpin these measures with others to raise the effective retirement age and to improve the long-term sustainability of public finances.	NRP p.4 OECD p. 18 COM p. 14	and underpin these with labour market measures to support raising the effective retirement age, whilst improving the long-term sustainability of public finances.	NRP p.9-10 COM p. 12
	Prepare a blueprint for reforming long-term care in view of an ageing population.	OECD p. 33-34 COM p.15	Adjust the second pension pillar to mirror the increase in the statutory retirement age,	NRP p.9-10 COM p. 12
			while ensuring an appropriate intra- and inter-generational division of costs and risks.	NRP p.9-10 COM p. 12
			Implement the planned reform in <b>long-term care</b> and	NRP p. 10 COM p. 12 IMF p.26
			complement it with further measures to contain the increase in costs, in view of an ageing population.	NRP p. 10 IMF p.25 §42
	3. Enhance participation in the labour market by reducing fiscal disincentives for second-income earners to work and	NRP p.5-6, 13-14 OECD p.19, 29 COM p.16	3. Enhance participation in the labour market, particularly of older people, women, and people with disabilities and migrants,	NRP p. 11-12 COM p. 15-16
	draw up measures to support the most vulnerable groups and help them to re-integrate within the	NRP p. 6; 14-15	including by further reducing tax disincentives for second-income earners,	NRP p. 12 COM p. 15-16; IMF p.20 §30



	labour market.	COM p.17	fostering labour market transitions, and	NRP p. 13-15 COM p. 17-18
			addressing rigidities.	NRP p. 13-15; COM p. 17-18
	4. Promote innovation, private R&D investment and closer science-business links by providing suitable incentives in the context of the new enterprise policy ('Naar de top').	NRP p.6-7 OECD p. 25-28 COM p. 20-21	4. Promote innovation, private R&D investment and closer science-business links, as well as	NRP p. 16-17 COM p. 25
			foster industrial renewal by providing suitable incentives in the context of the enterprise policy,	NRP p. 16-17
			while safeguarding accessibility beyond the strict definition of top sectors and preserving fundamental research.	NRP p. 17-18 COM p. 24
			5. Take steps to gradually reform the housing market, including by: (i) modifying the favourable tax treatment of home ownership,  including by phasing out mortgage interest deductibility and/or through the system of imputed rents,	NRP p. 19 COM p. 21-22 IMF p.14 §19-20, p.24 §41
			(ii) providing for a more market-oriented pricing mechanism in the rental market, and	NRP p. 19 COM p. 23


			(iii) for social housing, aligning rents with household income.	NRP p. 20 COM p. 23 IMF p.15 §22
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<div>AT</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	<b>1. Accelerate the correction of the excessive deficit</b> , which is planned mainly on the expenditure side, thus bringing the high public debt ratio on a downward path, taking advantage of the ongoing economic recovery, in order to <b>ensure an average annual fiscal effort of 0,75 % of GDP over the period 2011-2013 in line with the Council recommendations under the EDP.</b>	NRP p.5 COM p.10-11 IMF p.8 §15-16	<b>1. Implement the 2012 budget as envisaged</b>	NRP p.4 OECD p.18 IMF p.13 §28
	To this end, adopt and implement the necessary measures, including at the subnational level.	COM p.8-9	and reinforce and rigorously implement the budgetary strategy for the year 2013 and beyond;	NRP p.5
	Specify measures as needed to ensure <b>adequate progress towards the medium-term objective</b> in line with the Stability and Growth Pact (SGP) after correction of the excessive deficit.	COM p.8-9 IMF p.8 §16,21	sufficiently specify measures (in particular at the sub-national level), to ensure a <b>timely correction of the excessive deficit</b> and the achievement of the average annual structural adjustment effort specified in the Council Recommendations under the EDP.	NRP p.4-5 OECD p.19 IMF p.14 §29
	<b>2. Take steps to further strengthen the national budgetary framework</b> by aligning legislative, administrative, revenue- raising and spending responsibilities across the different levels of government,	NRP p.6 COM p.13 IMF p.11 §21; p.20 §54, p.37-	Thereafter, ensure an adequate structural adjustment effort to <b>make sufficient progress towards the MTO</b> , including meeting the expenditure benchmark.	NRP p.5 IMF p.13 §28 COM p.10-11
			<b>2. Take further steps to strengthen the national budgetary framework</b> by aligning responsibilities across the federal, regional and local levels of government,	NRP p.5 OECD p.37 IMF p.17 §35, p.18 §37

		38		COM p.14-15
	in particular in the area of health care.	NRP p.6 COM p.13	in particular by implementing concrete reforms aimed at improving the organisation, financing and efficiency of healthcare	NRP p.6-7 COM p.14-15, 20
			and education.	NRP p.7
	3. In consultation with the social partners and according to national practices, take steps to further limit access to the current early <b>retirement scheme</b> for people with long insurance periods and	NRP p.6 COM p.17 IMF p.17 §40,42; p.30 §5	3. Bring forward the harmonisation of the statutory <b>retirement age</b> between men and women;	NRP p.7 OECD p.27 IMF p.17 §35
			enhance older workers' employability and	NRP p.7 OECD p.27 IMF p.33 COM p.19
	take steps to reduce the transition period for harmonisation of the statutory retirement age between men and women to ensure the sustainability and adequacy of the pension system.	COM p.17-18 IMF p.18 §42, p20 §53, p41 §9	monitor closely the implementation of the recent reforms restricting access to early exit channels in order to ensure that the effective retirement age is rising	NRP p.8-9 OECD p.18 COM p.18-19
	Apply strictly the conditions for access to the invalidity pension scheme.	COM p.17-18; IMF p40 §5	including through linking the statutory retirement age to life expectancy.	OECD p.27 COM p.18-19
	4. Take measures to enhance participation in the <b>labour market</b> , including the following: <b>reduce</b> , in	NRP p.5,	4. Take steps to <b>reduce the effective tax and</b>	NRP p.10

	a budgetary neutral way, the effective <b>tax and social security burden on labour</b> ,	18-19 COM p.14 IMF p.18 §43-44, p.20 §54, p.42 §11	<b>social security burden on labour</b>	IMF p.18 §38 COM p.16
	especially for low- and medium-income earners;	COM p.14 IMF p.18 §43, p.42 §13	especially for low income earners	NRP p.10 IMF p.18 §38
	implement the National Action Plan on the equal treatment of women and men in the labour market,	NRP p.17 COM p.17	with a view to increasing employment rates for older persons and women given the need to counteract the impact of demographic change on the working population.	NRP p.11
	including improvements in the availability of care services	NRP p.16-18 COM p.17-18	Shift the <b>tax burden</b> in a budgetary neutral way, towards real estate taxes, and environmental taxes.	NRP p.11 COM p.16-17
	and of all-day school places to increase the options for women to work full-time and in the high gender pay gap;	NRP p.18 COM p.19	Reduce the high gender pay gap and	NRP p.11 COM p.19
	take steps to improve educational outcomes and <b>prevent school drop-out.</b>	NRP p.34-35 COM p.19-20	enhance full-time employment opportunities for women, in particular through the provision of additional care services for dependants.	NRP p.12-13 OECD p.18,29-30 COM p.19
			<b>5. Continue to implement measures to improve educational outcomes, especially of disadvantaged young people.</b>	NRP p.13-14 OECD p.30-31 COM p.20
			Take measures to <b>reduce drop-outs</b> from higher education.	NRP p.14-16

