



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Economic and Monetary Affairs

2010/0276(CNS)

15.2.2011

AMENDMENTS

51 - 313

Draft report

Diogo Feio

(PE454.690v02-00)

Proposal for a Council regulation amending Regulation (EC) No 1467/97 on speeding up and clarifying the implementation of the excessive deficit procedure

Proposal for a regulation – amending act
(COM(2010)0522 – C7-0396/2010 – 2010/0276(CNS))

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PE458.575v01-00

EN

United in diversity

EN

Amendment 51

Jürgen Klute

Proposal for a regulation

–

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Amendment 52

Thomas Händel

Proposal for a regulation

–

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. en

Amendment 52

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

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 the second subparagraph of Article 126(14) ***in combination with Article 136*** thereof,

Or. en

Amendment 53
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, *as provided by the Treaty*, should entail compliance with the guiding principles of stable prices, sound public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union ***should be developed in the context of the broad economic and employment guidelines with a view to contributing to the achievement of the objectives of the Union defined in Article 3 of the TUE and the fulfilment of the requirements provided in Article 9 of the TFEU, and*** should entail compliance with the guiding principles of stable prices, sound ***and sustainable*** public finances and monetary conditions and a sustainable balance of payments

Or. en

Amendment 54
Miguel Portas

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States, ***as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound*** public finances and monetary conditions and a ***sustainable*** balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union ***is geared to the objectives of sustainable growth, job creation and a high level of protection and social rights. These objectives mean that economic coordination should take account of controlling inflation and ensuring*** sound public finances and monetary conditions, as well as a ***sound*** balance of payments.

Amendment 55
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, **sound** public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, **balanced functioning of** public finances and monetary conditions and a sustainable balance of payments.

Or. hu

Amendment 56
Philippe Lamberts

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, **sound** public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of **social cohesion**, stable prices, **sustainable** public finances and monetary conditions and a sustainable balance of payments.

Or. en

Amendment 57
Edward Scicluna

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound **and sustainable** public finances and monetary conditions and a sustainable balance of payments **as well as with Article 9 of the Treaty**.

Or. en

Amendment 58
Diogo Feio

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, **sustainable growth, and** sound public finances and monetary conditions and a sustainable balance of payments.

Or. en

Amendment 59
Rodi Kratsa-Tsagaropoulou

Proposal for a regulation – amending act
Recital 1

Text proposed by the Commission

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound public finances and monetary conditions and a sustainable balance of payments.

Amendment

(1) The coordination of the economic policies of the Member States within the Union, as provided by the Treaty, should entail compliance with the guiding principles of stable prices, sound public finances and monetary conditions and a sustainable balance of payments *so as to achieve growth*.

Or. el

Amendment 60

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 2 a (new)**

Draft legislative resolution

Amendment

2a. Experience gained during the first decade of functioning of the economic and monetary union shows a need for improved economic governance in the Union, which should be built on a stronger national ownership of commonly agreed rules and policies and on a more robust surveillance framework at the Union level of national economic and budgetary policies.

Or. en

Amendment 61

Philippe Lamberts

**Proposal for a regulation – amending act
Recital 2 a (new)**

Text proposed by the Commission

Amendment

(2a) The provisions of this regulation are

fully consistent with Article 3 of the Treaty and horizontal clauses of the TFEU, namely Articles 7, 8, 9, 10 and 11, as well as provisions of Protocol 26 and Article 153(5).

Or. en

Amendment 62

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 2 b (new)

Draft legislative resolution

Amendment

2b. The improved economic governance framework should rely on several inter-linked policies for sustainable growth and jobs, which need to be coherent with each other, namely, a Union strategy for growth and jobs, the multilateral surveillance framework (European Semester), an effective procedure for preventing and correcting excessive budgetary positions (the Stability and Growth Pact), a robust framework for preventing and correcting macro-economic imbalances, enhanced financial market regulation and supervision (including macro-prudential supervision by the European Systemic Risk Board), and a European Monetary Fund to pool a percentage of Member States' sovereign debts, to help them to resolve financial crises and to finance investments that can strengthen economic growth.

Or. en

Amendment 63
Philippe Lamberts

Proposal for a regulation – amending act
Recital 2 b (new)

Text proposed by the Commission

Amendment

(2b) This Regulation does not affect the exercise of fundamental rights as recognised in the Member States and by Union law. Nor does it affect the right to negotiate, conclude and enforce collective agreements and to take industrial action in accordance with national law and practices which respect Union law.

Or. en

Amendment 64
José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act
Recital 2 c (new)

Draft legislative resolution

Amendment

2c. A comprehensive and integrated solution to the euro area debt crisis is needed since a piecemeal approach has not worked so far.

Or. en

Amendment 65
José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act
Recital 2 d (new)

Draft legislative resolution

Amendment

2d. In order to enhance economic growth and support the objectives of Europe 2020 (I), unused payment appropriations shall

be reallocated to common programs aimed towards growth, competitiveness and employment, (II) the lending capacities of the EIB as well the creation of a project bonds market should be used to attract funding from other financial institutions and private investors on the capital market such as pension funds and insurers to finance European projects.

Or. en

Amendment 66

José Manuel García-Margallo y Marfil, Pablo Zalba Bidegain, Íñigo Méndez de Vigo

**Draft legislative resolution – amending act
Recital 2 e (new)**

Draft legislative resolution

Amendment

2e. Strengthening economic governance should go hand in hand with reinforcing the democratic legitimacy of economic governance in the Union, which should be achieved through a closer and a more timely involvement of the European Parliament and the national parliaments throughout the economic and budgetary policy coordination procedures.

Or. en

Amendment 67

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 2 f (new)**

Draft legislative resolution

Amendment

2f. The multilateral surveillance framework (European Semester) should play a vital role in implementing the requirement under Article 121(1) TFEU

that Member States regard their economic policies as a matter of common concern and that they coordinate them in that respect. Transparency and independent oversight are an integral part of enhanced economic governance. The Council and the Commission should make public and set out the reasons for their positions and decisions at the appropriate stages of the economic and budgetary policy coordination procedures.

Or. en

Amendment 68

Íñigo Méndez de Vigo, José Manuel García-Margallo y Marfil, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 2 g (new)**

Draft legislative resolution

Amendment

2g. The political response of the Member States to the assessments, decisions, recommendations and warnings issued to them by the Commission or Council in the framework of the European Semester shall be taken into account (i) in the enforcement procedures of the preventive and corrective parts of the Stability and Growth Pact (ii) in the enforcement measures to correct macroeconomic imbalances in the euro area, (iii) in ensuring that conditions linked to European Monetary Fund allocations are adequately tailored to the Member State fundamentals and to ensure that its economic policies are on the right track, (iv) in ensuring that the European Monetary Fund's financial assistance to Member States will smoothen economic adjustment shocks, help them to avoid sovereign defaults, prevent costs on other countries through contagion and guarantee financial stability of the eurozone as a whole.

Amendment 69

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 2 h (new)

Draft legislative resolution

Amendment

2h. The Commission should have a stronger and more independent role in the enhanced surveillance procedure. This concerns Member-State-specific assessments, monitoring, missions, recommendations and warnings. In addition, the role of the Council needs to be reduced in the steps leading to potential sanctions and the reversed qualified majority voting in the Council needs to be used wherever possible in accordance with the TFEU. The member of the Council representing the Member State concerned and those which are not complying with the Council recommendations to take corrective action under the Stability and Growth Pact or to address excessive macroeconomic imbalances shall not participate in the vote.

Amendment 70

Miguel Portas

Proposal for a regulation – amending act

Recital 3

Text proposed by the Commission

Amendment

(3) The Stability and Growth Pact *is based on the objective of sound government*

(3) *In the name of sound public finances and controlling inflation,* the Stability and

finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Growth Pact *condemned the EU to years of mediocre growth, high levels of unemployment and a worsening of its main internal imbalances.*

Or. pt

Amendment 71
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 3

Text proposed by the Commission

(3) The Stability and Growth Pact is based on the objective of **sound** government finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Amendment

(3) The Stability and Growth Pact is based on the objective of **balanced functioning of government finances (balanced budgets, market flexibility, structural reforms)** as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Or. hu

Amendment 72
Philippe Lamberts

Proposal for a regulation – amending act
Recital 3

Text proposed by the Commission

(3) The Stability and Growth Pact is based on the objective of **sound** government finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Amendment

(3) The Stability and Growth Pact is based on the objective of **sustainable** government finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Or. en

Amendment 73
Edward Scicluna

Proposal for a regulation – amending act
Recital 3

Text proposed by the Commission

(3) The Stability and Growth Pact is based on the objective of sound government finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.

Amendment

(3) The Stability and Growth Pact is based on the objective of sound ***and sustainable*** government finances as a means of strengthening the conditions for price stability and for strong sustainable growth underpinned by financial stability and conducive to employment creation.
Accordingly, its implementation must be measured against its ability to meet these objectives.

Or. en

Amendment 74
Miguel Portas

Proposal for a regulation – amending act
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) Until such time as the EU has a Sustainable Growth and Employment Pact, a framework for enhanced economic governance will be created that is geared to achieving these objectives and to preventing and correcting the appearance of excessive macroeconomic, macrofinancial and social imbalances within the Union. This framework will be based on the presupposition that the Member States regard their economic policies as a matter of common concern and that they coordinate them among themselves. Given that this is a framework for shared governance, decisions will be

adopted by the Council on a proposal from the Commission. Those institutions undertake to respect the principle of transparency, which means that their decisions must be reasoned and made public.

Or. pt

Amendment 75
Miguel Portas

Proposal for a regulation – amending act
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The framework for enhanced economic governance will be created as part of the 'European semester' and should:

- a) define annual guidelines for a job-creating sustainable growth strategy across the Union, by formulating Broad Economic Policy Guidelines in accordance with Article 121(2) TFEU;***
- b) establish concerted action to prevent and correct excessive macroeconomic imbalances under the amended Regulation (EU) No .../2011;***
- c) carry out the effective prevention and correction of excessive imbalances in public finances under this Regulation (EC) No 1467/97;***
- d) organise enhanced financial market regulation and supervision, including macroprudential supervision by the European Systemic Risk Board;***
- e) establish a permanent and credible financial crisis resolution mechanism that enables Member States to protect the revival of their respective economies, as well as social cohesion and convergence policies, against speculative attacks on***

their sovereign debts.

Or. pt

Amendment 76

Miguel Portas

Proposal for a regulation – amending act

Recital 3 c (new)

Text proposed by the Commission

Amendment

(3c) In the 'European semester', documents prepared by the Commission relating to the Broad Economic Policy Guidelines and the respective assessment should be debated by Parliament before being adopted by the Council. Likewise, the main documents originating from the Member States and containing national economic and budgetary policy commitments should be voted on by the respective parliaments before being submitted to the Council, in order to guarantee democratic legitimacy and the subsidiarity principle in a context of enhanced economic governance. By 31 December 2011 Parliament, the Council and the Commission will conclude a procedural agreement on parliamentary involvement, which will be revised by 2014 in line with the experience gained.

Or. pt

Amendment 77

Miguel Portas

Proposal for a regulation – amending act

Recital 4

Text proposed by the Commission

Amendment

(4) The common framework for economic

(4) The common framework for ***enhanced***

governance requires *to be enhanced, including with regard to budgetary surveillance, in line with* the high degree of integration achieved by Member States economies within the European Union, and particularly in the euro area.

economic governance requires *improvement in its budgetary aspect, in order to reflect both the lessons of the latest financial, economic and social crisis and* the high degree of integration achieved by Member States economies within the European Union, and particularly in the euro area.

Or. pt

Amendment 78
Edward Scicluna

Proposal for a regulation – amending act
Recital 4

Text proposed by the Commission

(4) The common framework for economic governance *requires* to be enhanced, including *with regard to* budgetary surveillance, in line with the high degree of integration *achieved by* Member States economies within the European Union, and particularly in the euro area.

Amendment

(4) The common framework for economic governance *needs* to be enhanced, including *improved* budgetary surveillance, in line with the high degree of integration *between* Member States economies within the European Union, and particularly in the euro area.

Or. en

Amendment 79
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 4

Text proposed by the Commission

(4) The common framework for economic governance requires to be enhanced, including with regard to budgetary surveillance, in line with the high degree of integration achieved by Member States economies within the European Union, and particularly in the euro area.

Amendment

(4) The common framework for economic governance requires to be enhanced, including with regard to budgetary surveillance, in line with the high degree of integration achieved by Member States economies within the European Union, and particularly in the euro area, *but it should*

be noted that it is not possible to prescribe a one-size-fits-all good practice for the Member States within the common framework for economic governance.

Or. hu

Amendment 80
Edward Scicluna

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Member States should provide for fiscal arrangements such as national fiscal rules, respecting the principles laid down in Council Directive (....) on requirements for budgetary frameworks of the Member States, and provide for fully independent public institutions to be involved in the budgetary process and medium-term budgetary framework. National budgetary rules should be complementary to the Member States' commitments under the Stability and Growth Pact. National institutions should play a more prominent role in budgetary surveillance to strengthen national ownership, enhance enforcement through national public opinion and complement the economic and policy analysis that exists at EU level.

Or. en

Amendment 81
Sharon Bowles

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The improved economic governance framework should rely on several inter-linked and coherent policies for sustainable growth and jobs built upon a sound Union strategy for growth and jobs, with particular focus upon development and strengthening of the Single Market, fostering of international trade links and competitiveness, an effective framework for preventing and correcting excessive budgetary positions (the Stability and Growth Pact), a robust framework for preventing and correcting macro-economic imbalances, enhanced financial market regulation and supervision (including macro-prudential supervision by the European Systemic Risk Board) and a credible permanent crisis resolution mechanism.

Or. en

(This follows the rapporteur's amendment recital 4b (new), adding the words 'with particular focus upon development and strengthening of the Single Market, fostering of international trade links and competitiveness'.)

Amendment 82
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The improved economic governance framework should rely on several inter-linked and coherent policies, namely a Union strategy for jobs and smart, sustainable and inclusive growth, a European Semester for strengthened coordination of economic and budgetary policies, an effective framework for preventing and correcting excessive budgetary positions (the Stability and

Growth Pact), a robust framework for preventing and correcting macro-economic imbalances, enhanced financial market regulation and supervision (including macro-prudential supervision by the European Systemic Risk Board), a credible permanent financial stability mechanism, a multiannual financial framework and a increased Union budget with new financial and own resources, which should be aimed to improve economic coordination and achieve the objectives of the Union

Or. en

Amendment 83
Astrid Lulling

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The improved economic governance framework should rely on several inter-linked policies for sustainable growth and jobs, which should be coherent with each other, namely a Union strategy for growth and jobs, an effective framework for preventing and correcting excessive budgetary positions (the Stability and Growth Pact), a robust framework for preventing and correcting macro-economic imbalances focusing on vulnerabilities, competitiveness losses and high debt levels of Member States, enhanced financial market regulation and supervision (including macro-prudential supervision by the European Systemic Risk Board) as well as a credible permanent crisis resolution mechanisms.

Or. en

Amendment 84
Burkhard Balz

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The Stability and Growth Pact and the complete economic governance framework should complement and be compatible with a Union strategy for growth and jobs which aims at boosting the Union's competitiveness and social stability. However, these interlinkages should not provide for exemptions to the provisions of the Stability and Growth Pact.

Or. en

Amendment 85
Kay Swinburne

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Economic developments in the Union have posed new challenges to the conduct of national fiscal policies and have, in particular, highlighted the need for uniform requirements as regards the rules and procedures forming the budgetary frameworks of eurozone Member States.

Or. en

Amendment 86
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Enhancement of European economic governance requires the cooperation of every Member State, as this creates the possibility of growth for the Union.

Or. hu

Amendment 87
Sharon Bowles

Proposal for a regulation – amending act
Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) Achieving and maintaining a dynamic Single Market shall be considered an element of the proper and smooth functioning of the economic and monetary union.

Or. en

Amendment 88
Edward Scicluna

Proposal for a regulation – amending act
Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The improved economic governance framework should incorporate policies for sustainable growth and job creation and an effective framework to prevent excessive budget deficits and debts, alongside a robust framework for preventing and correcting macro-economic imbalances, stronger financial market regulation and supervision as well as a credible permanent financial stability

mechanism.

