



**2017/0335(CNS)**

17.10.2018

# **AMENDMENTS**

## **2 - 12**

### **Draft opinion**

**Claudia Tapardel**

(PE627.619v01-00)

Strengthening fiscal responsibility and the medium-term budgetary orientation  
in the Member States

Proposal for a directive

(COM(2017)0824 – C8-0020/2018 – 2017/0335(CNS))



**Amendment 2**  
**Sven Giegold**

**Proposal for a directive**  
**Citation 1**

*Text proposed by the Commission*

Having regard to the Treaty on the Functioning of the European Union, and in particular **the second** subparagraph of Article 126(14) thereof,

*Amendment*

Having regard to the Treaty on the Functioning of the European Union, and in particular **Article 121 (6) and the third** subparagraph of Article 126(14) thereof,

Or. en

**Amendment 3**  
**Markus Pieper**

**Proposal for a directive**  
**Recital 5**

*Text proposed by the Commission*

(5) With the aim of strengthening the foundations which ensure budgetary discipline throughout the economic cycle, on 2 March 2012 25 Member States signed and ratified the inter-governmental Treaty on Stability, Coordination and Governance (TSCG) in the Economic and Monetary Union. Title III of the TSCG, the “Fiscal Compact”, is binding on the Member States whose currency is the euro and, on a voluntary basis, on Bulgaria, Denmark and Romania (hereinafter the ‘Contracting Parties’), and sets an obligation to enshrine in the national legal order of those Contracting Parties a balanced-budget rule in structural terms equipped with a correction mechanism automatically triggered in case of significant deviation and monitored by independent institutions. The Contracting Parties expressed their will to use that inter-governmental instrument as a temporary device. That will is reflected in Article 16 of the TSCG

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which stipulates that, within five years at most following its entry into force, the necessary steps are to be taken with the aim of incorporating its substance into the Union legal framework. Therefore, provisions that allow the substance of the TSCG to take effect should be introduced in the Union's legal framework

which stipulates that, within five years at most following its entry into force, the necessary steps are to be taken with the aim of incorporating its substance into the Union legal framework. Therefore, provisions that allow the substance of the TSCG to take effect should be introduced in the Union's legal framework ***This substance includes, in particular, Article 3 of the Treaty, the so-called Fiscal Compact. Neither Article 16 nor any other part of the TSCG stipulates that any provision of the Treaty should be revised as part of this incorporation. The TSCG should therefore not be revised.***

Or. de

#### **Amendment 4** **Markus Pieper**

#### **Proposal for a directive** **Recital 8**

##### *Text proposed by the Commission*

(8) In order to achieve and maintain the medium-term objective in structural terms, it is necessary for Member States to set out a consistent adjustment path, based on variables under the control of the budgetary authorities. National fiscal planning underpinned by a government expenditure path adjusted for the impact of discretionary revenue measures favours effectiveness, transparency and accountability when monitoring fiscal developments. In order to tightly connect plans with the overall fiscal outcomes in the medium-term and to ensure an enhanced sense of national ownership of fiscal policy, a medium-term growth path of government expenditure net of discretionary revenue measures should be set for the whole term of the legislature as established by the constitutional legal order of each Member State. That path should be

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set as soon as a new *democratically elected* government takes office and annual budgets should adhere to it so as to bring about resolute convergence towards the medium-term objective. *The fact that national governments determine the path of expenditure guarantees two aspects: on the one hand, fiscal discipline in accordance with the Maastricht criteria remains under national control and, on the other hand, Member States' budgetary plans are democratically legitimised and scrutinised.*

Or. de

## **Amendment 5** **Markus Pieper**

### **Proposal for a directive** **Recital 12**

#### *Text proposed by the Commission*

(12) Strengthened national fiscal responsibility and a binding multi-annual orientation of fiscal policy requires fiscal institutions to be independent and have their own resources for actively monitoring fiscal developments and providing recommendations throughout the medium-term budgetary cycle, including in particular where a significant deviation from the medium-term objective or the adjustment path towards is observed. In order to boost the credibility and enforceability of the medium-term objective, its underlying government expenditure path and the related correction mechanism in case of significant deviations, the budgetary authorities of the Member States should comply with the recommendations put forward in the assessments of the independent bodies or publicly justify the decision not to comply with them. Anchoring that principle in the national legal order can play a crucial role

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in that respect. *Thanks to these independent bodies, and very much in line with the TSCG, greater transparency and greater democratic accountability will be ensured.*

Or. de

**Amendment 6**  
**Sven Giegold**

**Proposal for a directive**  
**Article 2 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) ‘independent bodies’ means bodies that are structurally independent or bodies endowed with functional autonomy vis-à-vis the budgetary authorities of the Member State, and which are underpinned by national legal provisions ensuring a high degree of functional autonomy and accountability.