				OECD p.32 COM p.20-21
	<b>5. Take further steps to foster competition</b> , in particular in the services sectors, by relaxing barriers to entry,	NRP p.43 COM p.20-21	<b>6. Take further steps to foster competition</b> , in the services sectors, by removing barriers to market entry in the communications, transport and energy retail markets.	NRP p.19-20 OECD p.41 COM p.23
	removing unjustified restrictions on some professions, as well as	NRP p.43 COM p.21		
	enhancing the powers of the competition authority.	NRP p.43 COM p.21	Where unjustified restrictions on access to liberal professions exist, they should be removed.	NRP p.20 OECD p.41 COM p.23
	Accelerate the adoption of the outstanding 'horizontal law' implementing the Services Directive.	NRP p.42 COM p.20	Enhance the powers of the federal competition authority and	NRP p.20 COM p.23
			speed up the implementation of the competition law reform.	COM p.23
			<b>7. Further restructure and continue to monitor those banks that benefited from public support</b> , while avoiding excessive deleveraging.	NRP p.21-22 OECD p.15-17 IMF p.9 §14, p.10 §17 COM p.17
			Further improve the cooperation and coordination of national policy decisions with financial sector supervisors in other countries.	NRP p.23 OECD p.15 IMF p.11 §18 COM p.17

PL 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the measures announced in the draft 2012 Budget Law and take additional measures of a permanent nature if needed to <b>reduce the general government deficit to below 3 % of GDP in 2012</b> , in line with the Council recommendations under the EDP.	IMF p.17 §23-24 SCP p.13-18 COM p. 7-9	1. Ensure planned progress towards the <b>correction of the excessive deficit</b> . To this end, fully implement the budget for the year 2012 and achieve the structural adjustment effort specified in the Council recommendations under the EDP. Thereafter, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond as envisaged, ensuring an adequate structural adjustment effort to make sufficient progress towards the <b>MTO</b> , including meeting the <b>expenditure benchmark</b> .	SCP p.12-13 IMF p.16 §23, §25 COM p. 9-12 Eurostat & AMECO databases
	While ensuring adequate progress towards the <b>medium-term objective</b> , minimise cuts in <b>growth-enhancing expenditure</b> in the future.	IMF p.18 §25 SCP p.16, 19-20 COM p. 7,10-11		Minimise cuts in <b>growth-enhancing expenditure</b> in the future and
			improve <b>tax compliance</b> .	COM p. 13
	2. Enact legislation with a view to introducing a <b>permanent expenditure rule</b> by 2013. This rule should be based on sufficiently broad budgetary aggregates and should be consistent with the European system of accounts.	IMF p.18 §26 OECD p.21-22, 43 SCP p.41-43	2. Speed up the reform of the fiscal framework by enacting legislation with a view to introducing a <b>permanent expenditure rule</b> by 2013. This rule should be consistent with the ESA.	NRP p.90 IMF p.17 §26 COM p. 12


		COM p. 12		
	Moreover, take measures to strengthen the <b>mechanisms of coordination among the different levels of government</b> in the medium-term and annual budgetary processes.	IMF p.18 §26 OECD p.19, 22 SCP p.44 COM p. 12	Take measures to strengthen the mechanisms of <b>coordination among the different levels of government</b> in the medium-term and annual budgetary processes.	IMF p.17 §26 COM p. 12
	<b>3.</b> Raise as planned the <b>statutory retirement age</b> for uniformed services,	IMF p.18 §27 OECD p.20, 43 NRP p.31 COM p. 15-16	<b>4.</b> Reinforce efforts to increase the <b>labour market participation of women</b> and	NRP p.12, 13-14, 74-76 COM p. 16
	continue steps to increase the <b>effective retirement age</b> , such as linking it to life expectancy.	IMF p.18 §27 OECD p.22 NRP p.31-32 COM p. 15	raise <b>enrolment rates of children</b> in both early childcare and pre-school education, by ensuring stable funding and investment in public infrastructure, the provision of qualified staff, and affordable access.	NRP p.15-16, 76-77 COM p. 16
	Establish a timetable to further improve the rules for farmers' contributions to the <b>social security fund (KRUS)</b> to better reflect individual incomes.	OECD p.20, 22-24, 43 NRP p.32-		



		33; SCP p.26 COM p. 16		
	5. Increase <b>female labour market participation</b> by taking measures to ensure stable funding for pre-school child-care arrangements, to increase enrolment rates of children under three years.	OECD p.24 NRP p.36 COM p. 15	Tackle entrenched practices of <b>early retirement</b> to increase exit ages from the labour market.	NRP p.10, 13, 17-18, 78-79  IMF p.15, p.18 §27-28, p.52-54  COM p. 15-16
			Phase out the <b>special pension scheme for miners</b> with a view to integrating them into the general scheme.	NRP p.19 COM p. 15-16
			Take more ambitious, permanent steps to reform the <b>KRUS</b> to better reflect individual incomes.	NRP p.19 COM p. 16
	4. Implement the proposed lifelong learning strategy, enhance <b>apprenticeships</b> and dedicated <b>vocational training</b> and education programmes for older workers and low-skilled workers.	OECD p.25 NRP p.33-34 COM p. 15-16	3. To reduce youth unemployment, increase the availability of <b>apprenticeships and work-based learning</b> , improve the quality of vocational training and adopt the proposed lifelong learning strategy.	NRP p.11, 13, 45 COM p. 18
	Strengthen links between <b>science and industry</b> by implementing the 'We build on Knowledge' programme ('Budujemy na Wiedzy').	IMF p.21 §39 OECD p.44 NRP p.34-	Better match <b>education</b> outcomes with the needs of the labour market and improve the quality of teaching.	NRP p.40-44  IMF p.23 §38  COM p.