Or. en

Amendment 89

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The Stability and Growth Pact and the Union's economic governance framework as a whole should complement and be compatible with a Union strategy for jobs and smart, sustainable and inclusive growth which aims at boosting the Union's competitiveness, environmental responsibility and social progress.

Or. en

Amendment 90

Astrid Lulling

Proposal for a regulation – amending act

Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The economic governance framework should complement and be compatible with a Union strategy for growth and jobs which aims at boosting the Union's competitiveness and social stability.

Or. en

Amendment 91
Kay Swinburne

Proposal for a regulation – amending act
Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The Commission should have a stronger more independent role in the enhanced surveillance procedure as regards Member State specific assessments, monitoring, missions, recommendations and warnings. Steps leading to potential sanctions should use qualified majority voting in Council wherever possible under the TFEU.

Or. en

Amendment 92
Sharon Bowles

Proposal for a regulation – amending act
Recital 4 c (new)

Text proposed by the Commission

Amendment

(4c) The Stability and Growth Pact and the complete economic governance framework should complement and be compatible with a Union strategy for growth and jobs which aims at boosting the Union's competitiveness and social stability and takes into consideration the development and strengthening of the Single Market and fostering international trade links.

Or. en

(This follows the rapporteur's amendment 5, recital 4 c (new) adding the words 'and takes into consideration the development and strengthening of the Single Market and fostering international trade links'.)

Amendment 93
Edward Scicluna

Proposal for a regulation – amending act
Recital 4 c (new)

Text proposed by the Commission

Amendment

(4c) The Stability and Growth Pact and the Union's economic governance framework as a whole should complement and be compatible with a Union strategy for growth and job creation that boosts the Union's competitiveness and social stability.

Or. en

Amendment 94
Edward Scicluna

Proposal for a regulation – amending act
Recital 4 d (new)

Text proposed by the Commission

Amendment

(4d) Strengthening economic governance should go hand in hand with reinforcing the democratic legitimacy in the establishment of economic governance, which should be achieved through closer and timelier involvement of the European Parliament and national parliaments throughout the procedure of economic policy co-ordination.

Or. en

Amendment 95
Astrid Lulling

Proposal for a regulation – amending act
Recital 4 c (new)

Text proposed by the Commission

Amendment

(4c) The European semester for economic policy coordination should play a vital role in implementing the requirement under Article 212(1) of the Treaty on the Functioning of the European Union (TFEU) that Member States regard their economic policies as a matter of common concern and that they coordinate them accordingly. Transparency and independent oversight are an integral part of economic governance and should be enhanced at European and national level. The Council and the Commission should make public and set out the reasons for their positions and decisions at appropriate stages of the economic policy coordination procedures. The national budgetary frameworks should enhance the role of independent fiscal bodies and ensure the publication of transparent fiscal statistics.

Or. en

Amendment 96
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 4 c (new)

Text proposed by the Commission

Amendment

(4c) Strengthening economic governance should go hand in hand with reinforcing the democratic legitimacy of European governance, which should be achieved through the closer and timelier involvement of the European Parliament and national parliaments throughout economic policy coordination.

Or. en

Amendment 97
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 4 d (new)

Text proposed by the Commission

Amendment

(4d) The European semester for economic and budgetary policies coordination should play a vital role in implementing the requirement under Article 121(1) of the Treaty on the Functioning of the European Union (TFEU) that Member States regard their economic policies as a matter of common concern and coordinate them accordingly. Transparency, independent oversight and multilateral coordinated surveillance are an integral part of enhanced economic governance. The Council and the Commission should make public and set out the reasons for their positions and decisions at appropriate stages of the economic policy coordination procedures.

Or. en

Amendment 98
Astrid Lulling

Proposal for a regulation – amending act
Recital 4 d (new)

Text proposed by the Commission

Amendment

(4d) This Regulation should enter into force as soon as possible after its adoption. The Commission should, when making proposals for measures to implement this Regulation, take into account the current economic situation of the concerned Member States in case of severe economic downturns and all other

relevant factors.

Or. en

Amendment 99

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Recital 4 e (new)

Text proposed by the Commission

Amendment

(4e) Member States should provide for binding fiscal arrangements such as national fiscal rules, respecting the principles laid down in Council Directive (...) on requirements for budgetary frameworks of the Member States, and provide for fully independent public institutions to be involved in the budgetary process and medium-term budgetary framework. National budgetary rules should implement and complement the Member States' commitments under the Stability and Growth Pact. National institutions should play a more prominent role in budgetary surveillance to strengthen national ownership, enhance enforcement through national public opinion and enrich the economic and policy analysis that exists at EU level.

Or. en

Amendment 100

Edward Scicluna

Proposal for a regulation – amending act

Recital 4 e (new)

Text proposed by the Commission

Amendment

(4e) The Commission should have a stronger and more independent role in the

enhanced surveillance procedure as regards Member-State-specific assessments, monitoring, missions, recommendations and warnings. This Regulation should enter into force as soon as possible after its adoption. The Commission should, however, when making proposals for measures to implement this Regulation, take into account the current economic situation of the concerned Member States and all other relevant factors.

Or. en

Amendment 101
Edward Scicluna

Proposal for a regulation – amending act
Recital 4 f (new)

Text proposed by the Commission

Amendment

(4f) Article 3 of the Protocol (No 12) on the excessive deficit procedure annexed to the Treaties provides that Member States ensure that national procedures in the budgetary area enable them to meet their Treaty obligations in this area of policy.

Or. en

Amendment 102
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 4 f (new)

Text proposed by the Commission

Amendment

(4f) Without prejudice to their rights and obligations under the TFEU, the Member States whose currency is not the euro should have the right to opt-out from

certain provisions of EU legislation in the field of economic governance according to the conditions provided for in each piece of EU legislation.

Or. en

Amendment 103
Astrid Lulling

Proposal for a regulation – amending act
Recital 4 e (new)

Text proposed by the Commission

Amendment

(4e) Article 3 of the Protocol (No 12) on the excessive deficit procedure annexed to the Treaties provides that Member States ensure that national procedures in the budgetary area enable them to meet their obligations in this area deriving from the Treaties. Member States whose currency is the euro should therefore anchor the objectives of the Union fiscal framework in national law, and should ensure that adequate budgetary procedures and bodies are in place to meet those objectives.

Or. en

Amendment 104
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 4 g (new)

Text proposed by the Commission

Amendment

(4g) Experience gained during the first decade of functioning of the economic and monetary union shows a need for improved economic governance in the Union, which should be built on a

stronger national ownership of commonly agreed rules and policies and on a more robust framework at the Union level for national economic policies.

Or. en

Amendment 105

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 4 a (new)**

Text proposed by the Commission

Amendment

(4a) The permanent crisis mechanism should be adopted under the ordinary legislative procedure and inspired by the Union method, in order, on the one hand, to strengthen Parliament’s involvement and improve democratic accountability and, on the other, to draw on the expertise, independence and impartiality of the Commission;

Or. en

Amendment 106

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 4 b (new)**

Text proposed by the Commission

Amendment

(4b) The volatility of the markets and the levels of the government bond spreads of certain Member States whose currency is the euro are calling for a resolute action to defend the stability of the euro.

Or. en

Amendment 107

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 4 c (new)

Text proposed by the Commission

Amendment

(4c) The EMF should serve three purposes: it should cover a percentage of the sovereign debt from the Member States that can be paid without risking the financial stability of any other Member State or of the eurozone as a whole (Eurosecurities); it should help any Member State with financial difficulties to resolve the crisis in which they might be involved (permanent crisis resolution mechanism); and, finally, mobilise resources to finance investments that can promote economic growth (project bonds).

Or. en

Amendment 108

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 4 d (new)

Text proposed by the Commission

Amendment

(4d) Member States whose currency is the euro should pool up to [...] percent of the sovereign debt under joint and several liability (Eurosecurities). Whilst the common issuance would increase the liquidity of the bonds on the capital market, the common liability serves to help those states which face increasing difficulties raising capital. Eurosecurities take priority over debt owed by national governments. They could help to promote the euro as a reserve currency.

Or. en

Amendment 109

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 4 e (new)

Text proposed by the Commission

Amendment

(4e) To strengthen fiscal discipline those countries with credible economic and fiscal policies should be allowed to borrow up to the full [...]percent of its GDP, while countries with a weaker economic or fiscal position would have to pay a premium/ extra interest rate or only be able to borrow a lower proportion of GDP in Eurosecurities. In the extreme, if a participating country was consistently to pursue unsustainable economic or fiscal policies its participation in the issuance of Eurosecurities will be suspended.

Or. en

Amendment 110

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

Proposal for a regulation – amending act

Recital 4 f (new)

Text proposed by the Commission

Amendment

(4f) A European Monetary Fund, managed under Union rules and financed in particular with the revenues of the fines, should be established in order to safeguard financial stability of the euro area as whole. That fund should be based on the decisions taken by the Council of 9 to 10 May 2010 and the Statement by the Euro Group of 28 November 2010.

Or. en

Amendment 111
Miguel Portas

Proposal for a regulation – amending act
Recital 5

Text proposed by the Commission

Amendment

(5) The rules on budgetary discipline should be strengthened in particular by giving a more prominent role to the level and evolution of debt and overall sustainability.

deleted

Or. pt

Amendment 112
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 5

Text proposed by the Commission

Amendment

(5) The rules on budgetary discipline should be strengthened in particular by giving a more prominent role to the level and evolution of debt and overall sustainability.

(5) The rules on budgetary discipline **and on complying with and enforcing it** should be strengthened in particular by giving a more prominent role to the level and evolution of debt and overall sustainability.

Or. hu

Amendment 113
Ramon Tremosa i Balcells

Proposal for a regulation – amending act
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) The consolidation of the European Single Market is an essential precondition to ensure the correct functioning and the

strengthening of the economic and monetary union. In this sense, it is necessary to eliminate the existing regulatory and physical barriers that make impossible to achieve a single European railway area, specially in the freight transport.

Or. en

Amendment 114
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) Greater balance must be ensured between economic grounds and political room for manoeuvre but the rules must remain simple, transparent and practicable.

Or. hu

Amendment 115
Astrid Lulling

Proposal for a regulation – amending act
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) An assessment of the sustainability of public finances, including the debt level, debt profile (including maturity), the cost of ageing and debt dynamics should be more strongly taken into account in the pace of convergence towards Member State-specific medium-term budgetary objectives to be included in the Stability and Convergence Programmes.

Amendment 116
Anni Podimata

Proposal for a regulation – amending act
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) The debt criteria (including the private debt) should be better integrated in each step of the excessive deficit procedure in order to ensure the sustainability of public finances while maintaining adequate levels of public investments.

Or. en

Amendment 117
Edward Scicluna

Proposal for a regulation – amending act
Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) The debt criteria should be better integrated in each step of the excessive deficit procedure in order to ensure the sustainability of public finances while maintaining adequate levels of public investment.

Or. en

Amendment 118
Astrid Lulling

Proposal for a regulation – amending act
Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) The framework to control public and private debt should support long-term growth, and should improve preconditions for investments and develop the internal market, whilst respecting Member State's specific priorities and needs

Or. en

Amendment 119
Edward Scicluna

Proposal for a regulation – amending act
Recital 5 c (new)

Text proposed by the Commission

Amendment

(5c) The framework to control public and private debt should support long-term growth and take due account of the anti-cyclical role of budgetary policy, and should, during downturns, be combined with efforts to stimulate the economy, such as public investment.

Or. en

Amendment 120
Miguel Portas

Proposal for a regulation – amending act
Recital 6

Text proposed by the Commission

Amendment

(6) Implementing the existing excessive deficit procedure ***on the basis of both the deficit criterion and the debt criterion requires defining a numerical benchmark against which to assess whether the ratio of government debt to*** gross domestic

(6) Implementing the existing excessive deficit procedure ***has been based on a numerical benchmark ratio for the deficit and debt aligned with*** gross domestic product; ***this criterion, applied mechanically, has proved to be***

product *is sufficiently diminishing and approaching the reference value at a satisfactory pace.*

counterproductive or simply unusable, especially in times of crisis and recession.

Or. pt

Amendment 121
Edward Scicluna

Proposal for a regulation – amending act
Recital 6

Text proposed by the Commission

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires *defining* a numerical benchmark against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Amendment

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires *the definition of a cyclically-adjusted* numerical benchmark against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Or. en

Amendment 122
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 6

Text proposed by the Commission

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires defining a numerical benchmark against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Amendment

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires defining a *sustainable* numerical benchmark (*structurally, cyclically and long-term adjusted*) against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Amendment 123

Philippe Lamberts

Proposal for a regulation – amending act

Recital 6

Text proposed by the Commission

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires defining a numerical benchmark against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Amendment

(6) Implementing the existing excessive deficit procedure on the basis of both the deficit criterion and the debt criterion requires defining a numerical benchmark against which to assess whether the ratio of government debt to gross domestic product is sufficiently diminishing and approaching the reference value at a satisfactory pace, ***or is deemed in situation of temporary excess to the sufficiently diminishing path. The whole range of relevant factors shall be taken into account in the assessment.***

Amendment 124

José Manuel García-Margallo y Marfil, Pablo Zalba Bidegain, Íñigo Méndez de Vigo

Proposal for a regulation – amending act

Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) Prudent and Sustainable fiscal policy-making should effectively achieve and maintain the medium-term budgetary objective. Adherence to the medium-term objective for budgetary positions should allow Member States to have a safety margin with respect to the 3% of GDP reference value for the government deficit, to ensure rapid progress towards sustainability, and at the same time to have room for budgetary manoeuvre, in

particular taking into account the needs for public investment.

Or. en

Amendment 125
Miguel Portas

Proposal for a regulation – amending act
Recital 7

Text proposed by the Commission

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the numerical benchmark, but always take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Amendment

deleted

Or. pt

Amendment 126
Diogo Feio

Proposal for a regulation – amending act
Recital 7

Text proposed by the Commission

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the numerical benchmark, but always take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Amendment

(7) Non-compliance with the numerical benchmark for debt reduction should not be sufficient for the establishment of an excessive deficit, which should take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty. The assessment of the effect of the cycle and the composition of the stock-flow adjustment on debt developments

need to be analysed carefully.

Or. en

Amendment 127

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Recital 7

Text proposed by the Commission

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the numerical benchmark, **but always** take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Amendment

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the **sustainable** numerical benchmark, **and should** take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Or. en

Amendment 128

Edward Scicluna

Proposal for a regulation – amending act

Recital 7

Text proposed by the Commission

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the numerical benchmark, but always take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Amendment

(7) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should not be based solely on non-compliance with the **cyclically-adjusted** numerical benchmark, but always take into account the whole range of relevant factors covered by the Commission report under Article 126(3) of the Treaty.

Or. en

Amendment 129
Philippe Lamberts

Proposal for a regulation – amending act
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) Expenditures devoted to investments aiming at generating sustainable potential output growth of the EU while alleviating the burdens on future generations will be explicitly taken into account in the overall assessment of compliance with country specific medium-term objectives and under certain ceiling, conditions not added to the total amount of the reference values.

Or. en

Amendment 130
Astrid Lulling

Proposal for a regulation – amending act
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) The establishment of the existence of an excessive deficit based on the debt criterion and the steps leading to it should be based on non-compliance with the numerical benchmark, and take into account the relevant factors covered by the Commission report under Article 126(3) TFEU.

Or. en

Amendment 131

José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain

**Proposal for a regulation – amending act
Recital 7 a (new)**

Text proposed by the Commission

Amendment

(7a) In the preventive part of the Stability and Growth Pact, the incentive for prudent and sustainable fiscal policy-making should consist of an obligation to lodge an interest-bearing deposit temporarily imposed on a Member State whose currency is the euro that is making insufficient progress with budgetary consolidation. This should be the case when, following an initial warning from the Commission, a Member State persists in conduct which, while not amounting to a violation of the ban on excessive deficits, is imprudent and potentially detrimental to the smooth functioning of economic and monetary union, and the Council therefore issues a recommendation in accordance with Article 121(4) TFEU.