*Amendment*

(b) ‘independent bodies’ means bodies that are structurally independent or bodies endowed with functional autonomy vis-à-vis the budgetary authorities *as well as specific interests other than the public interest* of the Member State, and which are underpinned by national legal provisions ensuring a high degree of functional autonomy and accountability.

Or. en

**Amendment 7**  
**Sven Giegold**

**Proposal for a directive**  
**Article 2 – paragraph 2 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

(ca) ‘*conflict of interest*’ means any situation where an individual has an interest that may compromise or be reasonably perceived to compromise the individual’s capacity to act independently and in the public interest when providing advice;

Or. en

**Amendment 8**  
**Sven Giegold**

**Proposal for a directive**  
**Article 3**

*Text proposed by the Commission*

*Amendment*

**[...]**

***deleted***

Or. en

*Justification*

*Article 3(1) and (2) as proposed by Commission details rules on a medium-term objective in terms of structural balance, a medium-term growth path and a correction mechanism that have already been regulated in Council regulation 1466/97 of 7 July 1997, regulation 1175/2011 of Parliament and Council of 16 November 2011 and regulation 473/2013 of Parliament and Council of 21 May 2013 on the basis of Article 121(6) TFEU. Any amendment of these rules should be done, equally, on the basis of Article 121(6) TFEU, not only the here chosen Article 126(14). This is in accordance with the AFCO commissioned study “Implementation of the Lisbon Treaty – Improving functioning of the EU: Economic and Monetary Policy”, in particular recommendations under the sub-headline “2.5. Inclusion of the TSCG into the EU legal framework”, page 34ff. As the remaining of Article 3 refers mainly to its paragraphs 1 and 2, the rest should be deleted as well.*

**Amendment 9**  
**Sven Giegold**

**Proposal for a directive**  
**Article 3 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***3a. No provision of this Directive shall prevent a Member State’s new government from updating its medium-term budgetary framework to reflect its new policy priorities. In this case, the new government shall indicate the differences from the previous medium-term budgetary framework.***

Or. en

**Amendment 10**

**Sven Giegold**

**Proposal for a directive**

**Article 3 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

**6a. Member States governments shall ensure that Member States parliaments have due time to debate.**

Or. en

**Amendment 11**

**Sven Giegold**

**Proposal for a directive**

**Article 3 – paragraph 7 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

**(ea) are made up of members free of conflicts of interest. In order to ensure the highest level of integrity of experts, as well as public confidence in the independent body's activities, individuals applying to be appointed as members shall disclose any information related to any potential conflict of interest.**

**The appointing authority shall require to submit a declaration of interests ('DOI') form on the basis of the standard DOI form, as set out in Annex, together with an updated curriculum vitae ('CV'), as part of their application to become members. Submission of a duly completed DOI form shall be necessary in order for an individual to be eligible to be appointed as a member of an expert group or sub-group in a personal capacity. The DOI form shall consist of a series of standard questions requesting individuals who wish to act as experts appointed in a personal capacity to disclose any interest relevant to the subject of the work to be performed. Each individual shall assume full responsibility in relation to the content of**



*the declaration submitted. Individuals who answer questions in the affirmative shall be asked to supply further details. DOI forms shall be made publicly available by the independent body's website.*

Or. en

## **Amendment 12**

**Sven Giegold**

### **Proposal for a directive**

#### **Article 3 – paragraph 7 – point f a (new)**

*Text proposed by the Commission*

*Amendment*

*(fa) present their assessments to their national parliaments so they can be debated in due time before the submission of the National Reform Programmes and the Stability or Convergence Programmes.*

Or. en