		35 COM p. 16		16-17
	Implement the higher <b>education reform programme</b> 'Partnership for Knowledge' ('Partnerstwo dla Wiedzy') so as to better align educational provision with labour market needs.	OECD p.44 NRP p.35 COM p. 16	To combat labour market segmentation and in-work poverty, limit excessive use of <b>civil law contracts</b> and extend the probationary period to permanent contracts.	NRP p. 46-52 COM p. 17
	<b>6. Take measures to improve incentives for investment in energy generation capacity</b> with a view to encouraging low-carbon emitting technologies, and	OECD p.36, 38 NRP p.36-37 COM p. 19	<b>6. Step up efforts to improve incentives for investment in energy generation capacity and energy efficiency</b> in the whole energy chain,	NRP p.31, 35-38, 83 COM p. 21
	to further develop <b>cross-border electricity grid interconnections</b> ;	OECD p.26, 37 NRP p.37 COM p. 19	speed up the development of the <b>electricity grid</b> , including cross-border interconnections,	NRP p.32, 38 COM p. 21
	develop a <b>multiannual plan for investment in railway infrastructure</b> and	NRP p.38 COM p. 19	eliminate obstacles in <b>electricity cross border exchange</b> , and	NRP p.32, 38 COM p. 22
			strengthen competition in the <b>gas sector</b> by phasing out regulated prices and by creating a gas trading platform.	NRP p.85 COM p. 22
	implement the <b>rail transport master plan</b> .	NRP p.38-39 COM p. 17	Strengthen the role and resources of the <b>railway market regulator</b> and	NRP p.53 COM p. 19
			ensure effective and swift implementation of <b>railway investment projects</b> .	NRP p.53 COM p. 19

			Reduce restrictions on <b>professional services</b>	NRP p.55 IMF p.23 §38 COM p. 22
			And simplify contract enforcement and requirements for <b>construction permits</b> .	NRP p.54 IMF p.23 §40 COM p. 23
	7. Take steps to simplify legal procedures involved in enforcing <b>contracts</b> ;	NRP p.40-41 COM p. 20		
	revise <b>construction and zoning legislation</b> , with a view to streamlining appeal procedures and speeding up administrative procedures.	OECD p.25, 38, 42, 44 NRP p.40-41		
			5. Take additional measures to ensure an <b>innovation-friendly business environment</b> , by ensuring better links between research, innovation and industry, and by establishing common priority areas and instruments supporting the whole innovation cycle;	NRP p.21-23 IMF p.23 §39 COM p. 20-21
			improve <b>access to finance for research and innovation activities</b> through guarantees and bridge financing.	NRP p.21-23 COM p. 20-21

<div>SI</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Achieve the 2011 deficit target,	SCP p.9 COM p.12	1. Implement the 2012 budget, and	SCP p.22-24; NRP p.32-33 COM p.14
	underpin the 2012 deficit target with concrete measures and	SCP p.15-21 COM p.8-10 IMF p.13 §19	reinforce the budgetary strategy for 2013 with sufficiently specified structural measures,	SCP p.24-28 COM p.14 IMF p.17 §26
	implement the necessary consolidation rigorously,		standing ready to take additional measures so as to ensure a correction of the excessive deficit in a sustainable manner by 2013 and the achievement of the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure.	COM p.15-16
	standing ready to adopt additional measures to prevent possible slippages.	COM p.8-10		IMF p.17 §27-28
	Underpin this required adjustment process over the programme period with additional measures to ensure the average annual fiscal effort in line with the Council recommendations under the EDP and	SCP p.15-21 COM p.10-11	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards an appropriate MTO for the budgetary position, including meeting the expenditure benchmark.	OECD p.23-24
	adequate progress towards an appropriate medium-term objective.	COM p.7-8		SCP p.28 COM p.14-18
	To this purpose, use structural measures to contain expenditure and	SCP p.18-19 COM p.9	Strengthen the medium-term budgetary framework, including the expenditure rule, by making it more	IMF p.17 §28;31 SCP p.7


	address identified inefficiencies and		binding and transparent.	COM p.21
	implement a more binding medium-term budgetary framework.	SCP p.39 COM p.13 IMF p.15 §23-24		IMF p.6 §6 OECD p.25
	Accelerate the reduction of the deficit if economic or budgetary conditions turn out better than currently expected.	Did not materialize		
	2. Take the required steps to ensure the long-term sustainability of the pension system, while preserving the adequacy of pensions.	NRP p.7 COM p.12, 15 IMF p.16 §26	2. Take urgent steps to ensure the long-term sustainability of the pension system, while preserving the adequacy of pensions, by: (i) equalising the statutory retirement age for men and women;	NRP p.36-37 COM p.20 IMF p.19 OECD p.31
	Increase the employment rate of older workers through later retirement, and	NRP p.7 COM p.15	(ii) ensuring an increase in the effective retirement age, including through linking the statutory retirement age to life expectancy;	NRP p.36-37 COM p.20 IMF p.19 OECD p.31
	by further developing active labour market policies and lifelong learning measures.	NRP p.17 COM p.15	(iii) reducing early retirement possibilities; and	NRP p.36-37 COM p.20 IMF p.19 OECD p.31-32

			(iv) reviewing the indexation system for pensions.	NRP p.36-37 COM p.20 IMF p.19 OECD p.31-32
			Increase the employment rate of older workers also by further developing active labour market policies and lifelong learning measures.	NRP p.38-39;42 COM p.25
	3. Take further measures in the banking sector, where appropriate, to strengthen the balance sheets and the loan portfolio, with a view of enhancing the flow of credit to the real economy.	NRP p.7, 45 COM p.13-14 IMF p.10 §14-16	3. Take the required steps to build sufficient capital buffers in the banking sector and	NRP p.39-40 COM p.22-23 IMF p.9 §18
			strongly promote the cleaning of balance sheets so that appropriate lending to productive activities can resume.	NRP p.39-40 COM p.22-23 IMF p.10 §19; p.12 OECD p.18-19
			Obtain fully-fledged third party verification of systemically important banks' stress loan-loss estimates.	COM p.23-24 IMF p.9 §18 OECD