Or. en

Amendment 132

Thomas Händel

**Proposal for a regulation – amending act
Recital 8**

Text proposed by the Commission

Amendment

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the Treaty if the government debt to gross domestic product does not exceed the reference

deleted

value.

Or. en

Amendment 133
Astrid Lulling

Proposal for a regulation – amending act
Recital 8

Text proposed by the Commission

Amendment

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the Treaty if the government debt to gross domestic product does not exceed the reference value.

deleted

Or. en

Amendment 134
Miguel Portas

Proposal for a regulation – amending act
Recital 8

Text proposed by the Commission

Amendment

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the Treaty if the government debt to gross domestic product does not exceed the reference value.

(8) In the establishment of the existence of an excessive deficit, the defining criterion will in future be the ratio between the primary current account balance and GDP, with a view to preserving the necessary safety margins for public investment policy, especially in those Member States having to deal with major economic difficulties and/or tending to diverge from the majority of the macroeconomic thresholds included in the reference indicators scoreboard for

Amendment 135

Iliana Ivanova

Proposal for a regulation – amending act

Recital 8

Text proposed by the Commission

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the *Treaty if the government debt to gross domestic product does not exceed the reference value.*

Amendment

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) *TFEU. Breach of satisfactory pace of debt reduction should not automatically lead to the Excessive Deficit procedure/ Compliance with the numerical benchmark, account taken of the influence of the cycle and of the nature of debt increasing or decreasing operations, would be sufficient to exclude the establishment of an excessive deficit based on the debt criterion.*

Justification

A mechanical application of the measures is not adequate. The influence of the economical cycle and the nature of debt should be taken into account.

Amendment 136

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Recital 8

Text proposed by the Commission

(8) In the establishment of the existence of

Amendment

(8) In the establishment of the existence of

an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the *whole range* of relevant factors covered by the report under Article 126(3) *of the Treaty if the government debt to gross domestic product does not exceed the reference value.*

an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the *nature, composition and quality of expenditure, including government investment expenditure, and other* relevant factors covered by the report under Article 126(3) *TFEU.*

Or. en

Amendment 137

Diogo Feio

Proposal for a regulation – amending act Recital 8

Text proposed by the Commission

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the Treaty if the government debt to gross domestic product does not exceed the reference value.

Amendment

(8) In the establishment of the existence of an excessive deficit based on the deficit criterion and the steps leading to it there is a need to take into account the whole range of relevant factors covered by the report under Article 126(3) of the Treaty if the government debt to gross domestic product does not exceed the reference value. *These factors should always be taken into account when establishing the existence of an excessive deficit based on the debt criterion and in the steps leading to it.*

Or. en

Amendment 138

Diogo Feio

Proposal for a regulation – amending act Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Even when the existence of the excessive deficit has been established, all

the relevant factors should be taken into account in the subsequent steps of the procedure. In particular, the implementation of policies aimed at increasing the medium-term rate for potential growth in the context of the common growth strategy of the Union should be appropriately taken into account when setting the deadline for correcting the excessive deficit and eventually extending it.

Or. en

Amendment 139
Miguel Portas

Proposal for a regulation – amending act
Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) In the establishment of the existence of an excessive deficit based on the criterion of the ratio of the primary balance to GDP and in the steps leading to such a decision, there is a need to take into account the whole range of relevant factors examined by the Commission under Article 126(3) of the Treaty.

Or. pt

Amendment 140
Diogo Feio

Proposal for a regulation – amending act
Recital 8 b (new)

Text proposed by the Commission

Amendment

(8b) In taking into account systemic pensions reforms among the relevant factors, the central consideration should

be whether they enhance the long-term sustainability of the overall pension system, while not increasing risks for the medium-term budgetary position.

Or. en

Amendment 141
Miguel Portas

Proposal for a regulation – amending act
Recital 8 b (new)

Text proposed by the Commission

Amendment

(8b) The framework for monitoring public and private debt should, for its part, support long-term growth and, in periods of crisis, serve to stimulate the economy on a basis of respect for Member States' specific needs and priorities.

Or. pt

Amendment 142
Diogo Feio

Proposal for a regulation – amending act
Recital 9

Text proposed by the Commission

Amendment

(9) The Commission report under Article 126(3) of the Treaty should appropriately consider the quality of the national fiscal framework, as it plays a crucial role in supporting fiscal consolidation and sustainable public finances.

(9) The Commission report under Article 126(3) of the Treaty should appropriately consider the quality of the national fiscal framework, as it plays a crucial role in supporting fiscal consolidation and sustainable public finances. *This consideration should include the minimum requirements as laid down in Council Directive [...] on requirements for budgetary frameworks of the Member States as well as other agreed desirable requirements for fiscal discipline.*

Amendment 143
Edward Scicluna

Proposal for a regulation – amending act
Recital 10

Text proposed by the Commission

(10) In order to support the monitoring of compliance with Council recommendations and notices for the correction of the situations of excessive deficit, there is a need that these specify annual budgetary targets consistent with the required fiscal improvement in cyclically adjusted terms, net of *one-off* and temporary measures.

Amendment

(10) In order to support the monitoring of compliance with Council recommendations and notices for the correction of the situations of excessive deficit, there is a need that these specify annual budgetary targets consistent with the required fiscal improvement in cyclically adjusted terms, net of *fiscal one-offs* and *other* temporary measures.

Or. en

Amendment 144
Diogo Feio

Proposal for a regulation – amending act
Recital 10

Text proposed by the Commission

(10) In order to support the monitoring of compliance with Council recommendations and notices for the correction of the situations of excessive deficit, there is a need that these specify annual budgetary targets consistent with the required fiscal improvement in cyclically adjusted terms, net of one-off and temporary measures.

Amendment

(10) In order to support the monitoring of compliance with Council recommendations and notices for the correction of the situations of excessive deficit, there is a need that these specify annual budgetary targets consistent with the required fiscal improvement in cyclically adjusted terms, net of one-off and temporary measures. ***In this context, the 0.5% of GDP annual benchmark should be understood as annual average basis.***

Or. en

Amendment 145
Edward Scicluna

Proposal for a regulation – amending act
Recital 11

Text proposed by the Commission

(11) The assessment of effective action will benefit from taking compliance with general government expenditure targets as a reference in conjunction with the implementation of planned specific revenue measures.

Amendment

(11) The assessment of effective action will benefit from taking compliance with general government expenditure **and tax revenue** targets as a reference in conjunction with the implementation of planned specific revenue measures.

Or. en

Amendment 146
Thomas Händel

Proposal for a regulation – amending act
Recital 11

Text proposed by the Commission

(11) The assessment of effective action will benefit from taking compliance with general government expenditure targets as a reference in conjunction with the implementation of planned specific **revenue** measures.

Amendment

(11) The assessment of effective action will benefit from taking compliance with general government expenditure **and tax revenue** targets as a reference in conjunction with the implementation of planned specific measures.

Or. en

Amendment 147
Philippe Lamberts

Proposal for a regulation – amending act
Recital 11

Text proposed by the Commission

(11) The assessment of effective action

Amendment

(11) The assessment of effective action

will benefit from taking compliance with general government expenditure targets as a reference in conjunction with the implementation of planned specific revenue measures.

will benefit from taking compliance with general government expenditure **and tax revenue** targets as a reference in conjunction with the implementation of **other** planned specific revenue measures.

Or. en

Amendment 148

Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act Recital 12

Text proposed by the Commission

(12) In assessing the case for an extension of the deadline for correcting the excessive deficit, **special** consideration should be given to severe economic downturns of a general nature.

Amendment

(12) In assessing the case for an **exceptional** extension of the deadline for correcting the excessive deficit, consideration should be given to severe economic downturns of a general nature.

Or. en

Amendment 149

Rodi Kratsa-Tsagaropoulou

Proposal for a regulation – amending act Recital 12

Text proposed by the Commission

(12) In assessing the case for an extension of the deadline for correcting the excessive deficit, special consideration should be given to severe economic downturns of a general nature.

Amendment

(12) In assessing the case for an extension of the deadline for correcting the excessive deficit, special consideration should be given to severe economic or social downturns **or exceptional circumstances arising in a Member State**.

Or. el

Amendment 150
Miguel Portas

Proposal for a regulation – amending act
Recital 13

Text proposed by the Commission

(13) *It is appropriate to step up the application of the financial sanctions envisaged by Article 126(11) of the Treaty so that they constitute a real incentive for compliance with the notices under Article 126(9).*

Amendment

(13) *The excessive debt procedure shall be based on a multilateral dialogue process in which the surveillance and monitoring functions fall to the Commission, which makes recommendations to the Council. Member States shall comply with the multilateral agreements concerning the numerical objectives which they have accepted, as well as new targets in case of non-compliance. However, the choice of policies and actions for the realisation of those objectives shall be entirely their responsibility. In the excessive debt procedure, the Council and Commission shall make their decisions public in order to ensure effective peer pressure; similarly, Parliament may invite the Member State concerned to explain its decisions to the relevant committee. The current excessive debt procedure will not involve applying the financial sanctions permitted under Article 126(11) of the Treaty, since this would worsen the problems it purported to resolve.*

Or. pt

Amendment 151
Philippe Lamberts

Proposal for a regulation – amending act
Recital 13

Text proposed by the Commission

(13) *It is appropriate to step up the application of the financial sanctions envisaged by Article 126(11) of the Treaty*

Amendment

(13) *It is appropriate to step up the application of the financial sanctions as well as incentives for compliance with the*

so that they constitute a real incentive for compliance with the notices under Article 126(9).

notices under Article 126(9).

Or. en

Amendment 152
Miguel Portas

Proposal for a regulation – amending act
Recital 14

Text proposed by the Commission

Amendment

(14) In order to ensure compliance with the fiscal surveillance framework of the Union for participating Member States, rules-based sanctions should be designed on the basis of Article 136 of the Treaty, ensuring fair, timely and effective mechanisms for compliance with the Stability and Growth pact rules.

deleted

Or. pt

Amendment 153
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 14

Text proposed by the Commission

Amendment

(14) In order to ensure compliance with the fiscal surveillance framework of the Union for participating Member States, rules-based sanctions should be designed on the basis of Article 136 of the Treaty, ensuring fair, timely and effective mechanisms for compliance with the Stability and Growth pact rules.

(14) In order to ensure compliance with the fiscal surveillance framework of the Union for participating Member States, rules-based *incentives and* sanctions should be designed on the basis of Article 136 of the Treaty, ensuring fair, timely and effective mechanisms for compliance with the Stability and Growth pact rules.

Or. en

Amendment 154
Philippe Lamberts

Proposal for a regulation – amending act
Recital 14

Text proposed by the Commission

(14) In order to ensure compliance with the fiscal surveillance framework of the Union for participating Member States, rules-based sanctions should be designed on the basis of Article 136 of the Treaty, ensuring fair, timely and effective mechanisms for compliance with the Stability and Growth pact rules.

Amendment

(14) In order to ensure compliance with the fiscal surveillance framework of the Union for participating Member States, rules-based sanctions **and incentives** should be designed on the basis of Article 136 of the Treaty, ensuring fair, timely and effective mechanisms for compliance with the Stability and Growth pact rules.

Or. en

Amendment 155
Edward Scicluna

Proposal for a regulation – amending act
Recital 14 a (new)

Text proposed by the Commission

(14a) The economically and politically more sensitive incentives and sanctions should take due account of the structure of the national deficit and debt within the context of the economic cycle in order to avoid a pro-cyclical fiscal policy, and the structural composition of public revenue and expenditure needed to enact growth-delivering reforms particularly in the framework of the Union's growth and employment objectives.

Amendment

Or. en

Amendment 156
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The incentives and sanctions should take due account of the structure of the national deficit and debt, the economic cycle in order to avoid pro-cyclical fiscal policy and the characteristics and evolution of public revenues and expenditures needed for growth-enhancing structural reforms notably in the framework of the Union's jobs and smart, sustainable and inclusive growth objectives.

Or. en

Amendment 157
Miguel Portas

Proposal for a regulation – amending act
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The more economically and politically sensitive recommendations shall take due account of the structure of the deficit and the national debt, the economic cycle (with the objective of avoiding procyclical fiscal policies), and the structural composition of public revenue, while safeguarding expenditure which is essential for policies fostering sustainable growth.

Or. pt

Amendment 158
Astrid Lulling

Proposal for a regulation – amending act
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) In the implementation of the rules-based framework under the Stability and Growth Pact, the Commission and the Council shall take due account of the complementary framework of the European Financial Stability Facility (“EFSF”) or other permanent crisis mechanism set up under Article 136(3) TFEU (“European Stability Mechanism”). To the extent that Member States are eligible to have recourse to such mechanism, they may be invited by the Commission and the Council to proceed to the required application.

Or. en

Amendment 159
Kay Swinburne

Proposal for a regulation – amending act
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The annual policy recommendations by the Commission should be discussed concurrently in the European Parliament and the Council.

Or. en

Amendment 160
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Recital 14 b (new)

Text proposed by the Commission

Amendment

(14b) The Council and the Commission should make their positions and decisions public at appropriate stages of the economic policy coordination procedures, while fully respecting Treaty provisions, in order to ensure effective peer pressure. The European Parliament may invite the Council, the Commission and the Member State concerned to explain before its competent committee its decisions and policies; the Council, the Commission and the Member State concerned may equally ask to be invited to the European Parliament for the same purposes.

Or. en

Amendment 161
Edward Scicluna

Proposal for a regulation – amending act
Recital 14 b (new)

Text proposed by the Commission

Amendment

(14b) The Council and the Commission should make their positions and decisions public at appropriate stages of the economic policy coordination procedures, while fully respecting the provisions laid down in the Treaties, in order to ensure effective peer pressure, while the European Parliament may invite a representative from the Member State concerned to explain at public hearings before its competent committee its decisions and policies.

Amendment 162
Diogo Feio

Proposal for a regulation – amending act
Article 1 – point 1
Regulation (EC) No 1467/97
Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure, **having as its** objective to deter excessive government deficits and, if they occur, to further prompt their correction, where compliance with the budgetary discipline is examined on the basis of the government deficit and government debt criteria.

Amendment

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure. **This procedure has the** objective to deter excessive government deficits and, if they occur, to further prompt their correction, where compliance with the budgetary discipline is examined on the basis of the government deficit and government debt criteria.

Amendment 163
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Article 1 – point 1
Regulation (EC) No 1467/97
Article 1– paragraph 1

Text proposed by the Commission

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure, having as its objective to deter excessive government deficits and, if they occur, to further prompt their correction, where compliance with the budgetary discipline is examined on the basis of the government deficit and government debt criteria.

Amendment

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure, having as its objective to deter **any worsening of** excessive government deficits and, if they occur, to further prompt their correction, where compliance with the budgetary discipline is examined on the basis of the government deficit and government debt criteria.

Amendment 164
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 1
Regulation (EC) No 1467/97
Article 1– paragraph 1

Text proposed by the Commission

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure, having as its objective to **deter** excessive **government** deficits **and, if** they occur, **to further prompt their correction, where compliance with the** budgetary discipline is examined on the basis of the **government deficit and** government debt **criteria**.

Amendment

1. This Regulation sets out the provisions to speed up and clarify the excessive deficit procedure, having as its objective to **correct** excessive deficits **where** they **occur. The present** budgetary discipline is examined on the basis of **the primary current account balance and the reference values for** government debt **arising from an economic policy that is coordinated at European level**.

Or. pt

Amendment 165
Diogo Feio

Proposal for a regulation – amending act
Article 1 – point 1
Regulation (EC) No 1467/97
Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

The Council shall use the reversed qualified majority voting when deciding on the adoption of recommendations and notices based on Commission formal positions' under Article 126 of the Treaty.

Or. en

Amendment 166
Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 1

Regulation (EC) No 1467/97

Article 1 – paragraph 2

Text proposed by the Commission

2. For the purpose of this Regulation
“participating Member States” **shall mean**
those Member States whose currency is the
euro.

Amendment

2. For the purpose of this Regulation:

– 'participating Member States' **means**
those Member States whose currency is the
euro, **including Member States whose
currency is not the euro but have been
admitted to ERM II under the conditions
of their accession treaty to the Union, and**
– '**Member States with a derogation**'
**means Member States other than those
whose currency is the euro**

Or. en

Amendment 167
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 1

Regulation (EC) No 1467/97

Article 1– paragraph 2

Text proposed by the Commission

2. For the purpose of this Regulation
'participating Member States' **shall mean**
those Member States whose currency is the
euro.'

Amendment

2. For the purpose of this Regulation :

- 'participating Member States' **means**
those Member States whose currency is the
euro, **and**
- '**Member States with a derogation**'
means Member States other than those

whose currency is the euro including Member States whose currency is not the euro but who have been admitted into ERM II under the terms of their accession treaty to the Union.

Or. en

Amendment 168
Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 1

Regulation (EC) No 1467/97

Article 1 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. A Member State with a derogation may not apply the rules applicable to participating Member States laid down in this Regulation and, if so, shall notify the Commission accordingly. Such a notification shall be published in the Official Journal of the European Union. The Member State concerned shall be considered to be a not participating Member State for the purposes of this Directive from the day after such publication

Or. en

Amendment 169
Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 2 – point a

Regulation (EC) No 1467/97

Article 2 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Amendment

1. The *excess* of *a government deficit* over

1. The *excessive character* of *the primary*

the reference value shall be considered exceptional, *in accordance with the second indent of Article 126 (2) (a) of the Treaty*, when resulting from an unusual event outside the control of the Member State concerned and which has a major impact on the financial position of general government, or when resulting from a severe economic downturn.

balance/GDP ratio over the reference value shall be considered exceptional when resulting from an unusual event outside the control of the Member State concerned and which has a major impact on the financial position of general government, or when resulting from a severe economic downturn.

Or. pt

Amendment 170
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 2 – point a
Regulation (EC) No 1467/97
Article 2 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an *unusual* event outside the control of the Member State concerned and which has a *major* impact on the financial position of general government, or when resulting from a *severe* economic downturn.

Amendment

1. The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an event outside the control of the Member State concerned and which has a *considerable* impact on the financial position of general government, or when resulting from a *substantial* economic downturn.

Or. en

Amendment 171
Diogo Feio

Proposal for a regulation – amending act
Article 1 – point 2 – point a
Regulation (EC) No 1467/97
Article 2 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an unusual event outside the control of the Member State concerned and **which has** a major impact on the financial position of general government, or when resulting from a severe economic downturn.

Amendment

1. The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an unusual event outside the control of the Member State concerned and **with** a major impact on the financial position of general government, or when resulting from a severe economic downturn.

Or. en

Amendment 172

Ildikó Gáll-Pelcz

Proposal for a regulation – amending act

Article 1 – point 2 – point a

Regulation (EC) No 1467/97

Article 2– paragraph 1 – subparagraph 1

Text proposed by the Commission

(1) The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an unusual event outside the control of the Member State concerned and which has a major impact on the financial position of general government, or when resulting from a severe economic downturn.'

Amendment

(1) The excess of a government deficit over the reference value shall be considered exceptional, in accordance with the second indent of Article 126 (2) (a) of the Treaty, when resulting from an unusual event outside the control of the Member State concerned and which has a major impact on the financial position of general government, or when resulting from a **general** severe economic downturn, **and when any of these events causes a deviation from the path of prudent fiscal policy.'**

Or. hu

Amendment 173

Wolf Klinz, Carl Haglund, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2– paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous **three** years at a rate of the order of **one-twentieth** per year. For a period of **3** years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous **two** years at a rate of the order of **one-tenth** per year. For a period of **2** years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. en

Amendment 174

Astrid Lulling

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference

value has reduced over the previous three years at *a* rate of *the order of* one-twentieth *per year*. For a period of 3 years from [date of entering into force of this Regulation - *to be inserted*], account shall be taken of the backward-looking nature of this indicator in its application.

value has reduced over the previous three years at *an annual* rate of *at least* one-twentieth.

For a period of 3 years from [*the* date of entering into force of this Regulation], account shall be taken of the backward-looking nature of this indicator in its application.

Or. en

Justification

To the extent that the debt criterion is less volatile than the deficit criterion, the proposed amendment in the draft report (“an average”, “as a benchmark”) is unnecessary representing a loophole to the obligation of a timely reduction of public debt.

Amendment 175 Gunnar Hökmark

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at *a* rate of the order of one-twentieth per year. *For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature*

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at *an average* rate of the order of one-twentieth per year, *as a benchmark, following an assessment made over a three-year period. The requirement under the debt criterion shall be also considered*

of this indicator in its application.

fulfilled if the budgetary forecasts as provided by the Commission indicate that the required reduction in the differential will occur over the three-year period encompassing the following two years.

Or. en

Amendment 176

Rodi Kratsa-Tsagaropoulou

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth *per year*. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth *as an average over the last three years*. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. el

Amendment 177

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at *a* rate of the order of one-twentieth per year. For a *period of 3 years from* [date of *entering into force* of this Regulation - to be inserted], *account shall be taken of the backward-looking nature of this indicator* in its *application*.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at *an average* rate of the order of one-twentieth per year, *as a benchmark, following an assessment made over a three-year period. The requirement under the debt criterion shall be also considered fulfilled if the budgetary forecasts as provided by the Commission indicate that the required reduction in the differential will occur over the three-year period encompassing the two years following the last year for which the data is available.* For a *Member State that is subject to an excessive deficit procedure at* [date of *adoption* of this Regulation - to be inserted] *and for a period of three years from the correction of the excessive deficit, the requirement under the debt criterion shall be considered fulfilled if the Member State concerned makes sufficient progress towards compliance as assessed in the Council opinions on its Stability or Convergence Programme.*

Or. en

Amendment 178
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 2 – point b
Regulation (EC) No 1467/97
Article 2 – paragraph 1a

Text proposed by the Commission

1-A. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **a** rate of the order of one-twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - **to be inserted**], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1-A. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **an average** rate of the order of one-twentieth per year. For a period of 3 years from **the** date of entering into force of this Regulation account shall be taken of the backward-looking nature of this indicator in its application.

Or. pt

Amendment 179

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **a** rate of the order of one-twentieth per year.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **an average** rate of the order of one-twentieth per year, **as a benchmark, following an assessment made over a three-year period.**

A reduction of the differential with respect to the reference value of less than

one-twentieth per year over a three year period may, nevertheless, be considered to be satisfactory if this lesser reduction is due to new government debt for public investment. The definition of what shall constitute public investment conducive to achieving the Union's sustainable growth and employment objectives within the scope of this regulation shall be laid down by the Commission through a delegated act, respecting the principles laid down in Council Directive (...) on requirements for budgetary frameworks of the Member States. In order to take due account of the economic cycle, in the case of a sharp decrease of annual GDP volume growth rate followed by growth rates below 1,5%, the Commission may define the conditions for a proportionate, lower and temporary benchmark that is balanced with the efforts made to match the objectives and requirements of the Union; the conditions for a proportionate, higher and temporary benchmark may be defined by the Commission in the case of an average annual GDP volume growth rate above 3% over a period of three years. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.'

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. en

Amendment 180

Elisa Ferreira

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **a rate of the order of one-twentieth per year**. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at **an average (DF) rate in accordance with the MTO**.

A reduction of the differential with respect to the reference value of less the agreed path, over a three year period may, nevertheless, be considered to be satisfactory if this lesser reduction is due to new government debt for public investment. The definition of what shall constitute public investment conducive to achieving the Union's growth and employment objectives within the scope of this regulation shall be laid down by the Commission through a delegated act, respecting the principles laid down in Council Directive (...) on requirements for budgetary frameworks of the Member States. In order to take due account of the economic cycle, in the case of an annual GDP volume growth rate below 1%, the Commission will define a proportionate benchmark below the agreed level on the MTO for determining the average rate of reduction referred to above. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment 181
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 2 – point b
 Regulation (EC) No 1467/97
 Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year ***provided that the gross domestic product (GDP) has been growing at its potential rate during two years before the year of reference. Absent this condition the ratio of government debt to GDP shall be considered as in situation of temporary excess to the sufficiently diminishing path provided that the Member State complies with the sustainable fiscal policy-making rule as defined in Regulation 1466/97. If the Member State is considered to be in a situation of temporary excess to the sufficiently diminishing path the excessive deficit procedure shall not be activated.*** For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application. ***For the purpose of this Regulation net government financial liabilities as defined by the OECD shall be explicitly taken into account in the overall assessment of mitigating or aggravating factors relating to government debt to***

gross domestic product.

Or. en

Amendment 182
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2– paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year.

A reduction of the differential with respect to the reference value of less than one-twentieth per year over a three year period may, nevertheless, be considered to be satisfactory if this lesser reduction is due to new government debt for public investment. The definition of what shall constitute public investment conducive to achieving the Union's growth and employment objectives within the scope of this regulation shall be laid down by the Commission through a delegated act, respecting the principles laid down in Council Directive [...] on requirements for budgetary frameworks of the Member States. In order to take due account of the economic cycle in the case of an annual GDP volume growth rate below 1%, the Commission will define a proportionate benchmark below one-twentieth for determining the average rate of reduction

referred to above. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. en

Amendment 183

Othmar Karas, Burkhard Balz, Danuta Maria Hübner, Iliana Ivanova, Markus Ferber, Sirpa Pietikäinen

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at an **average** rate of the order of one-twentieth per year **and at all events by at least 0.5 % of GDP within the meaning of Article 3(4), the higher rate of reduction being applied. This ensures that government debt returns more quickly to a level below the reference value. [As a benchmark, following an assessment made over a three-year period]**. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator

in its application.

Or. de

Justification

By reducing the level of debt each year, the basis for the calculation and thus the necessary annual savings are reduced.

Incentives for sustainable consolidation gradually disappear. As a result, debt reduction slows considerably. The introduction of a minimum value of 0.5 % of national GDP provides linear debt reduction and therefore an increase in the speed at which government debt is reduced in Member States whose total debt is below 70 % of GDP.

Amendment 184

Sari Essayah

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year, **but no less than 0.5% of GDP**. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. fi

Amendment 185
Sylvie Goulard

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year.

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Amendment

1a. When it exceeds the reference value, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year.

In implementing this differential, the relevant factors for each country, as referred to in paragraph 3, shall be taken into account.

For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

Or. en

Amendment 186
Thomas Händel

Proposal for a regulation – amending act

Article 1 – point 2 – point b

Regulation (EC) No 1467/97

Article 2 – paragraph 1a

Text proposed by the Commission

1a. When it exceeds the reference value, the ratio of the government debt to gross

Amendment

1a. When it exceeds the reference value, ***and provided the economy has been***

domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one-twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward-looking nature of this indicator in its application.

operating over the past three years above its potential, the ratio of the government debt to gross domestic product (GDP) is to be considered sufficiently diminishing and approaching the reference value at a satisfactory pace in accordance with Article 126 (2) (b) of the Treaty if the differential with respect to the reference value has reduced over the previous three years at a rate of the order of one twentieth per year. For a period of 3 years from [date of entering into force of this Regulation - to be inserted], account shall be taken of the backward looking nature of this indicator in its application.

Or. en

Justification

Adding the rule of a specific rate of reduction of government debt will worsen the pro cyclical nature of the Stability Pact. In a downturn, with deficits being pushed up and nominal GDP being dragged down, it is extremely difficult to keep debt as a % of GDP under control since there are both nominator and denominator effects. Enforcing such a 'debt reduction' rule will therefore worsen and deepen the economic downturn which, in turn, will make it even more difficult to reach the targets on public finances.

Amendment 187

Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 2 – point b a (new)

Regulation (EC) No 1467/97

Article 2 – paragraph 2

Text proposed by the Commission

Amendment

(ba) paragraph 2 is amended as follows:

The Commission and the Council, when assessing and deciding upon the existence of an excessive deficit in accordance with *Article 126(3) to (6)* of the Treaty, shall consider an excess over the reference value resulting from a severe economic downturn as

exceptional in the sense of the second indent of Article 126(2)(a) if the excess over the reference value results from a negative annual GDP volume growth rate or from an accumulated loss of output during a protracted period of very low annual GDP volume growth relative to its potential.

Or. en

Amendment 188

David Casa

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, **prevailing** cyclical **conditions**, inflation, excessive macroeconomic imbalances) **and** developments in the medium-term budgetary position (in **particular**, fiscal consolidation efforts **in “good times”**, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, **compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States**). The report shall also analyse developments in the medium-term debt position **as relevant** (in particular, **it appropriately reflects** risk factors including the maturity structure and currency denomination of the debt, stock-

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article **to the extent they affect significantly the assessment of compliance with the deficit and debt criteria by the concerned Member State**. The report shall appropriately reflect:

flow *operations*, accumulated reserves and other *government* assets; guarantees, notably linked to the financial sector; liabilities *both explicit and implicit* related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess *in qualitative terms the excess over the reference value* and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial *stability*.

- The developments in the medium-term economic position (in particular *medium-term rate of potential growth and cyclical developments*, inflation, *the implementation of policies in the context of common growth strategy of the Union and the prevention and correction of excessive macroeconomic imbalances*);
- The developments in the medium-term budgetary position (in fiscal consolidation efforts, *quality public investment in particular regarding R&D*, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, *the effectiveness of national budgetary frameworks*);
- The developments of the *current public expenditure should also be taken into account in particular that it remains stable in real terms*;
- The report shall also analyse developments in the medium-term *government debt position, its dynamics and sustainability* (in particular, risk factors including the maturity structure and

currency denomination of the debt, stock-flow *adjustment and its composition*, accumulated reserves and other *financial* assets; guarantees, notably linked to the financial sector; *implicit* liabilities related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government);

Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess *compliance with deficit and debt criteria and* which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including *in particular debt incurred in the form of bilateral and multilateral support between Member States in the context of financial and sovereign debt crisis*.

When preparing a report, the Commission may request additional information from the Member State concerned.

Or. en

Amendment 189

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article *insofar they affect significantly the assessment of*

medium-term economic position (in particular potential growth, *prevailing* cyclical *conditions*, inflation, excessive macroeconomic imbalances) *and* developments in the medium-term budgetary position (in particular, *fiscal consolidation efforts in “good times”*, public investment, *the implementation of policies in the context of the common growth strategy for the Union* and the overall quality of public finances, in particular, *compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States*). The report shall also analyse developments in the medium-term debt position *as relevant* (in particular, *it appropriately reflects* risk factors including the maturity structure and currency denomination of the debt, stock-flow *operations*, accumulated reserves and other *government* assets; guarantees, notably linked to the financial sector; liabilities *both explicit and implicit* related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess *in qualitative terms the excess over the reference value* and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial *stability*.

compliance with the deficit and debt criteria by the concerned Member State.
The report shall appropriately reflect:

– *The* developments in the medium-term economic position (in particular potential growth *and* cyclical *developments*, inflation, *the implementation of policies in the context of common growth strategy of the Union and prevention and correction of* excessive macroeconomic imbalances);

- *The developments in the medium-term budgetary position (in particular, **primary expenditure and revenue developments against prevailing cyclical conditions**, public investment and the overall quality of public finances, in particular **the effectiveness of national** budgetary frameworks);*
- *The developments of the **current public expenditure should also be taken into account in particular that it remains stable in real terms**;*
- The report shall also analyse developments in the medium-term **government** debt position, *its dynamics and sustainability* (in particular, risk factors including the maturity structure and currency denomination of the debt, stock-flow **adjustment and its composition**, accumulated reserves and other **financial** assets; guarantees, notably linked to the financial sector; **implicit** liabilities related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government);
- Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess **compliance with deficit and debt criteria and** which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including **in particular debt incurred in the form of bilateral and multilateral support between Member States in the context of financial and sovereign debt crisis**.

When preparing a report, the Commission may request additional information from the Member State concerned.