				p.17-19
4. Take steps, in consultation with the social partners and in accordance with national practices, to reduce asymmetries in rights and obligations guaranteed under permanent and temporary contracts.	NRP p.16 COM p.16 IMF p.17 §28	4. Adjust employment protection legislation as regards permanent contracts in order to reduce labour market segmentation, in consultation with social partners and in accordance with national practices.	NRP p. 41-44 COM p.25-26 IMF p.21 §35 OECD p.35	
Renew efforts to tackle the parallel labour market resulting from 'student work'.	NRP p.16 COM p.16	Further tackle the parallel labour market caused by student work.	NRP p. 44 COM p.26 OECD p.35	
5. Set up a system to forecast skills and competencies needed to achieve a responsive labour market.	NRP p.18 COM p.16	5. Improve the matching of skills with labour market demand, particularly of low-skilled workers and tertiary graduates, and	NRP p. 45-46 COM p.26	
Evaluate the effectiveness of the public employment service, notably on career guidance and counselling services, to improve the matching of skills with labour market needs.	NRP p.18 COM p.16	continue reforms of vocational education and training.	NRP p. 45-46 COM p.26 OECD p.41	
		7. Following consultation with social partners and in accordance with national practice, ensure that wage growth, including minimum wage adaptation, supports competitiveness and job creation.	NRP p. 47 COM p.25	
6. Streamline regulated professions and	NRP p.11,	6. Take further steps to strengthen market opening	NRP p. 47	

	improve the administrative capacity of the Competition Protection Office, in order to enhance the business environment and attract investment.	43 COM p.20	and	COM p.28 IMF p.15 §23
		COM p.19-20	speed up the reorganisation of professional services.	COM p.28 OECD p.34
			Improve the business environment through: (i) implementing the reform of the Competition Protection Office,	COM p.28 OECD p.34
			(ii) establishing a framework for state-owned enterprises guaranteeing arms-length management and high standards of corporate governance, and	NRP p. 46 COM p.31-32 IMF p.15 §23, p. 16, p. 21§36 OECD p.53
			(iii) improving bankruptcy procedures, in particular in terms of timeliness and efficiency.	NRP p. 47 COM p.35 IMF p.15 §23, p.16 §24 OECD p.20



<div>SK</div> 	<u>Country Specific Recommendation 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Rigorously implement both the 2011 budget as envisaged and	SCP p.23-24 NRP p.8-9 IMF p8§10 COM p.7	1. Take additional measures in 2012 and specify the necessary measures in 2013, to correct the excessive deficit in a sustainable manner and ensure the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure.	NRP p.11 IMF p15§18 COM p.9
	the planned specific measures of a permanent nature in 2012 and 2013, to reduce the deficit below 3 % of GDP by 2013 in line with Council recommendations on correcting the excessive deficit and	SCP p.25-26 NRP p. 9 IMF p8§11 COM p.8		NRP p.11 IMF p15§19 OECD p.23 COM p.10,12
	ensure adequate progress towards the medium-term objective.	IMF p9§12 COM p.8	Implement targeted spending cuts,	IMF p15§18-19
	Subject to this, safeguard growth-enhancing expenditure, and	SCP p.26-27 NRP p. 9 COM p.8	while safeguarding growth-enhancing expenditure, and	NRP p.11 COM p.11
		COM p.11	step up efforts to improve the efficiency of public spending.	NRP p.26 IMF p17§23 COM p.11
	use available room to increase revenue through environmental and property taxes and by increasing the efficiency of VAT collection.	IMF p11§15-16 COM	Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark.	NRP p.24 IMF p16§22 COM p.10-11


		p.11-12	Accelerate the setting up of the Fiscal Council	NRP p.11 IMF p20§24 OECD p.20 COM p.11
			and adopt rules on expenditure ceilings.	NRP p.24 IMF p20§24 OECD p.20 COM p.16
			2. Increase tax compliance, in particular by improving the efficiency of VAT collection;	NRP p.12, 25-26 IMF p17§23, p.19 OECD p.25 COM p.19
			reduce distortions in taxation of labour across different employment types, also by limiting tax deductions;	NRP p.12, 25 OECD p.24 COM p.17
			link real estate taxation to the market value of property;	NRP p.25 IMF p17§23 OECD p.24 COM p.20
			make greater use of environmental taxation.	NRP p.12, 25 OECD p.24

				COM p.20
	2. Strengthen fiscal governance by adopting in 2011 and	SCP p.52-53 NRP p. 9 IMF p9§13, p.10, p12§17 COM p.11		
	implementing from 2012 binding multi-annual expenditure ceilings, covering the central government and the social security system.	SCP p.54 IMF p.10 COM p.11		
	In addition, introduce an independent Fiscal Council and	SCP p.52-53 NRP p. 9 COM p.11		
	ensure timely publication of budgetary data at all levels of the government.	SCP p.53 NRP p. 9		
	3. Enhance the long-term sustainability of public finances by further adjusting the pay-as-you-go pillar of the pension system	COM p.10	3. Further adjust the pay-as-you-go pension pillar, mainly by changing the indexation mechanism,	NRP p.13 IMF p17§23 COM p.14
	also by changing the indexation mechanism	COM p.10	introducing a direct link between the statutory retirement age and life expectancy and	NRP p.13 IMF p17§23 OECD p.21
	and implement further measures with a view to raising the effective retirement age, in particular by	COM p.10		

	linking the pensionable age to life expectancy.			COM p.14
			introducing a sustainability factor in the pension calculation formula reflecting demographic change.	NRP p.13 OECD p.21 COM p.14
	Introduce incentives to ensure the viability of the fully-funded pension pillar so as to progress towards fiscal sustainability while assuring adequate pensions.	NRP p. 9-10 COM p.10-11	Ensure the stability and viability also of the fully funded pillar.	NRP p.13 IMF p17§23 OECD p.21 COM p.14
	4. Take steps to increase employment and to support labour demand for the low-skilled unemployed by reducing the tax wedge for low-paid workers.	NRP p. 10-11 IMF p19§35-36 COM p.16	4. Enhance the administrative capacity of public employment services with a view to improving the targeting, design and evaluation of active labour market policies to ensure more individualised employment services for the young, the long-term unemployed, older workers and women.	NRP p.13-14, 36 IMF p11-12, p.13§16 OECD p.36-37 COM p.21
	In addition, introduce measures to improve the administrative capacity of public employment services with a view to improving targeting, design and evaluation of active labour market policies, especially for the young and long-term unemployed.	NRP p. 10-11 p19§35 COM p.15-16	Ensure the provision of childcare facilities.	NRP p.38 OECD p.35-36 COM p.23
			Reduce the tax wedge for low-paid workers	OECD p.34 COM p.18-22
			and adapt the benefit system.	NRP p.13, 38 IMF p12,