Or. en

Amendment 190
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 2 – point c

Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately **reflects** risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; **liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government**). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, **employment and unemployment in accordance with Article 9 of the Treaty**, excessive macroeconomic imbalances), **the private sector net savings position** and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it **shall** appropriately **reflect** risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; **public** guarantees, notably linked to the financial sector, and private debt). **The exact nature of the information mentioned above should be in full compliance with Council Directive (...) on requirements for budgetary**

relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions *to* fostering international solidarity and to achieving Union policy goals, including financial stability.

frameworks of the Member States. Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to *strategic public investment made to support structural reforms as part of the implementation of the Union's growth and employment objectives, alongside* financial contributions *towards* fostering international solidarity and to achieving Union policy goals, including financial stability *and social and regional cohesion.*

Or. en

Amendment 191

Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (*in particular potential growth, prevailing cyclical conditions, inflation, **excessive macroeconomic imbalances***) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position. ***In particular, potential growth, prevailing cyclical conditions, inflation (**including price evolution of main financial assets**), **employment and unemployment in accordance with Article 9 of the Treaty, savings and external and internal national indebtedness and***** developments in the medium-term budgetary position, in

growth strategy for the Union and **the overall** quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (**in** particular, it appropriately **reflects** risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; **liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government**). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States. The report shall also analyse developments in the medium-term debt position as relevant. **In** particular, it appropriately **shall reflect** risk factors including the maturity structure and **dynamics of debt, and the** currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; **public** guarantees, **explicit, implicit and contingent liabilities** notably linked to the financial sector and private debt. **The exact nature of the information mentioned above should be in full compliance with in Council Directive (...) on requirements for budgetary frameworks of the Member States.** Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to **strategic public investment made to support structural reforms for the implementation of the Union's growth and employment objectives, and** financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability **and social and regional cohesion.**

Or. en

Amendment 192
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, *in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States*). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities *both explicit and implicit* related to *ageing and private debt to the extent that* it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities related to private debt *since* it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international

State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

solidarity and to achieving Union policy goals, including financial stability.

Or. en

Amendment 193
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 2 – point c
Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with **Council Directive [...]** on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position **as relevant** (in particular, it **appropriately** reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with **the** Directive on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position (in particular, it reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit

linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it *may represent* a contingent implicit liability for the government). Furthermore, the Commission shall give *due* consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to *comprehensively* assess in qualitative terms the excess over the reference value *and which the Member State has put forward to the Commission and to the Council*. In that context, special consideration shall be given to financial contributions to fostering international solidarity *and to achieving Union policy goals, including financial stability*.

related to ageing and private debt to the extent that it *represents* a contingent implicit liability for the government). Furthermore, the Commission shall give consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to assess in qualitative terms the excess over the reference value. In that context, special consideration shall be given to financial contributions to fostering international solidarity.

Or. pt

Amendment 194 **Sven Giegold**

Proposal for a regulation – amending act
Article 1 – point 2 – point c
Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, *excessive* macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, *significant* macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in

particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets, guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

Or. de

Amendment 195
Sari Essayah

Proposal for a regulation – amending act
Article 1 – point 2 – point c
Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the

medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). ***The Commission shall give consideration to calculations of the long-term sustainability of the public finances and shall stress reducing the sustainability deficit.*** Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

Or. fi

Amendment 196
Thomas Händel

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances, ***the private sector net savings position***) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the

State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability, ***social and regional cohesion***..

Or. en

Amendment 197

Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term ***social and*** economic position (in particular potential growth, prevailing cyclical conditions, ***unemployment rates***, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency

operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special ***and explicit*** consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability. ***Special and explicit consideration shall also be given to the financial burden related to recapitalisation operations and other temporary State aid measures for the financial sector during the crisis and loans and guarantees granted to other Member States and to the European Stability Mechanism.***

Or. en

Amendment 198
Carl Haglund

Proposal for a regulation – amending act
Article 1 – point 2 – point c
Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall

appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

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Or. en

Amendment 199
Sharon Bowles

Proposal for a regulation – amending act

Article 1 – point 2 – point c

Regulation (EC) No 1467/97

Article 2 – paragraph 3

Text proposed by the Commission

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member

Amendment

3. The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in “good times”, public investment, the implementation of policies in the context of the common growth strategy for the Union, ***including promotion of the Single Market*** and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the

State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and **trade links and** to achieving Union policy goals, including financial stability **and completing the Single Market Act**.

Or. en

Amendment 200
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Article 1 – point 2 – point c
Regulation (EC) No 1467/97
Article 2 – paragraph 3

Text proposed by the Commission

(3) The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position as relevant (in particular, it appropriately reflects risk factors including the maturity structure and currency

Amendment

(3) The Commission, when preparing a report under Article 126(3) of the Treaty shall take into account all relevant factors as indicated in that Article. The report shall appropriately reflect developments in the medium-term economic position (in particular potential growth, prevailing cyclical conditions, inflation, excessive macroeconomic imbalances) and developments in the medium-term budgetary position (in particular, fiscal consolidation efforts in ‘good times’, public investment, the implementation of policies in the context of the common growth strategy for the Union and the overall quality of public finances, in particular, compliance with Council Directive [...] on requirements for budgetary frameworks of the Member States). The report shall also analyse developments in the medium-term debt position **by type (State, personal, corporate)** as relevant (in particular, it appropriately reflects risk factors including

denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

the maturity structure and currency denomination of the debt, stock-flow operations, accumulated reserves and other government assets; guarantees, notably linked to the financial sector; liabilities both explicit and implicit related to ageing and private debt to the extent that it may represent a contingent implicit liability for the government). Furthermore, the Commission shall give due consideration to any other factors which, in the opinion of the Member State concerned, are relevant in order to comprehensively assess in qualitative terms the excess over the reference value and which the Member State has put forward to the Commission and to the Council. In that context, special consideration shall be given to financial contributions to fostering international solidarity and to achieving Union policy goals, including financial stability.

Or. hu

Amendment 201
Carl Haglund

Proposal for a regulation – amending act

Article 1 – point 2 – point c a (new)

Regulation (EC) No 1467/97

Article 2 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. When assessing compliance on the basis of the debt criterion, these relevant factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit and debt provided for in articles 126 (4), (5) and (6) of the Treaty, only where the government debt ratio is declining.

Or. en

Amendment 202
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 2 – point d
Regulation (EC) No 1467/97
Article 2 – paragraph 4

Text proposed by the Commission

Amendment

4. ‘The Commission and the Council shall make a balanced overall assessment of all the relevant factors, specifically, the extent to which they affect the assessment of compliance with the deficit and/or the debt criteria as aggravating or mitigating factors. When assessing compliance on the basis of the deficit criterion, if the ratio of the government debt to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty only if the double condition of the overarching principle — that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the reference value is temporary — is fully met.’ *deleted*

Or. en

Amendment 203
Thomas Händel

Proposal for a regulation – amending act
Article 1 – point 2 – point d
Regulation (EC) No 1467/97
Article 2 – paragraph 4

Text proposed by the Commission

Amendment

4. ‘The Commission and the Council shall make a balanced overall assessment of all *deleted*

the relevant factors, specifically, the extent to which they affect the assessment of compliance with the deficit and/or the debt criteria as aggravating or mitigating factors. When assessing compliance on the basis of the deficit criterion, if the ratio of the government debt to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty only if the double condition of the overarching principle — that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the reference value is temporary — is fully met.’

Or. en

Justification

See amendment on recital 8. It can also be argued that, if a Member states’ debt exceeds the reference value, there might be all the more reason to look at all relevant factors, including for example the private sector accumulated savings balance.

Amendment 204
Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 2 – point d

Regulation (EC) No 1467/97

Article 2 – paragraph 4

Text proposed by the Commission

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, specifically, the extent to which they affect the assessment of compliance with the deficit and/or the debt criteria as aggravating or mitigating factors. *When assessing compliance on*

Amendment

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, specifically, the extent to which they affect the assessment of compliance with the deficit and/or the debt criteria as aggravating or mitigating factors.

the basis of the deficit criterion, if the ratio of the government debt to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty only if the double condition of the overarching principle — that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the reference value is temporary — is fully met.

Or. en

Amendment 205
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 2 – point d
Regulation (EC) No 1467/97
Article 2– paragraph 4

Text proposed by the Commission

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, specifically, the extent to which they affect the assessment of compliance with the **deficit** and/or the debt criteria as aggravating or mitigating factors. When assessing compliance on the basis of the **deficit** criterion, if the ratio of **the government debt** to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty **only if the double condition of the overarching principle — that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the**

Amendment

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, specifically, the extent to which they affect the assessment of compliance with the **primary balance** and/or the debt criteria as aggravating or mitigating factors. When assessing compliance on the basis of the **balance** criterion, if the ratio of **balance** to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty.

reference value is temporary — is fully met.

Or. pt

Amendment 206

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – point d

Regulation (EC) No 1467/97

Article 2 – paragraph 4

Text proposed by the Commission

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, *specifically*, the extent to which they affect the assessment of compliance with the deficit *and/or the* debt criteria *as aggravating or mitigating* factors. When assessing compliance on the basis of the deficit criterion, if the ratio of the government debt to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty only if the double condition of the overarching principle □ that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the reference value is temporary □ is fully met.

Amendment

4. The Commission and the Council shall make a balanced overall assessment of all the relevant factors, *to* the extent to which they affect the assessment of compliance with the deficit *and* debt criteria *by the concerned Member State. Relevant* factors *shall be taken into account as appropriate in both the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty, namely, to confirm that the concerned Member State should be placed in excessive deficit to reach the opposite conclusion and the subsequent steps of Article 126, as specified in Art. 2(5) and 2(6) of this Regulation.* When assessing compliance on the basis of the deficit criterion, if the ratio of the government debt to GDP exceeds the reference value, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit provided for in paragraphs 4, 5 and 6 of Article 126 of the Treaty only if the double condition of the overarching principle □ that, before these relevant factors are taken into account, the general government deficit remains close to the reference value and its excess over the reference value is temporary □ is fully met.

Amendment 207
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 2 – point d a (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. Expenditures allocated to investments aiming at generating sustainable potential output growth of the EU while alleviating the burdens on future generations will be explicitly taken into account as mitigating factors and under certain ceiling conditions not be added to the total amount of the reference values in accordance with Article 126(3) to (6) of the Treaty. The ceiling conditions, list and selection criteria related to these projects shall be specified by means of delegated acts according to articles 10a to 10d of regulations 1466/97

Or. en

Amendment 208
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 2 – point d a (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 5

Text proposed by the Commission

Amendment

(d a) paragraph 5 is deleted

5. The Commission and the Council, in all budgetary assessments in the framework of the excessive deficit procedure, shall give due consideration

to the implementation of pension reforms introducing a multipillar system that includes a mandatory, fully funded pillar.

Or. en

Amendment 209
Thomas Händel

Proposal for a regulation – amending act
Article 1 – point 2 – point d a (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 5

Text proposed by the Commission

Amendment

(d a) paragraph 5 is amended as follows:

The Commission and the Council, in all budgetary assessments in the framework of the excessive deficit procedure shall give due consideration to the implementation of *structural* reforms which are conducive to the achievement of the Union’s objectives on sustainable economic, social and environmentally responsible growth.

Or. en

Amendment 210
Sylvie Goulard

Proposal for a regulation – amending act
Article 1 – point 2 – point d a (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 5

Text proposed by the Commission

Amendment

(d a) paragraph 5 is amended as follows:

5. The Commission and the Council, in all budgetary assessments in the

framework of the excessive deficit procedure, shall give due consideration to the implementation of pension reforms introducing a multipillar system that includes a mandatory, fully funded pillar, and of government investment expenditure in accordance with article 126 paragraph 3 of the Treaty.

The Commission, in collaboration with national fiscal councils, shall define and make public a transparent, independent and reasoned assessment of the methodology for the accounting and auditing of such government investment expenditure. These expenditures, in particular in the field of research and development, education and major infrastructures, shall respect the provisions of the Treaty on State aids and be future oriented.

Or. en

Amendment 211
Diogo Feio

Proposal for a regulation – amending act
Article 1 – point 2 – point d a (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 5

Text proposed by the Commission

Amendment

(d a) paragraph 5 is amended as follows:

5. The Commission and the Council, in all budgetary assessments in the framework of the excessive deficit procedure, shall give due consideration to the implementation of pension reforms introducing a multipillar system that includes a mandatory, fully funded pillar. In particular, consideration shall be given to the features of the overall pension system created by the reform, namely whether it promotes long-term

*sustainability while not increasing risks
for the medium-term budgetary position.*

Or. en

Amendment 212

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – subpoint d b (new)

Regulation (EC) No 1467/97

Article 2 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. However, these factors shall be taken into account in the steps leading to the decision on the existence of an excessive deficit when assessing compliance on the basis of the debt criterion.

Or. en

Amendment 213

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – point d b (new)

Regulation (EC) No 1467/97

Article 2 – paragraph 6

Text proposed by the Commission

Amendment

(db) Paragraph 6 is amended as follows:

6. If the Council, taking into account the position of the Commission, has decided, on the basis of Article 126(6) of the Treaty, that an excessive deficit exists in a Member State, the Commission and the Council shall take into account the relevant factors mentioned in paragraph 3, as they affect the situation of the concerned Member State, also in the

subsequent procedural steps of *Article 126*, including as specified in *Articles 3(4), 3(5) and 5(2)* of this Regulation, namely in establishing a deadline for the correction of the excessive deficit and eventually extending it. However those relevant factors shall not be taken into account for the decision of the Council under *Article 126(12)* of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of *Article 126*.

Or. en

Amendment 214
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 2 – point d b (new)
Regulation (EC) No 1467/97
Article 2 – paragraph 6

Text proposed by the Commission

Amendment

(db) Paragraph 6 is amended as follows:

6. If the Council has decided, on the basis of *Article 126(6)* of the Treaty, that an excessive deficit exists in a Member State, the Commission and the Council shall take into account the relevant factors mentioned in *paragraph 3 and 4b* also in the subsequent procedural steps of *Article 126*, including as specified in *Articles 3(5) and 5(2)* of this Regulation. However those relevant factors shall not be taken into account for the decision of the Council under *Article 126(12)* of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of *Article 126*.

Or. en

Amendment 215
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 2 – point e

Regulation (EC) No 1467/97

Article 2 – paragraph 7

Text proposed by the Commission

Amendment

(e) paragraph 7 is replaced by the following:

deleted

‘7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and

continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.'

Or. en

Amendment 216
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 2 – point e
Regulation (EC) No 1467/97
Article 2– paragraph 7

Text proposed by the Commission

Amendment

7. 'In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt

deleted

developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.'

Or. pt

Amendment 217
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 2 – point e
Regulation (EC) No 1467/97
Article 2 – paragraph 7

Text proposed by the Commission

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the *implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where*

Amendment

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the *improvement of necessary social protection, including, in particular, the revision of partial or total privatizations of pension systems if those have shown considerable signs of vulnerability to crises in the financial sector.* For that purpose, for a period of five years starting from the date of entry

the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

Or. en

Amendment 218
Thomas Händel

Proposal for a regulation – amending act
Article 1 – point 2 – point e
Regulation (EC) No 1467/97
Article 2 – paragraph 7

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of ***a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar***, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of ***those reforms that maintain existing jobs and create new and better jobs as well as reforms based on public investments***, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

Amendment 219
Danuta Jazłowiecka

Proposal for a regulation – amending act
Article 1 – point 2 – point e
 Regulation (EC) No 1467/97
 Article 2 – paragraph 7

Text proposed by the Commission

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, ***for a period of five years starting from the date of entry into force of such a reform***, consideration shall be given to ***its*** net cost as reflected in deficit and debt developments ***on the basis of a linear degressive scale***. ***Additionally***, irrespective of the date of entry into force of the reform, ***its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale***. ***The net cost as thus calculated*** shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the

Amendment

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose consideration shall be given to ***the net cost of the pension reform*** as reflected in deficit and debt developments irrespective of the date of entry into force of the reform. ***This*** net cost shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes ***somewhat above the level that can be considered as close to the reference value*** and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path.

deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. **Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.**

Or. en

Justification

Substantial pension reforms, being crucial for the stability of public finances, may have negative and long-lasting impact on national debts and deficits. In order to ensure a level-playing field between all MSs the costs of systemic pension reforms should be fully accounted for. Therefore when initiating the excessive deficit procedure full net costs of pension reforms should be taken into account. This should be done on a permanent basis and not restricted to a 5 year period.

Amendment 220

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 – point e

Regulation (EC) No 1467/97

Article 2 – paragraph 7

Text proposed by the Commission

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. ***In cases where the debt ratio exceeds the reference value, the cost of***

Amendment

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. For that purpose, for a period of five years starting from the date of entry

the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the *partial or total* reversal of *an above mentioned pension* reform.

into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. *When assessing compliance on the basis of the deficit criterion, consideration shall be given to the net cost of the reform only if the deficit remains close to the reference value, unless the debt ratio does not exceed the reference value.* Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the reversal of *such a reform decided after [date of entry into force of this Regulation, to be inserted].*

Or. en

Amendment 221

Danuta Maria Hübner, Herbert Dorfmann

Proposal for a regulation – amending act

Article 1 – point 2 – point e

Regulation (EC) No 1467/97

Article 2 – paragraph 7

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

7. In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio ***is below the reference value, but the implementation of the pension reform leads to the deficit somewhat above the level that can be considered as close to the reference value, such a deficit will not be subject to Excessive Deficit Procedure. In cases where the debt ratio*** exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt

criterion, the debt has been put on a declining path. Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.

Or. en

Amendment 222
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act

Article 1 – point 2 – point e

Regulation (EC) No 1467/97

Article 2 – paragraph 7

Text proposed by the Commission

e) paragraph 7 is replaced by the following:

„(7) In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation,

Amendment

e) paragraph 7 is replaced by the following:

„(7) In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar ***in which risk is shared (in addition to the pay-as-you-go system)***, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration

to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. ***Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.'***

for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. ***However, in calculating the net cost, the impact of the cost of and revenue from successive reforms which have an impact on one another should always be taken into account.'***

Or. hu

Amendment 223
Ildikó Gáll-Pelcz

Proposal for a regulation – amending act
Article 2 – point 2 – point e
Regulation (EC) No 1467/97
Article 2 – paragraph 7

Text proposed by the Commission

(7) In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the

Amendment

(7) In the case of Member States where the excess of the deficit or the breach of the requirements of the debt criterion according to Article 126 (2) (b) of the Treaty reflects the implementation of a pension reform introducing a multi-pillar system that includes a mandatory, fully funded pillar, the Commission and the Council shall also consider the cost of the reform to the publicly managed pillar when assessing developments in EDP deficit and debt figures. In cases where the debt ratio exceeds the reference value, the cost of the

reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. ***Moreover, equal consideration shall be given to the reduction in this net cost resulting from the partial or total reversal of an above mentioned pension reform.'***

reform shall be considered only if the deficit remains close to the reference value. For that purpose, for a period of five years starting from the date of entry into force of such a reform, consideration shall be given to its net cost as reflected in deficit and debt developments on the basis of a linear degressive scale. Additionally, irrespective of the date of entry into force of the reform, its net cost as reflected in debt developments shall be given consideration for a transitional period of five years from [date of entry into force of this Regulation, to be inserted] on the basis of the same linear degressive scale. The net cost as thus calculated shall be taken into account also for the decision of the Council under Article 126(12) of the Treaty on the abrogation of some or all of its decisions under paragraphs 6 to 9 and 11 of Article 126 of the Treaty, if the deficit has declined substantially and continuously and has reached a level that comes close to the reference value and, in case of non-fulfilment of the requirements of the debt criterion, the debt has been put on a declining path. ***However, in calculating the net cost, the impact of the cost of and revenue from successive reforms which have an impact on one another should always be taken into account.'***

Or. hu

Amendment 224

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 2 a (new)

Regulation (EC) No 1467/97

Section 1 a (new)

Text proposed by the Commission

Amendment

2a. The following Section is inserted:

**"SECTION 1a
DIALOGUE ON MACRO-ECONOMIC
AND BUDGETARY SURVEILLANCE"**

Or. en

**Amendment 225
Diogo Feio**

Proposal for a regulation – amending act
Article 1 – point 2 b (new)
Regulation (EC) No 1467/97
Article 2 a (new)

Text proposed by the Commission

Amendment

2b. The following Article is inserted:

"Article 2a

In order to enhance the dialogue between the institutions of the Union, in particular the European Parliament, the Council, the Commission, and the Member States' parliaments and governments, or any other relevant body, and to ensure greater transparency and accountability, the competent committee of the European Parliament may conduct public debates and hearings, in particular regarding Article 126 (8) of the Treaty on the macro-economic and budgetary surveillance undertaken by the Council and the Commission."

Or. en

**Amendment 226
Antolín Sánchez Presedo**

Proposal for a regulation – amending act
Article 1 – point 2 a (new)
Regulation (EC) No 1467/97
Article 2 a (new)

Text proposed by the Commission

Amendment

2a. The following article is inserted:

Article 2a

In order to enhance the dialogue between the institutions of the Union, in particular the European Parliament, the Council, the Commission, and the Member States' parliaments and governments, or any other relevant body, and to ensure greater transparency and accountability, the competent committee of the European Parliament may conduct hearings and public debates on the macro-economic and budgetary surveillance undertaken by the Council and the Commission.

Or. en

Amendment 227

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 3 – point -a (new)

Regulation (EC) No 1467/97

Article 3 – paragraph 1

Text proposed by the Commission

Amendment

(-a) paragraph 1 is amended as follows:

1. Within 10 days of the adoption by the Commission of a report issued in accordance with *Article 126(3) of the Treaty*, the Economic and Financial Committee shall formulate an opinion in accordance with *Article 126(4) of the Treaty*.

Or. en

Amendment 228
Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 3 – point a

Regulation (EC) No 1467/97

Article 3 – paragraph 2

Text proposed by the Commission

2. Taking fully into account the opinion referred to in paragraph 1, the Commission, if it considers that an excessive deficit exists, shall address an opinion and a **proposal** to the Council in accordance with Article 126(5) and (6) of the Treaty.

Amendment

2. Taking fully into account the opinion referred to in paragraph 1, the Commission, if it considers that an excessive deficit exists, shall address an opinion and a **recommendation** to the Council in accordance with Article 126(5) and (6) of the Treaty.

Or. en

Amendment 229
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 3 – point a

Regulation (EC) No 1467/97

Article 3 – paragraph 2

Text proposed by the Commission

2. Taking fully into account the opinion referred to in paragraph 1, the Commission, if it considers that an excessive deficit exists, shall address an opinion and a proposal to the Council in accordance with Article 126(5) and (6) of the Treaty.

Amendment

2. Taking fully into account the opinion referred to in paragraph 1, the Commission, if it considers that an excessive deficit exists, shall address an opinion and a proposal to the Council in accordance with Article 126(5) and (6) of the Treaty **and informs the European Parliament and the Parliament of the concerned Member State.**

Or. en

Amendment 230
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 3 – point b
Regulation (EC) No 1467/97
Article 3 – paragraph 3

Text proposed by the Commission

(b) In paragraph 3, the reference to 'Article 4(2) and (3) of Regulation (EC) No 3605/93' is replaced by the reference to 'Article 3(2) and (3) of Regulation (EC) No 479/2009'.

Amendment

(b) paragraph 3 is amended as follows:

"The Council shall decide on the existence of an excessive deficit in accordance with Article 126(6) TFEU, as a rule within three months of the reporting dates established in Article 3(2) and (3) of Regulation No 479/2009. When it decides that an excessive deficit exists, the Council shall at the same time make recommendations to the Member State concerned in accordance with Article 126(7) TFEU."

Or. en

Amendment 231
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 3 – point c
Regulation (EC) No 1467/97
Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also

establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, ***on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance*** net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which ***are compatible with a strategy for sustained GDP growth. These objectives shall be adjusted for cyclical variations and shall be*** net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. pt

Amendment 232
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 3 – point c
Regulation (EC) No 1467/97
Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months ***at most*** for effective action to be taken by the Member State concerned. The Council recommendation ***shall*** also establish ***a*** deadline for the correction of the excessive deficit, which should be ***completed in the year following its identification unless there are special circumstances***. In the recommendation, the Council ***shall*** request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least ***0,5*** of GDP as a

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months for effective action to be taken by the Member State concerned. The Council recommendation ***may*** also establish ***an indicative*** deadline for the correction of the excessive deficit, which should be ***reasonable and adapted to the economic and social circumstances and capacities of the Member State***. In the recommendation, the Council ***may, if deemed helpful,*** request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least

benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

0,2 of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. en

Amendment 233

Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act

Article 1 – point 3 – point c

Regulation (EC) No 1467/97

Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least **0,5** of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least **1** of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. en

Amendment 234
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 3 – point c

Regulation (EC) No 1467/97

Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months **at most** for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of **fiscal** one-off and **other** temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. en

Amendment 235
Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 3 – point c

Regulation (EC) No 1467/97

Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in

Amendment

4. The Council recommendation made in

accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of *one-off* and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of *fiscal one-offs* and *other* temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation .
The Council may decide to set a lower or higher temporary benchmark according to the criteria defined Commission under the cases foreseen in the Article 2.1a.

Or. en

(Cross reference to amendment tabled by MEP Sánchez Presedo to Article 1 – paragraph 1 – point 2 – subpoint b (Regulation EC 1467/97, Article 2– paragraph 1a))

Amendment 236
Astrid Lulling

Proposal for a regulation – amending act
Article 1 – point 3 – point c
Regulation (EC) No 1467/97
Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of **six** months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of **four** months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also

establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. en

Justification

In line with the explanatory statement, the deadline of six months (decided in 2005) should be reversed to four months to shorten the EDP.

Amendment 237

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 3 – point c

Regulation (EC) No 1467/97

Article 3 – paragraph 4

Text proposed by the Commission

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the year following its identification unless there are special circumstances. In the recommendation, the

Amendment

4. The Council recommendation made in accordance with Article 126(7) of the Treaty shall establish a deadline of six months at most for effective action to be taken by the Member State concerned. ***When warranted by the situation, the deadline for effective action could be reduced to three months.*** The Council recommendation shall also establish a deadline for the correction of the excessive deficit, which should be completed in the

Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

year following its identification unless there are special circumstances. In the recommendation, the Council shall request that the Member State achieves annual budgetary targets which, on the basis of the forecast underpinning the recommendation, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the recommendation.

Or. en

Amendment 238
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 3 – point c a (new)
Regulation (EC) No 1467/97
Article 3 – paragraph -4 a (new)

Text proposed by the Commission

Amendment

(ca) the following paragraph -4a is inserted:

"-4a. The Commission may request additional reporting from the Member State concerned."

Or. en

Amendment 239
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 3 – point c a (new)
Regulation (EC) No 1467/97
Article 4 – paragraph -4 b (new)

Text proposed by the Commission

Amendment

(ca) the following paragraph -4b is inserted:

"-4b. The European Parliament may invite a representative from the Member State concerned to explain its economic and budgetary policy and the action it intends to take before its competent committee."

Or. en

Amendment 240

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 3 – point d

Regulation (EC) No 1467/97

Article 3 – paragraph 4a

Text proposed by the Commission

Amendment

4a. Within the deadline **of six month at most** provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. The report shall be made public.

4a. Within the deadline provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for the government expenditure, **namely the evolution of the public current expenditure**, and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. **The Commission may request additional reporting from the Member State. The** report shall be made public.

Or. en

Amendment 241
Astrid Lulling

Proposal for a regulation – amending act

Article 1 – point 3 – point d

Regulation (EC) No 1467/97

Article 3 – paragraph 4a

Text proposed by the Commission

4a. Within the deadline of **six month** at most provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. The report shall be made public.

Amendment

4a. Within the deadline of **four months** at most provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. The report shall be made public.

Or. en

Justification

In line with the explanatory statement, the deadline of six months (decided in 2005) should be reversed (four months) to shorten the EDP.

Amendment 242
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 3 – point d

Regulation (EC) No 1467/97

Article 3 – paragraph 4a

Text proposed by the Commission

4a. Within the deadline of six **month at**

Amendment

4a. Within the deadline of six **months**

most provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for *the* government expenditure and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. The report shall be made public.

provided for in paragraph 4, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council recommendation under Article 126(7) of the Treaty. The report shall include the targets for government expenditure and for the discretionary measures on the revenue side consistent with the Council recommendation under Article 126(7) of the Treaty, as well as information on the measures taken and the nature of those envisaged to achieve the targets. The report shall be made public.

Or. en

Amendment 243
Kay Swinburne

Proposal for a regulation – amending act
Article 1 – point 3 – point d a (new)
Regulation (EC) No 1467/97
Article 3 – paragraph 4a a (new)

Text proposed by the Commission

Amendment

(da) the following paragraph 4a a is inserted:

4a a. The Commission may request additional reporting from the Member State concerned, when appropriate.

Or. en

Amendment 244
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Article 1 – point 3 – point d a (new)
Regulation (EC) No 1467/97
Article 3 – paragraph 4a a (new)

Text proposed by the Commission

Amendment

(da) the following paragraph 4a a is inserted:

4a a. The European Parliament may invite a representative from the Member State concerned to explain its economic and budgetary policy and the action it intends to take to correct the excessive deficit situation before its competent committee. The Member State may also ask to be invited to the European Parliament for the same purposes.

Or. en

Amendment 245

Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 3 – point d a (new)

Regulation (EC) No 1467/97

Article 3 – paragraph 4a a (new)

Text proposed by the Commission

Amendment

(da) the following paragraph 4a a is inserted:

4a a. The European Parliament may invite a representative from the Member State concerned to explain its economic and budgetary policy and the action it intends to take to correct the excessive deficit situation before its competent committee.

Or. en

Amendment 246
Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 3 – point e

Regulation (EC) No 1467/97

Article 3 – paragraph 5

Text proposed by the Commission

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, ***taking into account the relevant factors mentioned in Article 2(3) of this Regulation***, may ***notably*** extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn ***of a general nature***.

Amendment

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation may extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn.

Or. pt

Amendment 247
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 3 – point e

Regulation (EC) No 1467/97

Article 3 – paragraph 5

Text proposed by the Commission

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of **unexpected** adverse economic events with **major** unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn of a general nature.

Amendment

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. ***It shall be published and presented by the Commission in the Parliament of the Member State concerned.*** The Council shall assess the existence of adverse economic events with **considerable** unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn of a general nature.

Or. en

Amendment 248

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 3 – point e

Regulation (EC) No 1467/97

Article 3 – paragraph 5

Text proposed by the Commission

5. If effective action has been taken in

Amendment

5. If effective action has been taken in

compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. *The* Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in *case of a severe economic downturn of a general nature*.

compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. *In case of a severe economic downturn, the* Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty *on the condition that this does not endanger fiscal sustainability in the medium-term*.

Or. en

Amendment 249

Philippe Lamberts, Sven Giegold

Proposal for a regulation – amending act

Article 1 – point 3 – point e

Regulation (EC) No 1467/97

Article 3 – paragraph 5

Text proposed by the Commission

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the

Amendment

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and *a severe economic downturn or* unexpected adverse economic events with major unfavourable consequences for government finances

adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn *of a general nature*.

occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of *a severe economic downturn or* unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn, *or in case of an expected economic recession*.

Or. en

Amendment 250
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 3 – point e
Regulation (EC) No 1467/97
Article 3 – paragraph 5

Text proposed by the Commission

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of

Amendment

5. If effective action has been taken in compliance with a recommendation under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that recommendation, the Council may decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of

the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may *notably* extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences *for* government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn of a general nature.

the Treaty. The revised recommendation, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences *on* government finances against the economic forecasts in its recommendation. The Council may also decide, on a recommendation from the Commission, to adopt a revised recommendation under Article 126(7) of the Treaty in case of a severe economic downturn of a general nature.

Or. en

Amendment 251

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 4 – point -a (new)

Regulation (EC) No 1467/97

Article 4 – paragraph 1

Text proposed by the Commission

Amendment

(-a) in Article 4, paragraph 1 is amended as follows:

1. Any Council decision to make public its recommendations, where it is established that no effective action has been taken in accordance with Article 126 (8) of the Treaty, shall be taken immediately after the expiry of the deadline set in accordance with Article 3 (4) of this Regulation. At the same time, the Council, on a proposal from the Commission, shall submit a formal report to the European Council.