				13§15-6 OECD p.34 COM p.22
	5. Speed up the implementation of planned general education, vocational education and training reforms and	NRP p. 11-12 p19§35 COM p.17-18	5. Adopt and implement the youth action plan, in particular as regards the quality and labour market relevance of education and vocational training, including through the introduction of an apprenticeship scheme.	NRP p.15, 36-37 IMF p13§16 OECD p.31 COM p.23
	take steps to improve the quality of higher education and its relevance to market needs.	NRP p. 12 COM p.18		
	Develop a framework of incentives for both individuals and employers to encourage participation of the low-skilled in lifelong learning.	NRP p. 13 COM p.11	Improve the quality of higher education by strengthening quality assurance and result orientation.	NRP p.15 IMF p13§16 OECD p.29-30 COM p.24
			6. Take active measures to improve access to and quality of schooling and pre-school education of vulnerable groups, including Roma.	NRP p.16 OECD p.30-31 COM p.25
			Ensure labour market reintegration of adults through activation measures and targeted employment services, second-chance education and short-cycle vocational training.	NRP p.16 IMF p13§15 OECD p.31-32

	6. Ensure the implementation of planned measures aimed at a more effective application of public procurement rules, a higher performance and transparency of the judicial system.	NRP p. 13-14 COM p.22	7. Strengthen the quality of the public service, including by improving management of human resources and strengthening analytical capacities.	NRP p.17, 44 IMF p13§16 COM p.30
			Further shorten the length of judicial proceedings and	NRP p.17 COM p.30-31
			strengthen the role of the Public Procurement office as an independent body.	NRP p.17 OECD p.26 COM p.30


FI 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Continue the fiscal consolidation using any windfall revenue to reduce the deficit,	NRP p.22-23 IMF p.19 §26-27 OECD p. 17 COM p.8, 11-12	1. Preserve a sound fiscal position in 2012 and beyond by correcting any departure from the MTO that ensures the long-term sustainability of public finances.	NRP p.17-18 COM p.9-12
	while taking additional measures to maintain the fiscal position above the medium-term objective, in particular through compliance with the medium-term expenditure benchmark.	NRP p. 23 IMF p.21 §28 COM p.8-10	To this end, reinforce and rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond, including meeting the expenditure benchmark.	COM p.9-12
			Continue to carry out annual assessments of the size of the ageing-related sustainability gap and	NRP p.18
			adjust public revenue and expenditure in accordance with the long-term objectives and needs.	NRP p.19 COM p.12-14
			Integrate the local government sector better in the system of multi-annual fiscal framework including through measures to control expenditure.	NRP p.19-20 COM p.13-14

	2. Take further measures to achieve productivity gains and cost savings in public service provision,	NRP p.26 OECD p. 27-28 COM p.19-20	2. Take further measures to achieve productivity gains and cost savings in public service provision,	NRP p.22 COM p.24
	including structural changes, in order to respond to the challenges arising from population ageing.	NRP p.25-26 IMF p.24 §33-34, p.27 §37 p.28 §44 OECD p. 20; 27-28 COM p.19-20	including structural changes and efficiency-enhancing territorial administrative reforms, also in order to respond to the challenges arising from an ageing population.	NRP p.22-23 COM p.24-25
	3. Target active labour market measures better on the long- term unemployed and young people.	NRP p.32-33 IMF p.26 §35 OECD p. 16 COM p.14	3. Implement the ongoing measures to improve the labour market position of young people and the long-term unemployed, with a particular focus on skills development.	NRP p.26-29 COM p.17
	4. Take measures to improve the employability of older workers and their participation in lifelong learning.	NRP p.30-31 IMF p.26 §35 COM p.13		
	Take further steps, in consultation with social	NRP p.30-	Take further steps to improve the employment rate	NRP p.29-



	partners and in accordance with national practices, to encourage older workers to stay in the labour market, by measures to reduce early exit	31 COM p.13	of older workers, including by reducing early exit pathways.	30 COM p.16
	and increase the effective retirement age.	COM p. 13 IMF p.26 §35 OECD p. 34	Take measures to increase the effective retirement age taking into account the improved life expectancy.	NRP p.30 COM p.17-18
	In view of the already existing system of linking pension benefits to life expectancy, consider a link between the statutory retirement age and life expectancy.	COM p. 13-14 IMF p.28 §43 OECD p. 34		
	5. Take further measures to open up further the service sector, by redesigning the regulatory framework and	NRP p.34-35 IMF p.26 §36 COM 16-17 OECD p. 25	4. Continue enhancing competition in product and service markets, especially in the retail sector, by ensuring the effective implementation of the new Competition Act	NRP p.33 COM p.21
	removing restrictions in order to facilitate new entry into service sector markets, especially in the retail sector.	NRP p.34-35 IMF p.26 §36, p.28		
			and the new programme on promoting healthy competition.	NRP p.33 COM p.19; 22


		§45 COM 16-17 OECD p. 24-25	Continue to take measures to increase the efficiency of municipal service provision, including increasing, where appropriate, the share of services subject to competitive bidding,	NRP p.33 COM p.25
			and to ensure competition neutrality between private and public undertakings.	NRP p.33 COM p.19; 22
			Take further steps to ensure that competition law fines have a sufficiently deterrent effect.	NRP p.33 COM p.22
			5. In order to strengthen productivity growth and external competitiveness, continue efforts to diversify the business structure,	NRP p.34-37 COM p.19
			in particular by hastening the introduction of planned measures to broaden the innovation base	NRP p.35-36 COM p.20-21
			while continuing to align wage and productivity developments fully respecting the role of social partners and in line with national practices.	NRP p.38

SE 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Keep fiscal policy on a path that ensures that the medium- term objective continues to be met.	NRP p.53-54 SCP p.29-34 COM p.9-10 IMF p.15 §38, §43	1. Preserve a sound fiscal position in 2012 and beyond by implementing the budgetary strategy as envisaged and  ensuring continued achievement of the MTO.	NRP p.12 SCP p.31-34 COM p.11 IMF p.6 §7; p.9 §13  NRP p.12 SCP p.41-43 COM p.12 OECD p.26-27 IMF p9 §13
	2. Take preventive action to deal with the macroeconomic risks associated with rising house prices and	NRP p.54-55 SCP p.26-28 COM p.12-14 IMF p.52 §17	2. Take further preventive measures to strengthen the stability of the housing and mortgage market in the medium term, including by fostering prudent lending,	NRP p.13 OECD p.23-25 IMF p.10 §19; p.11 §23 COM p17
	household indebtedness. A broad set of measures could be considered, such	NRP p.54-55	reducing the debt bias in the financing of housing investments, and	NRP p.13-14; SCP

	as reviews of the mortgage system, including the capital requirements of banks, rent regulation, property taxation and construction permits.	SCP p.26-28 COM p.12-14 IMF p.11 §32		p.29-30 OECD p.36-37 IMF p.11 §22-23 COM p.16
			tackling constraints in housing supply	NRP p.14-15
			and rent regulations.	OECD p.38-39 IMF p.16 §37 COM p.16
			3. Take further measures to improve the labour market participation of youth and vulnerable groups, e.g. by improving the effectiveness of active labour market measures,	NRP p.14-15 OECD p.38-39 IMF p.16 §37 COM p.16 NRP p.17-21 IMF p.16 §38 OECD p.30-33

	3. Monitor and improve the labour market participation of young people and other vulnerable groups.	NRP p.55-60 COM p.15-17 IMF p.15 §41, p.17 §51	facilitating the transition from school to work,	NRP p.16-17 IMF p.16 §38 OECD p.33 COM p.18-19
			promoting policies to increase demand for vulnerable groups and	NRP p.17 IMF p.16 §38 OECD p.34-35 COM p.19-20
			improving the functioning of the labour market.	NRP p.17-21 OECD p.30-31 IMF p.16 §38 COM p.19-20
			Review the effectiveness of the current reduced VAT rate for restaurants and catering services in support of job creation.	NRP p.21-22 COM p.20-21

			4. Take further measures in the upcoming research and innovation bill to continue improving the excellence in research and	NRP p.22-23 COM p.24-25
			to focus on improving the commercialisation of innovative products and the development of new technologies.	NRP p.23-24 COM p.25

<div>UK</div> 	<u>Country Specific Recommendations 2011</u>	Source & reference	<u>Country Specific Recommendations 2012</u>	Source & reference
	1. Implement the planned fiscal consolidation aiming at a deficit of 6,2 % of GDP in 2012-2013, in line with Council recommendations on correcting the excessive deficit, and	NRP p.14-15 SCP p.19-21; 91-93 IMF p.35 §38; p.36 §40 COM p.9	1. Fully implement the budgetary strategy for the financial year 2012-13 and beyond, supported by sufficiently specified measures, to ensure a timely correction of the excessive deficit in a sustainable manner and the achievement of the structural adjustment effort specified in the Council recommendations under the EDP and	NRP p.14-16 SCP p.18-23; p.29-30 IMF p.25 §35-36 OECD p.16-18 COM p.12-13
	setting the high public debt ratio on a downward path when the excessive deficit is corrected by the end of the programme period.	NRP p.15-16 SCP p.22; 91-93 IMF p.11-12 COM p.11-12		
	Ensure no slippage from the ambitious spending reduction targets, thereby strengthening long-term sustainability;	IMF p.37 §41 COM p.9	to set the high public debt ratio on a sustained downward path.	NRP p.15-16 SCP p.24-26 IMF p.26 §35; p.28 §38 OECD

				p.16-17 COM p.15-16
	and, subject to this, prioritise growth-enhancing expenditure.	NRP p.16-17 IMF p.35 §37, 41-42 COM p.9-10	Subject to reinforcing the budgetary strategy for the financial year 2013-14 and beyond, prioritise growth-enhancing expenditure to avoid the risk that a further weakening of the medium-term outlook for growth will negatively impact on the long-term sustainability of public finances.	NRP p.7-19 SCP p.32-35 IMF p.26 §35; p.28 §38, p.29 §41; p.32 §48 OECD p.36-39 COM p.13-15
	2. Develop a programme of reform which addresses the destabilising impact of the house price cycle on public finances, the financial sector and the economy, with a view to alleviating problems of affordability and the need for state subsidy for housing.	NRP p.18-22 IMF p.37 §42 COM p.14-15	2. Address the destabilising impact of high and volatile house prices and high household debt by implementing a comprehensive housing reform programme to increase housing supply and alleviate problems of affordability and the need for state subsidisation of housing.	NRP p.17-18 IMF p.31 §43-44, 46 OECD p.38 COM p.25-26



	A broad set of measures and policy instruments could be considered including reforms to the mortgage market, financial regulation, property tax and the planning system in order to prevent excessive volatility.	NRP p.18-22 IMF p.37 §42; p.41 §52-54 COM p.14-15; 22	Pursue further reforms to the housing market, including the mortgage and rental markets, financial regulation and property taxation to prevent excessive volatility and distortions in the housing market.	NRP p.19-21 IMF p.29 §41, p.31 §43, p.96 §7 OECD p.38 COM p.17; 25
	3. Take steps by 2012 to ensure that a higher share of young people enters the labour market with adequate skills and to improve the employability of 18 to 24-year-olds who left education or training without qualifications.	NRP p.23-26 COM p.16-17; 19-20	3. Continue to improve the employability of young people, in particular those not in education, employment or training, including by using the Youth Contract.	NRP p.22-23 OECD p.30-31 COM p.22-23
	Address skill shortages by increasing the numbers attaining intermediate skills, in line with labour market needs.	NRP p.24-25 COM p.18-20	Ensure that apprenticeship schemes are taken up by more young people, have a sufficient focus on advanced and higher-level skills, and involve more small and medium-sized businesses.	NRP p.24-25 COM p.23-24
			Take measures to reduce the high proportion of young people aged 18-24 with very poor basic skills.	NRP p.25-26 IMF p.32 §48 OECD p.30-31

	4. Take measures, within current budgetary plans, to reduce the number of workless households by targeting those who are inactive because of caring responsibilities, including lone parents.	NRP p.28-32 COM p.17-18	4. Step up measures to facilitate the labour market integration of people from jobless households.	NRP p.28-29; 31 OECD p.26-27; 29 COM p.20-21
			Ensure that planned welfare reforms do not translate into increased child poverty.	NRP p.31 OECD p.25 COM p.21
			Fully implement measures aiming to facilitate access to childcare services.	NRP p.31-32 OECD p.27-28 COM p.22
	5. Implement measures already announced and continue to work to improve the availability of bank and non-bank financing to the private sector and in particular to SMEs while recognising potential challenges on the demand side.	NRP p.33-35 IMF p.32 §32, 34-36 COM p.15-16	5. Further improve the availability of bank and non-bank financing to the private sector, in particular to SMEs.	NRP p.35-36 IMF p.16 §23 OECD p.19-20 COM p.18-19
			Support competition within the banking sector, in particular through measures to reduce barriers to entry,	NRP p.37-38 IMF p.32 §48 OECD p.21