Or. en

Amendment 252
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 4

Regulation (EC) No 1467/97

Article 4 – paragraph 2

Text proposed by the Commission

2. The Council, when considering whether effective action has been taken in response to its recommendations made in accordance with Article 126(7) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance with Article 3(4a) of this Regulation and its implementation as well as on any other publicly announced decisions by the Government of the Member State concerned.

Amendment

2. The Council, when considering whether effective action has been taken in response to its recommendations made in accordance with Article 126(7) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance with Article 3(4a) of this Regulation and its implementation as well as on ***the assessment made within the Excessive Imbalances Procedure and on*** any other publicly announced decisions by the Government of the Member State concerned.

Or. en

Amendment 253
Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 4

Regulation (EC) No 1467/97

Article 4 – paragraph 2

Text proposed by the Commission

2. The Council, when considering whether effective action has been taken in response to its recommendations made in accordance with Article 126(7) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance with Article 3(4a) of this Regulation and its implementation as well

Amendment

2. The Council, when considering whether effective action has been taken in response to its recommendations made in accordance with Article 126(7) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance with Article 3(4a) of this Regulation and its implementation as well

as on any other publicly announced decisions by the Government of the Member State concerned.

as on any other publicly announced decisions by the Government of the Member State concerned.

When the Council establishes, in accordance with Article 126(8), that the Member State concerned failed to take effective action, it shall report to the European Council.

The European Commission may carry out on-site monitoring visits in accordance with Article 10a. For participating Member States, and Member States participating in the ERM II, such visits shall be carried out in liaison with the ECB. The Commission shall report to the Council and the European Parliament on the outcome of the visit and shall make its findings public.

Or. en

Amendment 254
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 5 – point a
Regulation (EC) No 1467/97
Article 5 – paragraph 1

Text proposed by the Commission

Amendment

1. ‘Any Council decision to give notice to the participating Member State concerned to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in

deleted

its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also indicate measures conducive to the achievement of these targets.'

Or. en

Amendment 255
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 5 – point a
Regulation (EC) No 1467/97
Article 5 – paragraph 1

Text proposed by the Commission

1. Any Council decision to give notice to the participating Member State concerned to take measures for *the* deficit reduction ***in accordance with Article 126(9) of the Treaty*** shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, ***on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance*** net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also ***indicate*** measures conducive to the achievement of these targets.

Amendment

Any Council decision to give notice to the participating Member State concerned to take measures for ***excessive*** deficit reduction shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which ***ensure the preservation of a strategy for sustained GDP growth. The value proposed for the primary balance must be adjusted for cyclical variations and must be*** net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also ***recommend*** measures conducive to the achievement of these targets, ***which the Member State may or may not follow, with its options being evaluated in the light of results.***

Or. pt

Amendment 256
Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 5 – point a

Regulation (EC) No 1467/97

Article 5 – paragraph 1

Text proposed by the Commission

1. Any Council decision to give notice to the participating Member State concerned to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. ***The Council shall also indicate measures conducive to the achievement of these targets.***

Amendment

1. Any Council decision to give notice to the participating Member State concerned to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 % of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice.

Or. en

Amendment 257

Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act

Article 1 – point 5 – point a

Regulation (EC) No 1467/97

Article 5 – paragraph 1

Text proposed by the Commission

1. Any Council decision to give notice to the participating Member State concerned

Amendment

1. Any Council decision to give notice to the participating Member State concerned

to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least **0,5** of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also indicate measures conducive to the achievement of these targets.

to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least **1** of GDP as a benchmark, in its cyclically adjusted balance net of one-off and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also indicate measures conducive to the achievement of these targets.

Or. en

Amendment 258
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 5 – point a
Regulation (EC) No 1467/97
Article 5 – paragraph 1

Text proposed by the Commission

1. Any Council decision to give notice to the participating Member State concerned to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 of GDP as a benchmark, in its

Amendment

1. Any Council decision to give notice to the participating Member State concerned to take measures for the deficit reduction in accordance with Article 126(9) of the Treaty shall be taken within two months of the Council decision establishing that no effective action has been taken in accordance with Article 126(8). In the notice, the Council shall request that the Member State achieve annual budgetary targets which, on the basis of the forecast underpinning the notice, are consistent with a minimum annual improvement of at least 0,5 of GDP as a benchmark, in its

cyclically adjusted balance net of *one-off* and temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also indicate measures conducive to the achievement of these targets.

cyclically adjusted balance net of *fiscal one-offs* and *other* temporary measures, in order to ensure the correction of the excessive deficit within the deadline set in the notice. The Council shall also indicate measures conducive to the achievement of these targets.

Or. en

Amendment 259
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 5 – point b
Regulation (EC) No 1467/97
Article 5 – paragraph 1a

Text proposed by the Commission

Amendment

1a. ‘Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations so as to allow the Council to take, if necessary, the decision in accordance with Article 6 (2) of this Regulation. The report shall be made public.’

deleted

Or. en

Amendment 260
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 5 – point b

Text proposed by the Commission

1-A. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations ***so as to allow the Council to take, if necessary, the decision in accordance with Article 6 (2) of this Regulation.*** The report shall be made public.

Amendment

1-A. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations. ***The report shall be made public, and Parliament may invite the Member State to present it to the competent committee.***

Or. pt

Amendment 261
Diogo Feio

Proposal for a regulation – amending act
Article 1 – point 5 – point b
Regulation (EC) No 1467/97
Article 5 – paragraph 1a

Text proposed by the Commission

1a. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for the government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations so as to allow the Council to take, if necessary, the decision in accordance with Article 6 (2) of this

Amendment

1a. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for the government expenditure, ***namely the evolution of the current expenditure*** and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations so as to allow the Council to take, if necessary, the

Regulation. The report shall be made public.

decision in accordance with Article 6 (2) of this Regulation. The ***Commission shall monitor and evaluate adjustment measures taken to address the excessive deficit by means of a visit in accordance with Article 10a and prepare a report to the Council. This*** report shall be made public.

Or. en

Amendment 262
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 5 – point b

Regulation (EC) No 1467/97

Article 5 – paragraph 1a

Text proposed by the Commission

1a. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the Commission and the Council on action taken in response to the Council notice. The report shall include the targets for ***the*** government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations so as to allow the Council to take, if necessary, the decision in accordance with Article 6 (2) of this Regulation. The report shall be made public.

Amendment

1a. Following the Council notice given in accordance with Article 126(9) of the Treaty, the Member State concerned shall report to the ***European Parliament, the*** Commission and the Council on action taken in response to the Council notice. The report shall include the targets for government expenditure and for the discretionary measures on the revenue side as well as information on the actions being taken in response to the specific Council recommendations so as to allow the Council to take, if necessary, the decision in accordance with Article 6 (2) of this Regulation. The report shall be made public.

Or. en

Amendment 263
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 5 – point b a (new)
Regulation (EC) No 1467/97
Article 5 – paragraph 1a a (new)

Text proposed by the Commission

Amendment

(ba) the following paragraph 1a a is inserted:

"1a a. The Commission shall monitor and evaluate adjustment measures taken to address the excessive deficit on the basis of surveillance visits in accordance with Article 8 and prepare a report to the Council. This report shall be made public."

Or. en

Amendment 264
Kay Swinburne

Proposal for a regulation – amending act
Article 1 – point 5 – point b (new)
Regulation (EC) No 1467/97
Article 5 – paragraph 1a a (new)

Text proposed by the Commission

Amendment

(ba) the following paragraph 1a a is inserted:

"1a a. The Commission shall monitor adjustment measures taken to address the excessive deficit on the basis of surveillance visits in accordance with Article 8 and prepare a report to the Council. That report shall be made public."

Or. en

Amendment 265
Antolín Sánchez Presedo

Proposal for a regulation – amending act

Article 1 – point 5 – point b a (new)

Regulation (EC) No 1467/97

Article 5 – paragraph 1a a(new)

Text proposed by the Commission

Amendment

(ba) the following paragraph 1a a is inserted:

"1a a. The European Parliament may invite the Member State concerned to explain its economic and budgetary policy and the action it intends to take to correct the excessive deficit situation before its competent committee. The Member State may also ask to be invited to the European Parliament for the same purposes."

Or. en

Amendment 266
Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 5 – point b a (new)

Regulation (EC) No 1467/97

Article 5 – paragraph 1a b (new)

Text proposed by the Commission

Amendment

(ba) the following paragraph 1ab is inserted:

"1ab. The European Parliament may invite a representative of the Member State concerned to explain its economic and budgetary policy and the action it intends to take before its competent committee."

Amendment 267
Astrid Lulling

Proposal for a regulation – amending act
Article 1 – point 5 – point c
Regulation (EC) No 1467/97
Article 5 – paragraph 2

Text proposed by the Commission

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its notice.
The Council may also decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty in case of a severe economic downturn of a general nature.

Amendment

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its notice.

Or. en

Justification

A revised Council notice in the event of a “severe economic downturn of a general nature” or “severe economic downturn” introduces a new escape clause, which further delays the EDP and thus the correction of excessive deficits. The current wording already allows such revised notice in the event of “unexpected adverse economic events with major unfavourable consequences for government finances.”

Amendment 268
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 5 – point c
Regulation (EC) No 1467/97
Article 5 – paragraph 2

Text proposed by the Commission

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and **unexpected** adverse economic events with **major** unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, **may** notably extend the deadline for the correction of the excessive deficit by one year **as a rule**. The Council shall assess the existence of **unexpected** adverse economic events with **major** unfavourable consequences for government finances **against the economic forecasts in its notice**. The Council may also decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty in case of a severe economic downturn of a general nature.

Amendment

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and adverse economic events with **considerable** unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission **and after consultation of the Member State**, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, **will** notably extend the deadline for the correction of the excessive deficit by one year **or more, if adequate**. The Council shall assess the existence of adverse economic events with **considerable** unfavourable consequences for government finances **and eventual causalities between unfavourable economic events and the action taken in response to Council recommendations**. The Council may also decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty in case of a severe economic downturn of a general nature.

Or. en

Amendment 269

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 5 – point c

Regulation (EC) No 1467/97

Article 5 – paragraph 2

Text proposed by the Commission

2. If effective action has been taken in compliance with a **notice** under Article 126(9) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that **notice**, the Council may decide, on a recommendation from the Commission, to adopt a revised **notice** under Article 126(9) of the Treaty. The revised **notice**, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its **notice**. **The** Council may also decide, on a recommendation from the Commission, to adopt a revised **notice** under Article 126(9) of the Treaty in **case of a severe economic downturn of a general nature**.

Amendment

2. If effective action has been taken in compliance with a **recommendation** under Article 126(7) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that **recommendation**, the Council may decide, on a recommendation from the Commission, to adopt a revised **recommendation** under Article 126(7) of the Treaty. The revised **recommendation**, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its **recommendation**. **In case of a severe economic downturn, the** Council may also decide, on a recommendation from the Commission, to adopt a revised **recommendation** under Article 126(7) of the Treaty **on condition that this does not endanger fiscal sustainability in the medium-term**.

Or. en

Amendment 270

Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 5 – point c

Text proposed by the Commission

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its notice. The Council may also decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty in case of a severe economic downturn *of a general nature*.

Amendment

2. If effective action has been taken in compliance with a notice under Article 126(9) of the Treaty and unexpected adverse economic events with major unfavourable consequences for government finances occur after the adoption of that notice, the Council may decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty. The revised notice, taking into account the relevant factors mentioned in Article 2(3) of this Regulation, may notably extend the deadline for the correction of the excessive deficit by one year as a rule. The Council shall assess the existence of unexpected adverse economic events with major unfavourable consequences for government finances against the economic forecasts in its notice. The Council may also decide, on a recommendation from the Commission, to adopt a revised notice under Article 126(9) of the Treaty in case of a severe economic downturn *affecting the smooth functioning of economic and monetary union*.

Or. en

Amendment 271
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 6
Regulation (EC) No 1467/97
Article 6 – paragraph 1

Text proposed by the Commission

1. The Council, when considering whether effective action has been taken in response

Amendment

1. The Council, when considering whether effective action has been taken in response

to its notice made in accordance with Article 126(9) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance to Article 5(1a) of this Regulation and its implementation as well as on any other publicly announced decisions by the Government of the Member State concerned.

to its notice made in accordance with Article 126(9) of the Treaty, shall base its decision on the report submitted by the Member State concerned in accordance to Article 5(1a) of this Regulation and its implementation as well as on *the assessment made within the Excessive Imbalances procedure and on* any other publicly announced decisions by the Government of the Member State concerned.

Or. en

Amendment 272

Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 6

Regulation (EC) No 1467/97

Article 6 – paragraph 2

Text proposed by the Commission

Amendment

2. Where the conditions to apply Article 126(11) of the Treaty are met, the Council shall impose sanctions in accordance with Article 126 (11). Any such decision shall be taken no later than four months after the Council decision giving notice to the participating Member State concerned to take measures in accordance with Article 126 (9).'

deleted

Or. en

Amendment 273

Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 6

Regulation (EC) No 1467/97

Article 6 – paragraph 2

Text proposed by the Commission

Amendment

2. Where the conditions to apply Article 126(11) of the Treaty are met, the Council shall impose sanctions in accordance with Article 126 (11). Any such decision shall be taken no later than four months after the Council decision giving notice to the participating Member State concerned to take measures in accordance with Article 126 (9).'

deleted

Or. pt

Amendment 274
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 7
Regulation (EC) No 1467/97
Article 7

Text proposed by the Commission

Amendment

7. in Article 7, the reference to 'Article 4(2) and (3) of Regulation (EC) No 3605/93' is replaced by the reference to 'Article 3(2) and (3) of Regulation (EC) No 479/2009'.

deleted

Or. pt

Amendment 275
Astrid Lulling

Proposal for a regulation – amending act
Article 1 – point 7
Regulation (EC) No 1467/97
Article 7

Text proposed by the Commission

Amendment

7. in Article 7, the reference to 'Article

7. "If a participating Member State fails

4(2) and (3) of *Regulation (EC) No 3605/93* is replaced by the reference to ‘Article 3(2) and (3) of Regulation (EC) No 479/2009’.

to act in compliance with the successive decisions of the Council in accordance with Article 126(7) and (9) TFEU, the decision of the Council to impose sanctions, in accordance with Article 126(11) TFEU, shall be taken as a rule within ten months of the reporting dates established in Article 3(2) and (3) of Regulation (EC) No 479/2009. In case Article 3(5) or 5(2) of this Regulation is applied, the sixteen-month deadline is amended accordingly. An expedited procedure shall be used if the Council considers such excessive deficit was reasonably foreseeable at the date at which the budget was established. The European Parliament may invite the Member State to report to its competent committee."

Or. en

Justification

In line with the explanatory statement, the deadline (decided in 2005) should be reversed (ten months) or at least shortened to expedite the EDP.

Amendment 276

Sharon Bowles

Proposal for a regulation – amending act

Article 1 – point 7 a (new)

Regulation (EC) No 1467/97

Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7 a

Meeting between Parliaments

Whenever there is an invitation to a meeting between the competent committee of the European Parliament and a Member State to explain a position, required action or divergence from the

requirements herein, the meeting shall be convened under the auspices of one of:

a) the European Parliament

b) the Member State Parliament

or c) the Rotating Presidency Parliament.