				COM p.19
	Encourage competition within the banking sector and	NRP p.35-36 COM p.15	increase transparency and	NRP p.38
	explore with the market ways to improve access to non- bank financing such as venture and risk capital and debt issued on public markets.	NRP p.33-34 COM p.16	facilitate switching between banks as recommended by the Independent Commission on Banking and	NRP p.37
			explore ways to improve access to venture and risk capital and other forms of non-bank lending.	NRP p.36-37
			6. Pursue a long-term strategy for improving the capacity and quality of the UK's network infrastructure, including measures to address pressures in transport and energy networks by promoting more efficient and robust planning and decision-making processes,	NRP p.40-41 IMF p.32 §48 OECD p.38-39 COM p.26-30
			and harnessing appropriate public or private financing arrangements.	NRP p.41-42 IMF p.32 §48 OECD p.37;39 COM p.27

## 4. Sources

### OECD Country Economic Surveys

2011	2012	2013
<a href="#">AUSTRIA</a>	AUSTRIA	<a href="#">AUSTRIA</a>
<a href="#">BELGIUM</a>	BELGIUM	<a href="#">BELGIUM</a>
BULGARIA	BULGARIA	BULGARIA
<a href="#">CZECH R.</a>	CZECH R.	CZECH R.
DENMARK	<a href="#">DENMARK</a>	<a href="#">DENMARK</a>
<a href="#">ESTONIA</a>	<a href="#">ESTONIA</a>	ESTONIA
FINLAND	<a href="#">FINLAND</a>	FINLAND
<a href="#">FRANCE</a>	FRANCE	<a href="#">FRANCE</a>
GERMANY	<a href="#">GERMANY</a>	GERMANY
HUNGARY	<a href="#">HUNGARY</a>	HUNGARY
<a href="#">ITALY</a>	ITALY	<a href="#">ITALY</a>
LATVIA	LATVIA	LATVIA
LITHUANIA	LITHUANIA	LITHUANIA
LUXEMBOURG	<a href="#">LUXEMBOURG</a>	LUXEMBOURG
MALTA	MALTA	MALTA
NETHERLANDS	<a href="#">NETHERLANDS</a>	NETHERLANDS
POLAND	<a href="#">POLAND</a>	POLAND
SLOVAK R.	<a href="#">SLOVAK R.</a>	SLOVAK R.
<a href="#">SLOVENIA</a>	SLOVENIA	<a href="#">SLOVENIA</a>
SPAIN	<a href="#">SPAIN</a>	SPAIN
<a href="#">SWEDEN</a>	<a href="#">SWEDEN</a>	SWEDEN
<a href="#">UK</a>	UK	<a href="#">UK</a>

# IMF Staff Country Reports (Art IV Consultations)

2011	2012	2013
<a href="#">AUSTRIA</a>	<a href="#">AUSTRIA</a>	<a href="#">AUSTRIA</a>
<a href="#">BELGIUM</a>	<a href="#">BELGIUM</a>	BELGIUM
<a href="#">BULGARIA</a>	<a href="#">BULGARIA</a>	<a href="#">BULGARIA</a>
<a href="#">CYPRUS</a>	CYPRUS	CYPRUS
<a href="#">CZECH R.</a>	<a href="#">CZECH R.</a>	CZECH R.
DENMARK	<a href="#">DENMARK</a>	DENMARK
<a href="#">ESTONIA</a>	ESTONIA	<a href="#">ESTONIA</a>
FINLAND	<a href="#">FINLAND</a>	FINLAND
<a href="#">FRANCE</a>	<a href="#">FRANCE</a>	<a href="#">FRANCE</a>
<a href="#">GERMANY</a>	<a href="#">GERMANY</a>	<a href="#">GERMANY</a>
<a href="#">HUNGARY</a>	HUNGARY	<a href="#">HUNGARY</a>
<a href="#">ITALY</a>	<a href="#">ITALY</a>	<a href="#">ITALY</a>
LATVIA	LATVIA	LATVIA
<a href="#">LITHUANIA</a>	LITHUANIA	<a href="#">LITHUANIA</a>
<a href="#">LUXEMBOURG</a>	<a href="#">LUXEMBOURG</a>	LUXEMBOURG
<a href="#">MALTA</a>	<a href="#">MALTA</a>	<a href="#">MALTA</a>
<a href="#">NETHERLANDS</a>		<a href="#">NETHERLANDS</a>
<a href="#">POLAND</a>	<a href="#">POLAND</a>	<a href="#">POLAND</a>
<a href="#">SLOVAK R.</a>	<a href="#">SLOVAK R.</a>	
<a href="#">SLOVENIA</a>	<a href="#">SLOVENIA</a>	<a href="#">SLOVENIA</a>
<a href="#">SPAIN</a>	<a href="#">SPAIN</a>	<a href="#">SPAIN</a>
<a href="#">SWEDEN</a>	<a href="#">SWEDEN</a>	<a href="#">SWEDEN</a>
<a href="#">UK</a>	<a href="#">UK</a>	<a href="#">UK</a>

# IMF Staff Country Reports: Selected issues

2011	2012	2013
AUSTRIA	<a href="#">AUSTRIA</a>	<a href="#">AUSTRIA</a>
<a href="#">BELGIUM</a>	<a href="#">BELGIUM</a>	BELGIUM
BULGARIA	BULGARIA	<a href="#">BULGARIA</a>
<a href="#">CYPRUS</a>	CYPRUS	CYPRUS
CZECH R.	CZECH R.	<a href="#">CZECH R.</a>
DENMARK	<a href="#">DENMARK</a>	<a href="#">DENMARK</a>
ESTONIA	ESTONIA	ESTONIA
FINLAND	<a href="#">FINLAND</a>	FINLAND
<a href="#">FRANCE</a>	FRANCE	<a href="#">FRANCE</a>
GERMANY	GERMANY	<a href="#">GERMANY</a>
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<a href="#">ITALY</a>	<a href="#">ITALY</a>	<a href="#">ITALY</a>
LATVIA	<a href="#">LATVIA</a>	LATVIA
<a href="#">LITHUANIA</a>	LITHUANIA	<a href="#">LITHUANIA</a>
LUXEMBOURG	LUXEMBOURG	LUXEMBOURG
MALTA	MALTA	MALTA
<a href="#">NETHERLANDS</a>	NETHERLANDS	NETHERLANDS
<a href="#">POLAND</a>	<a href="#">POLAND</a>	<a href="#">POLAND</a>
SLOVAK R.	SLOVAK R.	SLOVAK R.
SLOVENIA	SLOVENIA	SLOVENIA
<a href="#">SPAIN</a>	SPAIN	<a href="#">SPAIN</a>
SWEDEN	<a href="#">SWEDEN</a>	<a href="#">SWEDEN</a>
<a href="#">UK</a>	UK	UK

## National Reform Programmes 2012 and 2013

2012	2013
<a href="#"><u>AUSTRIA</u></a>	<a href="#"><u>AUSTRIA</u></a>
<a href="#"><u>BELGIUM</u></a>	<a href="#"><u>BELGIUM</u></a>
<a href="#"><u>BULGARIA</u></a>	<a href="#"><u>BULGARIA</u></a>
<a href="#"><u>CYPRUS</u></a>	<a href="#"><u>CYPRUS</u></a>
<a href="#"><u>CZECH R.</u></a>	<a href="#"><u>CZECH R.</u></a>
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<a href="#"><u>FINLAND</u></a>	<a href="#"><u>FINLAND</u></a>
<a href="#"><u>FRANCE</u></a>	<a href="#"><u>FRANCE</u></a> *
<a href="#"><u>GERMANY</u></a>	<a href="#"><u>GERMANY</u></a>
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<a href="#"><u>SLOVAK R.</u></a>	<a href="#"><u>SLOVAK R.</u></a>
<a href="#"><u>SLOVENIA</u></a>	<a href="#"><u>SLOVENIA</u></a>
<a href="#"><u>SPAIN</u></a> *	<a href="#"><u>SPAIN</u></a>
<a href="#"><u>SWEDEN</u></a>	<a href="#"><u>SWEDEN</u></a>
<a href="#"><u>UK</u></a>	<a href="#"><u>UK</u></a>

\* Only available in French

## Stability or Convergence Programmes 2012 and 2013

2012	2013
<a href="#"><u>AUSTRIA</u></a>	<a href="#"><u>AUSTRIA</u></a> *
<a href="#"><u>BELGIUM</u></a>	<a href="#"><u>BELGIUM</u></a>
<a href="#"><u>BULGARIA</u></a>	<a href="#"><u>BULGARIA</u></a>
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<a href="#"><u>LITHUANIA</u></a>	<a href="#"><u>LITHUANIA</u></a>
<a href="#"><u>LUXEMBOURG</u></a>	<a href="#"><u>LUXEMBOURG</u></a>
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<a href="#"><u>SLOVAK R.</u></a>	<a href="#"><u>SLOVAK R.</u></a>
<a href="#"><u>SLOVENIA</u></a>	<a href="#"><u>SLOVENIA</u></a>
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<a href="#"><u>SWEDEN</u></a>	<a href="#"><u>SWEDEN</u></a>
<a href="#"><u>UK</u></a>	<a href="#"><u>UK</u></a>

\* Only available in German



## European Commission Staff Working Documents

2012	2013
<a href="#">AUSTRIA</a>	<a href="#">AUSTRIA</a>
<a href="#">BELGIUM</a>	<a href="#">BELGIUM</a>
<a href="#">BULGARIA</a>	<a href="#">BULGARIA</a>
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<a href="#">SWEDEN</a>	<a href="#">SWEDEN</a>
<a href="#">UK</a>	<a href="#">UK</a>

*Note: To assess the implementation of the 2011 CSRs, the documents published in 2011 and 2012 were used. Similarly, to assess the implementation of the 2012 CSRs, the documents published in 2012 and 2013 were used.*

## Annex

		2011		
	Total number of CSR subparts	Fully done	Serious work underway	not done
Belgium	15	0	4	11
Bulgaria	24	5	8	11
Czech Rep.	24	5	7	12
Denmark	16	4	7	5
Germany	16	2	5	9
Estonia	13	3	9	1
Spain	23	8	6	9
France	12	0	6	6
Italy	20	6	12	2
Cyprus	17	2	5	10
Latvia	-	-	-	-
Lithuania	16	4	9	3
Luxembourg	10	3	3	4
Hungary	20	6	4	10
Malta	20	3	6	11
Netherlands	9	3	3	3
Austria	18	3	5	10
Poland	17	4	6	7
Slovakia	20	4	4	12
Slovenia	20	1	3	16
Finland	11	2	6	3
Sweden	4	1	2	1
United Kingdom	12	3	6	3
<b>Overall</b>	<b>357</b>	<b>72</b>	<b>126</b>	<b>159</b>

		2012		
	Total number of CSR subparts	Fully done	Serious work underway	not done
Belgium	26	3	8	15
Bulgaria	33	4	7	22
Czech Rep.	24	1	10	13
Denmark	14	5	3	6
Germany	16	1	7	8
Estonia	22	3	12	7
Spain	31	11	16	4
France	17	1	8	8
Italy	27	5	16	6
Cyprus	-	-	-	-
Latvia	25	7	13	5
Lithuania	20	4	10	6
Luxembourg	10	0	5	5
Hungary	24	3	9	12
Malta	25	1	8	16
Netherlands	22	5	12	5
Austria	25	4	10	11
Poland	23	1	9	13
Slovakia	27	7	8	12
Slovenia	24	2	10	12
Finland	18	3	11	4
Sweden	13	3	7	3
United Kingdom	18	2	4	12
<b>Overall</b>	<b>484</b>	<b>76</b>	<b>203</b>	<b>205</b>

		2011 & 2012		
	Total number of CSR subparts	Fully done	Serious work underway	not done
Belgium	41	3	12	26
Bulgaria	57	9	15	33
Czech Rep.	48	6	17	25
Denmark	30	9	10	11
Germany	32	3	12	17
Estonia	35	6	21	8
Spain	54	19	22	13
France	29	1	14	14
Italy	47	11	28	8
Cyprus	17	2	5	10
Latvia	25	7	13	5
Lithuania	36	8	19	9
Luxembourg	20	3	8	9
Hungary	44	9	13	22
Malta	45	4	14	27
Netherlands	31	8	15	8
Austria	43	7	15	21
Poland	40	5	15	20
Slovakia	47	11	12	24
Slovenia	44	3	13	28
Finland	29	5	17	7
Sweden	17	4	9	4
United Kingdom	30	5	10	15
<b>Overall</b>	<b>841</b>	<b>148</b>	<b>329</b>	<b>364</b>

*Sources: Author's calculations based on European Commission, IMF and OECD assessments.*