Or. en

Amendment 277

Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 8

Regulation (EC) No 1467/97

Article 8

Text proposed by the Commission

Amendment

Any Council decision to intensify sanctions, in accordance with Article 126(11) of the Treaty, shall be taken no later than two months after the reporting dates pursuant to Regulation (EC) No 479/2009. Any Council decision to abrogate some or all of its decisions in accordance with Article 126(12) of the Treaty shall be taken as soon as possible and in any case no later than two months after the reporting dates pursuant to Regulation (EC) No 479/2009.'

deleted

Or. en

Amendment 278

Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 8

Regulation (EC) No 1467/97

Article 8

Text proposed by the Commission

Amendment

Any Council decision to intensify sanctions, in accordance with Article 126(11) of the Treaty, shall be taken no later than two months after the reporting dates pursuant to Regulation (EC) No 479/2009. Any Council decision to abrogate some or all of its decisions in accordance with Article 126(12) of the Treaty shall be taken as soon as possible and in any case no later than two months after the reporting dates pursuant to Regulation (EC) No 479/2009.'

deleted

Or. pt

Amendment 279
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 10 – point a
Regulation (EC) No 1467/97
Article 10 – paragraph 1 – introductory phrase

Text proposed by the Commission

Amendment

1. The Commission ***and the Council*** shall ***regularly*** monitor the implementation of action taken:

1. The Commission shall monitor the implementation of action taken:

Or. en

Amendment 280
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 10 – subpoint a a (new)
Regulation (EC) No 1467/97
Article 10 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

(aa) the following paragraph 1a is inserted:

"1a. The Commission shall maintain a permanent dialogue with the authorities of Member States in accordance with the objectives of this Regulation. In this regards, the Commission shall carry out, in all Member States, visits for the purpose of regular dialogue and, where appropriate, surveillance."

Or. en

Amendment 281
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 10 – point a b (new)
Regulation (EC) No 1467/97
Article 10 – paragraph 1 – subparagraph 1 b (new)

Text proposed by the Commission

Amendment

(ab) the following paragraph 1b is inserted:

"1b. When maintaining dialogue or organising surveillance visits, the Commission shall, if appropriate, transmit its provisional findings to the Member State concerned for comments."

Or. en

Amendment 282
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 10 – subpoint a c (new)
Regulation (EC) No 1467/97
Article 10 – paragraph 1 – subparagraph 1 c (new)

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Text proposed by the Commission

Amendment

(ac) the following paragraph 1c is inserted:

"1c. The Commission shall inform the Economic and Financial Committee and the competent committee in the European Parliament of the reasons for surveillance visits."

Or. en

Amendment 283
Jürgen Klute

Proposal for a regulation – amending act
Article 1 – point 11
Regulation (EC) No 1467/97
Article 11

Text proposed by the Commission

Amendment

Whenever the Council decides to apply sanctions to a participating Member State in accordance with Article 126(11) of the Treaty, a fine shall, as a rule, be required. The Council may decide to supplement this fine by the other measures provided for in Article 126(11) of the Treaty.'

deleted

Or. en

Amendment 284
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 11
Regulation (EC) No 1467/97
Article 11

Text proposed by the Commission

Amendment

Whenever the Council decides to apply sanctions to a participating Member State in accordance with Article 126(11) of the Treaty, a fine shall, as a rule, be required. The Council may decide to supplement this fine by the other measures provided for in Article 126(11) of the Treaty.'

deleted

Or. pt

Amendment 285
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 11
Regulation (EC) No 1467/97
Article 11

Text proposed by the Commission

Amendment

Whenever the Council decides to apply sanctions to a participating Member State in accordance with Article 126(11) of the Treaty, a ***fine*** shall, as a rule, be required. The Council may decide to supplement this ***fine*** by the other measures provided for in Article 126(11) of the Treaty.

Whenever the Council decides to apply sanctions to a participating Member State in accordance with Article 126(11) of the Treaty, a ***non-interest-bearing deposit*** shall, as a rule, be required. The Council may decide to supplement this ***deposit*** by the other measures provided for in Article 126(11) of the Treaty.

Or. en

Amendment 286
Antolín Sánchez Presedo

Proposal for a regulation – amending act
Article 1 – point 11 a (new)
Regulation (EC) No 1467/97
Article 11 – Paragraph 1a (new)

Text proposed by the Commission

Amendment

(11a) the following paragraph has been inserted:

"The European Parliament may invite the Member State concerned, within three months of the date of the announcement of the sanctions referred to in paragraph 1, to explain before its competent committee the reasons why, despite the warnings received, it has not corrected the excessive deficit. The Member State may also ask to be invited to the European Parliament for the same purposes."

Or. en

Amendment 287

Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 1

Text proposed by the Commission

Amendment

1. The amount of the fine shall comprise a fixed component equal to 0,2 % of GDP, and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.

deleted

Or. pt

Amendment 288
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 1

Text proposed by the Commission

1. The amount of the fine shall **comprise a fixed component equal to 0,2** of GDP, **and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.**

Amendment

1. The amount of the fine shall **not exceed the upper limit of 0,03** of GDP.

Or. en

Amendment 289
Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 1

Text proposed by the Commission

1. The amount of the **fine** shall comprise a fixed component equal to 0,2 of GDP, and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for

Amendment

1. The amount of the **deposit** shall comprise a fixed component equal to 0,2 of GDP, and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for

government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.

government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty. ***In case of severe economic downturn the Council may delay the application of the sanction already decided for a period deemed appropriated after taking into account all relevant factors .***

Or. en

Amendment 290
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 12
Regulation (EC) No 1467/97
Article 12 – paragraph 1

Text proposed by the Commission

1. The amount of the fine shall comprise a fixed component equal to 0,2 of GDP, and a variable component. ***The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.***

Amendment

1. The amount of the fine shall comprise a fixed component equal to 0,2 of GDP, and a variable component, with the ***latter based on an assessment by the Council on whether the participating Member State has taken effective action in accordance with Article 126 (9) of the Treaty***

Or. en

Amendment 291

Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 1

Text proposed by the Commission

1. The amount of the fine shall comprise a fixed component equal to **0,2 %** of GDP, and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.

Amendment

1. The amount of the fine shall comprise a fixed component equal to **0,4 %** of GDP, and a variable component. The variable component shall amount to one tenth of the difference between the deficit as a percentage of GDP in the preceding year and either the reference value for government deficit or, if non compliance with budgetary discipline includes the debt criterion, the general government balance as a percentage of GDP that should have been achieved in the same year according to the notice issued under Article 126(9) of the Treaty.

Or. en

Amendment 292

Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 2

Text proposed by the Commission

2. Each following year, until the decision on the existence of an excessive deficit is abrogated, the Council shall assess whether the participating Member State concerned has taken effective action in response to the Council notice in accordance with Article 126(9) of the Treaty. ***In this annual assessment the Council shall decide, in accordance with Article 126(11) of the***

Amendment

2. Each following year, until the decision on the existence of an excessive deficit is abrogated, the Council shall assess whether the participating Member State concerned has taken effective action in response to the Council notice in accordance with Article 126(9) of the Treaty.

Treaty, to intensify the sanctions, unless the participating Member State concerned has complied with the Council notice. If an additional fine is decided, it shall be calculated in the same way as for the variable component of the fine in paragraph 1.

Or. en

Amendment 293
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 12
Regulation (EC) No 1467/97
Article 12 – paragraph 2

Text proposed by the Commission

2. Each following year, until the decision on the existence of an excessive deficit is abrogated, the Council shall assess whether the participating Member State concerned has taken effective action in response to the Council notice ***in accordance with Article 126(9) of the Treaty***. In this annual assessment the Council shall decide, in accordance with Article 126(11) of the Treaty, to intensify the ***sanctions***, unless the participating Member State concerned has ***complied with*** the Council notice. ***If an additional fine is decided, it shall be calculated in the same way as for the variable component of the fine in paragraph 1.***

Amendment

2. Each following year, until the decision on the existence of an excessive deficit is abrogated, the Council shall assess whether the participating Member State concerned has taken effective action in response to the Council notice. In this annual assessment the Council shall decide, in accordance with Article 126(11) of the Treaty, to intensify the ***recommendations***, unless the participating Member State concerned has ***achieved the reference values proposed in*** the Council notice.

Or. pt

Amendment 294
Miguel Portas

Proposal for a regulation – amending act
Article 1 – point 12

Regulation (EC) No 1467/97
Article 12 – paragraph 3

Text proposed by the Commission

Amendment

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 % of GDP.'

deleted

Or. pt

Amendment 295
Edit Herczog

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97
Article 12 – paragraph 3

Text proposed by the Commission

Amendment

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 of **GDP**.

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 of **GNI, furthermore rationale for the 0,5% upper limit should be given.**

Or. en

Justification

The GDP should be replaced by the Gross National Income (GNI). The GNI namely comprises the GDP produced within a country, however adjusted with its income received from other countries (notably interest and dividends), less similar payments made to other countries. The rationale of this proposal is, that if a country becomes increasingly in debt, and has to spend large amounts of income servicing this debt, this will be reflected in the decreased GNI but not by the GDP. Accordingly the penalty will be based only on the disposable income, but not on the debt servicing to the creditors.

Amendment 296
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97
Article 12 – paragraph 3

Text proposed by the Commission

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of **0,5 %** of GDP.

Amendment

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of **0,01 %** of GDP

Or. en

Amendment 297
Elisa Ferreira

Proposal for a regulation – amending act
Article 1 – point 12
Regulation (EC) No 1467/97
Article 12 – paragraph 3

Text proposed by the Commission

3. **Any single fine referred to in paragraphs 1 and 2** shall not exceed **the upper limit of 0,5 %** of GDP.

Amendment

3. **The total yearly amount of fines imposed on a Member State in the context of an Excessive Deficit Procedure added to those due in the context of an Excessive Imbalances Procedure, shall not exceed 0,3% of its GDP except in cases of fines imposed for reasons stated in paragraph 4a of Regulation (EU) No [.../...]**

Or. en

Amendment 298
Edward Scicluna

Proposal for a regulation – amending act
Article 1 – point 12
Regulation (EC) No 1467/97
Article 12 – paragraph 3

Text proposed by the Commission

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of

Amendment

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of

0,5 % of GDP.

0,2 % of GDP.

Or. en

Amendment 299
Philippe Lamberts

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 3

Text proposed by the Commission

3. Any single *fine* referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 of GDP.

Amendment

3. Any single *deposit* referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 of GDP.

Or. en

Amendment 300

Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark, Olle Schmidt

Proposal for a regulation – amending act

Article 1 – point 12

Regulation (EC) No 1467/97

Article 12 – paragraph 3

Text proposed by the Commission

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of 0,5 of GDP.

Amendment

3. Any single fine referred to in paragraphs 1 and 2 shall not exceed the upper limit of 1 of GDP.

Or. en

Amendment 301

Miguel Portas

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97
Article 16

Text proposed by the Commission

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.'

deleted

Or. pt

Amendment 302
Rodi Kratsa-Tsagaropoulou

Proposal for a regulation – amending act
Article 1 – point 14
Regulation (EC) No 1467/97
Article 16

Text proposed by the Commission

Amendment

Fines referred to in Article 12 of this Regulation shall ***constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.***

Fines referred to in Article 12 of this Regulation shall ***be credited to the Community budget.***

Or. el

Amendment 303
Jürgen Klute

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97

Article 16

Text proposed by the Commission

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be ***distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.***

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be ***used in order to reach the Union's investment and jobs goals and, in particular, for the benefit of the poorest regions in the Union.***

Or. en

Amendment 304
Thomas Händel

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97

Article 16

Text proposed by the Commission

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which ***do not*** have ***excessive*** deficit as determined in accordance with Article 126(6) of the Treaty ***and which are not the subject of an***

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which have ***an economic trade*** deficit as determined in accordance with Article 126(6) of the Treaty, ***strictly linked to sustainable economic, social and***

excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.

environmental investments.

Or. en

Amendment 305
Philippe Lamberts

Proposal for a regulation – amending act
Article 1 – point 14
Regulation (EC) No 1467/97
Article 16

Text proposed by the Commission

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be *distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.*

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be *used as guarantees for EU relevant projects financed by the European Investment Bank in conformity with provisions of Protocol No 5* of the Treaty.

Or. en

Amendment 306
Astrid Lulling

Proposal for a regulation – amending act
Article 1 – point 14
Regulation (EC) No 1467/97
Article 16

Text proposed by the Commission

Amendment

Fines referred to in Article 12 of this Regulation shall ***constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.***

Fines referred to in Article 12 of this Regulation shall ***be credited to the European Financial Stability Facility or, upon its expiry, to the permanent crisis mechanism (“European Stability Mechanism”) set up under Article 136(3) TFEU ..***

Or. en

Justification

In order to strengthen the capital basis of the EFSF (or other permanent crisis mechanism under Article 136(3) TFEU (“European Stability Mechanism”), fines should be credited to the EFSF instead of distributed to participating Member States which do not have excessive deficits and which are not subject to an EIP. Given the fact that the EFSF shall expire in 2013, reference should also be made to the permanent crisis mechanism under Article 136(3) TFEU (the “European Stability Mechanism”) as already agreed by the Eurogroup of 28 November 2010 and the European Council of 28-29 October 2010 and 16-17 December 2010 to replace the EFSF.

Amendment 307

Burkhard Balz

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97

Article 16

Text proposed by the Commission

Amendment

Fines referred to in Article 12 of this Regulation shall ***constitute other revenue referred to in Article 311 of the Treaty and shall be distributed among participating Member States which do not***

Fines referred to in Article 12 of this Regulation shall ***be allocated to the stability mechanism announced in a Council Decision on 16 December 2010. Until the establishment of this mechanism***

have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.

the fines shall be credited to the European Financial Stability Facility.

Or. en

Amendment 308

Diogo Feio

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97

Article 16

Text proposed by the Commission

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be *distributed among participating* Member States *which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.*

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue, *as* referred to in Article 311 of the Treaty, and shall be *assigned to stability mechanisms to provide financial assistance, created by* Member States *whose currency is the euro in order to safeguard the stability of the euro area as a whole, notably the European Financial Stability Facility or any other mechanism that may substitute this latter after its date of expiry.*

Or. en

Amendment 309

Edward Scicluna

Proposal for a regulation – amending act

Article 1 – point 14

Regulation (EC) No 1467/97

Article 16

Text proposed by the Commission

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be ***distributed among participating Member States which do not have excessive deficit as determined in accordance with Article 126(6) of the Treaty and which are not the subject of an excessive imbalance procedure within the meaning of Regulation (EU) No [.../...], in proportion to their share in the total gross national income (GNI) of the eligible Member States.***

Amendment

Fines referred to in Article 12 of this Regulation shall constitute other revenue referred to in Article 311 of the Treaty and shall be ***credited to the European Financial Stability Mechanism or equivalent institution.***

Or. en

Amendment 310
Gunnar Hökmark

Proposal for a regulation – amending act

Article 1 – point 14 a (new)

Regulation (EC) No 1467/97

Article 17 a (new)

Text proposed by the Commission

Amendment

Article 17a

Article 2 (1a) shall not apply to a Member State that is subject to an excessive deficit procedure at the date of adoption of this Regulation, if the Member State concerned complies with its Stability or Convergence Programme and related Council Opinions. Article 2(1a) shall apply once that procedure has been abrogated.

Or. en

Amendment 311
Jürgen Klute

Proposal for a regulation – amending act
Article 2 – paragraph 1

Text proposed by the Commission

This Regulation shall enter into force **on** the **twentieth day following that of its publication in the Official Journal of the European Union.**

Amendment

This Regulation shall enter into force **when the following conditions are fulfilled:**

- a transparent social impact assessment undertaken by the Commission has proven the appropriateness of the regulations and directives linked to the Economic Governance package for reaching the Union’s goals for growth, employment and the reduction of poverty as set out in the EU 2020 strategy;**
- the effective regulation of financial markets in the Union prevent macroeconomic and macrofinancial imbalances from being reinforced by external threats. This regulation shall include the European ban of short sellings and OTC derivatives as well as the introduction of a European financial transaction tax;**
- normal economic circumstances have been re-established throughout the Union;**

Or. en

Amendment 312
Jürgen Klute

Proposal for a regulation – amending act
Article 2 – paragraph 1

Text proposed by the Commission

This Regulation shall enter into force **on** the **twentieth day following that of its**

Amendment

This Regulation shall enter into force **when normal economic circumstances have**

publication in the Official Journal of the European Union.

been re-established and once it is assured via an effective regulation of financial markets that sovereign bonds are not object to speculation anymore.

Or. en

Amendment 313
Philippe Lamberts

Proposal for a regulation – amending act
Article 2 – paragraph 1

Text proposed by the Commission

Amendment

This Regulation shall enter into force on the *twentieth day following that of its publication in the Official Journal of the European Union.*

This Regulation shall enter into force on the *first of January 2013*

Or. en